

**SCHOOL DISTRICT
OF
WEEHAWKEN**

Weehawken Board of Education
Hudson County, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020

Comprehensive Annual

Financial Report

of the

Weehawken Board of Education

For the Fiscal Year Ended June 30, 2020

WEEHAWKEN BOARD OF EDUCATION
Fiscal Year Ended June 30, 2020

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WEEHAWKEN TOWNSHIP SCHOOL DISTRICT

53 Liberty Place Weehawken, NJ 07086
201.422.6126 | WeehawkenSchools.net | @WeehawkenTSD

Mr. Eric Crespo
Superintendent of Schools

Mr. Matthew Whitford
Board Secretary/Business Administrator

January 25, 2021

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

Dear Board Members and Constituents of Weehawken:

The comprehensive annual financial report of the Weehawken School District (the "District") for the fiscal year ended June 30, 2020, 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 District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this letter of transmittal, the District's organizational chart, roster of officials and consultants and advisors. The financial section includes under the new Governmental Accounting Standard District Statement No. 34, the Report of Independent Accountants, the Management Discussion and Analysis, the basic financial statements, required supplementary information, the combining and individual fund financial statements, and related notes to the financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards ("Uniform Guidance")*, and N.J. OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's reports covering compliance with applicable laws, regulations and requirements, and internal control over compliance and financial reporting, as well as a schedule of related findings, are included in the single audit section of this report.

1.) **REPORTING ENTITY AND ITS SERVICES:** The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The District and all its schools constitute the Board's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped youngsters. The District also provides preschool educational services. The District completed the 2019-2020 fiscal year with an enrollment of 1,363 students, which are 41 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	1,363	(2.92%)
2018-2019	1,404	4.46%
2017-2018	1,344	(2.22%)
2016-2017	1,347	(1.75%)
2015-2016	1,371	3.24%
2014-2015	1,328	1.50%

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

3.) **MAJOR INITIATIVES:** Initiatives undertaken during the 2019-20 school year continued despite Covid19's disruption. Our dual credit program with Saint Peter's University has expanded to also include Fairleigh Dickinson University. Both the number of courses offered and the number of students participating have risen. We constructed a new hydroponics lab which will open for growing soon. We have opened three new self-contained classrooms for our special needs students. We have purchased 500 new Chromebooks for our students and have ordered replacement devices for our staff members. Further, we are continuing to enhance our curriculum and program by providing training and development within our PLCs and improving our interdisciplinary lessons, Amistad supported curriculum units and virtual instruction.

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

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

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

5.) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of Township of Weehawken. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements, accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2020.

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

7.) DEBT ADMINISTRATION: At June 30, 2020, the District's outstanding debt issues included \$22,115,000 of general obligation bonds, obligations under capital leases of \$82,893 and compensated absences payable of \$222,703.

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

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

10.) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Garbarini & Co. P.C., CPAs, RMAs, PSAs, was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (“*Uniform Guidance*”), and N.J. OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor’s report on the general - purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

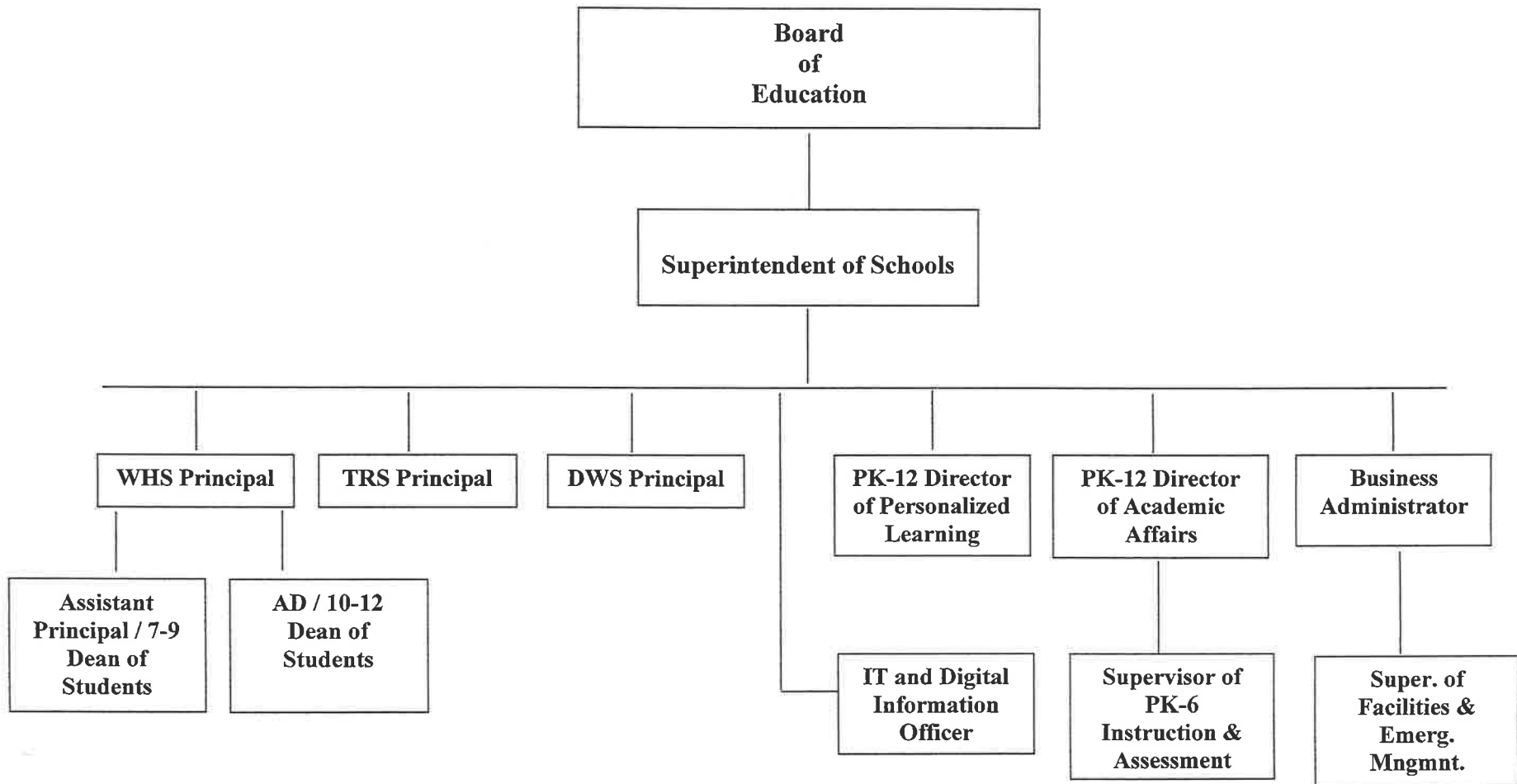
11.) ACKNOWLEDGMENT: We would like to express our appreciation to the members of the Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,

Eric Crespo

Eric Crespo
Superintendent

**WEEHAWKEN BOARD OF EDUCATION
WEEHAWKEN, NEW JERSEY
ORGANIZATIONAL CHART
JUNE 30, 2020**



**WEEHAWKEN BOARD OF EDUCATION
WEEHAWKEN, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2020**

Members of the Board of Education

Term Expires

John Cannata, President	2021
Jennifer Bolcar, Vice President	2024
Meg Carson	2021
Richard Pinal	2024
Susan Morales Jennings	2022
Francis J. Pizzuta	2022
Julian Brian Mera	2022
Noelberto Sanchez	2024

Other Officials

Eric Crespo	Superintendent
Matthew Whitford	Business Administrator
Lisa Toscano	Treasurer of School Moneys
Ryglicki & Gillman, P.C.	Attorney

WEEHAWKEN BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Garbarini & Co. P.C. CPAs
Registered Municipal Accountants
Public School Accountants
285 Division Avenue & Route #17 South
Carlstadt, New Jersey 07072

Attorney

Ryglicki & Gillman, P.C.
9060 Palisade Avenue, Suite C6
North Bergen, New Jersey 07047

Official Depository

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

Capital One Bank
4714 Park Avenue
Weehawken, New Jersey 07086

And

TD Bank
4200 Park Avenue
Weehawken, New Jersey 07086

FINANCIAL SECTION

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey (the "District"), as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements (the "financial statements") as listed in the table of contents.

Management's Responsibility for 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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, and State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluation 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 District, as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 11 through 19 and 65 through 68 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statement as listed in the table of contents. The accompanying supplementary (schedules/statements/information) and schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, ("Uniform Guidance") and N.J. OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are presented for the purpose of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements, in accordance with the accounting principles generally accepted in the United States of America.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2021 on our consideration of the District's internal control over financial reporting and 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 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 District's internal control over financial reporting and compliance.



Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534
Public School Accountant
No. 2415



Garbarini & Co. P.C. CPAs

Carlstadt, New Jersey
January 25, 2021

Required Supplementary Information

Part I

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The discussion and analysis of the Weehawken School District's (the "District") financial performance provides an overall review of the Weehawken Board of Education's (the "Board") financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2020 are as follows:

- In total, net position is \$(5,644,778). Net position of governmental activities is \$(5,720,693), an increase of \$1,026,324, compared to fiscal year 2019. Net position of the business-type activity, which represents food service, and Latchkey Program, are \$75,915.
- Governmental Funds Revenues total \$34,575,073 and the Local Tax Levy is \$22,997,424. Local PILOT revenue totaled \$725,000, and Sale of Property Revenue is \$1,900,000. State Revenue is \$7,856,757 and the Federal Revenue is \$813,093.
- The District has experienced a slight decrease in student enrollment. Actual enrollment for the year ended June 30, 2020 was 1,363, which reflects a 2.92% decrease from the previous year.

Using the Basic Financial Statements

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

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

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Reporting the Weehawken School District as a Whole

Statement of Net Assets and Statement of Activities

While this report contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole look at all financial transactions and asks the question, "How did we do financially during the fiscal year 2020?" The statement of net position and liabilities uses the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash was received or paid.

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

In the statement of net position and the statement of changes in net position, the District is divided into two distinct kinds of activities:

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

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

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Reporting the Weehawken District's Most Significant Funds

Fund Financial Statements

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

Governmental Fund

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

Enterprise Fund

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

The Weehawken School District as a Whole

The perspective of the statement of net position is of the District as a whole. Table 1 provides a summary of the District's net position for 2020 with comparative totals for 2019 and 2018.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Total assets equal \$25,129,777. Total assets for Governmental Activities is \$25,041,244. Total assets for Business Type Activities is \$88,533.

Table 1
Net Position

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
	2020	2020	2020	2019	2018
Assets:					
Current and other assets	\$ 4,329,154	\$ 36,703	\$ 4,365,857	\$ 13,013,523	\$ 14,411,937
Capital assets, net	20,712,090	51,830	20,763,920	15,153,443	11,906,167
Total assets	<u>\$ 25,041,244</u>	<u>\$ 88,533</u>	<u>\$ 25,129,777</u>	<u>\$28,166,966</u>	<u>\$26,318,104</u>
Deferred outflow of resources					
Pension deferred outflows	<u>1,227,655</u>		<u>1,227,655</u>	<u>1,108,582</u>	<u>1,915,880</u>
Liabilities:					
Current and other liabilities	\$ 9,373,067	\$ 12,618	\$ 9,385,685	\$ 11,816,013	\$ 8,637,578
Long-term liabilities	20,665,422		20,665,422	22,270,866	23,064,413
Total liabilities	<u>\$ 30,038,489</u>	<u>\$ 12,618</u>	<u>\$ 30,051,107</u>	<u>\$ 34,086,879</u>	<u>\$ 31,701,991</u>
Deferred inflows of resources					
Pension deferred inflows	<u>1,951,103</u>		<u>1,951,103</u>	<u>1,809,265</u>	<u>1,376,712</u>
Net position:					
Invested in capital assets -					
Net of related debt	\$ (1,130,803)	\$ 51,830	\$ (1,078,973)	\$ (7,981,716)	\$ (11,856,931)
Restricted	1,375,399		1,375,399	7,801,765	12,896,315
Unrestricted	(5,965,289)	24,085	(5,941,204)	(6,440,645)	(5,884,103)
Total net position	<u>\$ (5,720,693)</u>	<u>\$ 75,915</u>	<u>\$ (5,644,778)</u>	<u>\$ (6,620,596)</u>	<u>\$ (4,844,719)</u>

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Table 2 reflects the change in net position for fiscal year 2020 with comparative data for 2019 and 2018.

Table 2 Changes in Net Position					
	Governmental Activities	Business-type Activities	Total	Total	Total
	2020	2020	2020	2019	2018
Revenues:					
Program revenues:					
Charges for services	\$ 79,677	\$ 269,959	\$ 349,636	\$ 474,132	\$ 414,052
Operating grants and contributions	10,797,134	192,488	10,989,622	11,850,810	13,424,653
Total program revenues	10,876,811	462,447	11,339,258	12,324,942	13,838,705
General revenues:					
Property taxes	22,997,424		22,997,424	21,971,851	20,774,576
Local- PILOT Contribution	725,000		725,000	757,000	
Sale of Property	1,900,000		1,900,000		
Grants and entitlements - budget vs. GAAP	48,283		48,283	12,982	7,727
Fixed asset retirements/adjustments - net	(30,709)		(30,709)	5,651	(36,392)
Adjustments: capital leases	32,266		32,266	(17,061)	56,227
Miscellaneous Adjustment-Pension Expense	(983)		(983)	(215,978)	(29,517)
Miscellaneous	203,122	(358)	202,764	594,806	377,604
Total general revenues	25,874,403	(358)	25,874,045	23,109,251	21,150,225
TOTAL REVENUES	36,751,214	462,089	37,213,303	35,434,193	34,988,930
Functional/program expenses:					
Instruction	19,064,792		19,064,792	19,887,537	20,031,373
Support services:			-	-	-
Pupil and instructional staff	7,980,854		7,980,854	7,587,251	6,722,005
Bd. of ed., admin. and fiscal	3,374,636		3,374,636	3,492,709	3,918,808
Operation and maintenance of plant	3,005,777		3,005,777	2,567,957	2,919,311
Pupil transportation	1,385,538		1,385,538	1,784,338	1,446,165
Unallocated depreciation	114,449		114,449	82,408	72,427
Interest on long-term debt	715,980		715,980	966,964	295,386
Capital outlay - not capitalized			-	1,895	55,802
Charter Schools	101,761		101,761	120,360	167,540
Food service		348,261	348,261	412,177	404,538
Latchkey program		164,333	164,333	383,654	485,734
TOTAL EXPENSES	35,743,787	512,594	36,256,381	37,287,250	36,519,089
Excess /(deficiency) before special items and transfers	1,007,427	(50,505)	956,922	(1,853,057)	(1,530,159)
Special items:					
Transfers	18,897		18,897	77,180	87,711
Increase/(decrease) in net position	1,026,324	(50,505)	975,819	(1,775,877)	(1,442,448)
Net position - beginning of the year	(6,747,017)	126,420	(6,620,597)	(4,844,719)	(3,402,271)
Net position - end of the year	\$ (5,720,693)	\$ 75,915	\$ (5,644,778)	\$ (6,620,596)	\$ (4,844,719)

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The total increase in Net Position for Governmental Activities is \$1,026,324. The total decrease in Net Position for Business Type Activities is \$(50,505) The net increase in Net Position is \$975,819.

Governmental Activities

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

Table 3a
Governmental Activities

	Total Cost of Services 2019-20	Percent of Total
Instruction	\$ 19,064,792	53.34%
Support services:		
Pupil and instructional staff	7,980,854	22.33%
Administrative and fiscal	3,374,636	9.44%
Operation and maintenance of plant	3,005,777	8.41%
Pupil transportation	1,385,538	3.88%
Unallocated depreciation	114,449	0.32%
Capital outlay		0.00%
Interest on long-term debt	715,980	2.00%
Charter Schools	101,761	0.28%
 Total expenses	 \$ 35,743,787	 100.00%

The Governmental Activities in the above chart demonstrate that \$19,064,792 are allocated to School Based Budgets and are identified as instruction. Additionally, pupil and instructional staff activities are \$7,980,854. The combined resources from instruction and pupil and instructional staff total \$27,045,646.

Together the aforementioned categories account for 75.67% of the Governmental Activities.

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

To date District has not been adversely impacted by Charter Schools. Currently, the contribution to Charter Schools by the District is \$101,761 The District sends a total of 7 students to four Charter Schools.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Business-Type Activity

	Total Cost of Services <u>2019-20</u>	Percent of Total <u> </u>
Revenue		
Charges for services	\$ 269,959	58.38%
Operating grants	192,488	41.62%
Total revenue	<u>462,447</u>	
Transfers/ Other		0.00%
Total revenue and transfers	<u>462,447</u>	<u>100.00%</u>
 Function/program expenses		
Food service	348,261	67.89%
Fixed Asset Retirements/ Other Adjustments	358	0.07%
Latchkey program	164,333	32.04%
Total expenses	<u>512,952</u>	<u>100.00%</u>
 Increase in net position	 <u>\$ (50,505)</u>	

The business-type activities of the District are the food service operation and Latchkey Program. These programs had revenues and transfers of \$462,447 and expenses of \$512,952 in fiscal year 2020. The District suggests that efforts continue to increase sales and reduce costs. The District and school administrators are committed and have concentrated efforts to ensure that all students who are eligible for free/reduced lunch submit the proper forms for eligibility in a timely manner.

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

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Sources of Revenue

The local tax revenue has been relatively stable for several years. The dependence upon state revenue for governmental activities is apparent. For all governmental activities, state revenues support over 23%. The community, as a whole, is 75% of the support and Federal revenue accounts for 2% of the total cost of programs for District students.

Table 4
Sources of Revenue

Fiscal Year Ended June 30	Local Tax Levy	Other Local Revenue	State Revenue	Federal Revenue	Total
2020	\$ 22,997,424	\$ 2,907,799	\$ 7,856,757	\$ 813,093	\$ 34,575,073

The total revenue from all sources is \$ 34,575,073.

The Weehawken School District's Funds

The District's governmental funds are accounted for using standards established by the Governmental Accounting Standard Board Memo No. 34. Total governmental funds had revenues and other financing sources of \$34,593,970 and expenditures and other financing uses of \$40,459,503. The positive fund balance for the year-end reflects what District was able to meet current costs. Negative fund balance for special revenue fund is as a result of the last state aid payment, which is delayed for budget purposes only, and is not considered a violation of New Jersey statute and regulation nor in need of corrective action.

General Fund Budgeting Highlights

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

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

For the General and Special Revenue Fund, final actual revenues and other financing sources, in the amount of \$29,055,443 were above original budgeted revenues and other financing sources not taking into account TPAF on be-behalf payments and TPAF social security reimbursements. This was due to increase in Miscellaneous revenue, Extra-ordinary aid over budgeted amounts, and amendment to budget to include Sale of Land installment payment from the Township of Weehawken net with decrease in state aid.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

General Fund Budgeting Highlights (Continued)

General Fund revenues and other financing sources were more than expenditures and other financing uses. Revenues over budget amounts totaled \$577,623 not including on be-half payments and TPAF social security reimbursements, and funds available not expended totaled \$1,098,673 of which \$381,786 were encumbered.

For the 2020-2021 District School Budget, \$0 of surplus was designated for subsequent years' expenditures and \$381,786 was committed surplus reserve for encumbrances. The allocation and projection of allocation of surplus are in compliance with New Jersey Department of Education Budgetary Guidelines.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2020, the District had \$20,712,090 invested in capital assets, for governmental activities, representing a net increase of \$5,620,035 compared to the prior year. This increase was mainly attributable to fixed asset additions totaling \$7,400,392 as a result of capital project for various school improvements and the decrease was due to depreciation expense in the amount of \$ 1,790,688. More detailed information about the District's capital assets and depreciation is presented in Note 3 to the financial statements.

Debt

At June 30, 2020, the District's outstanding debt issues included \$22,115,000 of general obligation bonds, obligations under capital leases of \$82,893 and compensated absences payable (presented in Note 7) of \$222,703. More detailed information about the District's long-term liabilities is presented in Note 4 of the financial statements.

Current Issues

The District has been able to provide a quality education for the students in our community. We are currently faced with the dilemma of increased academic requirements and decreases in state aid. Approximately seventy-five percent of our school budget is funded by local taxes, which during tough economic times makes it difficult to increase educational programs within budgeted guidelines.

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

Contacting the Weehawken School District's Financial Management

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

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**WEEHAWKEN BOARD OF EDUCATION
DISTRICT-WIDE FINANCIAL STATEMENTS
AT JUNE 30, 2020**

Exhibit A-1

STATEMENT OF NET POSITION

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 2,647,811	\$ 5,094	\$ 2,652,905
Receivables, net	1,159,970	15,804	1,175,774
Inventory		15,805	15,805
Restricted assets:			
Cash and cash equivalents	521,373		521,373
Capital assets: land	602,575		602,575
Capital assets: building & impr., machinery & equipment (net)	20,109,515	51,830	20,161,345
	<u>25,041,244</u>	<u>88,533</u>	<u>25,129,777</u>
DEFERRED OUTFLOWS OF RESOURCES			
	1,227,655		
Pension Deferred Outflows	<u>1,227,655</u>		<u>1,227,655</u>
LIABILITIES			
Accounts payable	2,553,910	12,618	2,566,528
Net Pension Liability (Note 7)	4,990,723		4,990,723
Deferred revenue	73,260		73,260
Noncurrent liabilities :			
Due within one year	1,755,174		1,755,174
Due beyond one year	20,665,422		20,665,422
	<u>30,038,489</u>	<u>12,618</u>	<u>30,051,107</u>
DEFERRED INFLOWS OF RESOURCES			
	1,951,103		
Pension Deferred Inflows	<u>1,951,103</u>		<u>1,951,103</u>
NET POSITION			
Invested in capital assets, net of related debt	(1,130,803)	51,830	(1,078,973)
Restricted for:			
Debt service	140,778		140,778
Capital projects	70,885		70,885
Other purposes	1,163,736		1,163,736
Unrestricted	(5,965,289)	24,085	(5,941,204)
	<u>\$ (5,720,693)</u>	<u>\$ 75,915</u>	<u>\$ (5,644,778)</u>

See independent auditor's report and notes to the financial statements

WEEHAWKEN BOARD OF EDUCATION
DISTRICT-WIDE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Exhibit A-2

STATEMENT OF CHANGES IN NET POSITION

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	\$ 15,001,575	\$ -	\$ 4,754,354	\$ -	\$ (10,247,221)	\$ -	\$ (10,247,221)
Special education	2,337,230		550,352		(1,786,878)		(1,786,878)
Other special instruction	392,086		92,702		(299,384)		(299,384)
Other instruction	1,333,901		338,428		(995,473)		(995,473)
Support services:							
Tuition	3,864,628	79,677	1,631,341		(2,153,610)		(2,153,610)
Student & instruction related services	4,116,226		1,144,663		(2,971,563)		(2,971,563)
School administrative services	1,299,633		283,099		(1,016,534)		(1,016,534)
General and business administrative services	1,536,912		339,244		(1,197,668)		(1,197,668)
Central services	538,091		127,763		(410,328)		(410,328)
Plant operations and maintenance	3,005,777		848,650		(2,157,127)		(2,157,127)
Pupil transportation	1,385,538		150,232		(1,235,306)		(1,235,306)
Charter schools	101,761		42,954		(58,807)		(58,807)
Interest on long-term debt	715,980		493,352		(222,628)		(222,628)
Capital outlay - not capitalized					-		-
Unallocated depreciation	114,449				(114,449)		(114,449)
Total governmental activities	35,743,787	79,677	10,797,134	-	(24,866,976)	-	(24,866,976)
Business-type activities:							
Food service	348,261	125,267	192,488			(30,506)	(30,506)
Latchkey program	164,333	144,692				(19,641)	(19,641)
Total business-type activities	512,594	269,959	192,488	-		(50,147)	(50,147)
Total primary government	\$ 36,256,381	\$ 349,636	\$ 10,989,622	\$ -	\$ (24,866,976)	\$ (50,147)	\$ (24,917,123)
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					\$ 21,519,163	\$ -	\$ 21,519,163
Taxes levied for debt service					1,478,261		1,478,261
Local- PILOT Contribution					725,000		725,000
Sale of Property					1,900,000		1,900,000
Federal and State aid Budget vs. GAAP					48,283		48,283
Miscellaneous Income					203,122		203,122
Adjustment : Capital Leases Proceeds/Net of Payments					32,266		32,266
Adjustment : Fixed Asset Retirements /Adjustments					(30,709)		(30,709)
Canceled prior year receivable						(358)	(358)
Miscellaneous Adjustment- Pension Expense					(983)		(983)
Transfers					18,897		18,897
Total general revenues, special items, extraordinary items and transfers					25,893,300	(358)	25,892,942
Change in Net Position					1,026,324	(50,505)	975,819
Net Position—beginning					(6,747,017)	126,420	(6,620,597)
Net Position—ending					\$ (5,720,693)	\$ 75,915	\$ (5,644,778)

See independent auditor's report and notes to the financial statements

FUND FINANCIAL STATEMENTS

WEEHAWKEN BOARD OF EDUCATION
GOVERNMENTAL FUNDS
AT JUNE 30, 2020

Exhibit B-1

BALANCE SHEET

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 2,637,863	\$ 2,704	\$ 429,836	\$ 88,833	\$ 3,159,236
Investments	9,948				9,948
Due from other funds	498,237		10,331	184,061	692,629
Receivables from other governments	744,215	369,494			1,113,709
	<u>\$ 3,890,263</u>	<u>\$ 372,198</u>	<u>\$ 440,167</u>	<u>\$ 272,894</u>	<u>\$ 4,975,522</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,229,322	\$ 139,367	\$ 185,221	\$ -	\$ 2,553,910
Interfund payable	10,331	319,860	184,061	132,116	646,368
Deferred revenue		73,260			73,260
Total liabilities	<u>2,239,653</u>	<u>532,487</u>	<u>369,282</u>	<u>132,116</u>	<u>3,273,538</u>
Fund balances:					
Restricted fund balance:					
Reserved excess surplus- designated for subsequent year's expenditures					-
Reserve for excess surplus	781,950				781,950
Committed fund balance:					
Year-end encumbrances	381,786				381,786
Assigned fund balance:					
Designated for subsequent year's expenditures				99,530	99,530
Unassigned fund balance reported in:					
General fund	486,874				486,874
Special revenue fund		(160,289)			(160,289)
Debt service fund				41,248	41,248
Capital projects fund			70,885		70,885
Total fund balance	<u>1,650,610</u>	<u>(160,289)</u>	<u>70,885</u>	<u>140,778</u>	<u>1,701,984</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,890,263</u>	<u>\$ 372,198</u>	<u>\$ 440,167</u>	<u>\$ 272,894</u>	<u>\$ 4,975,522</u>

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

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. The cost of the assets is \$40,141,580 and the accumulated depreciation is \$19,429,490 (See Note 4)	20,712,090
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in fund financial statements. (See Note 7)	1,227,655
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund financial statements (See Note 7)	(1,951,103)
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:	
Net Pension Liability	(4,990,723)
Bonds Payable	(22,115,000)
Capital Lease Payable	(82,893)
Compensated Absences Payable	(222,703)
Net position of governmental activities	<u>\$ (5,720,693)</u>

WEEHAWKEN BOARD OF EDUCATION
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 21,519,163	\$ -	\$ -	\$ 1,478,261	\$ 22,997,424
Local - PILOT	725,000				725,000
Tuition charges	79,677				79,677
Sale of Property	1,900,000				1,900,000
Miscellaneous	203,122				203,122
Total - local sources	24,426,962	-	-	1,478,261	25,905,223
State sources	6,902,824	460,581		493,352	7,856,757
Federal sources	36,739	776,354			813,093
TOTAL REVENUE	31,366,525	1,236,935	-	1,971,613	34,575,073
EXPENDITURES					
Instruction:					
Regular instruction	7,716,015	1,163,158	-	-	8,879,173
Special education instruction	1,303,778				1,303,778
Other special instruction	219,609				219,609
Other instruction	801,733				801,733
Support services:					
Tuition	3,864,628				3,864,628
Student & instruction related services	2,401,670	116,449			2,518,119
School administrative services	670,659				670,659
Other administrative services	803,664				803,664
Central services	302,788				302,788
Plant operations and maintenance	2,010,442	-			2,010,442
Pupil transportation	1,018,227				1,018,227
Employee benefits	8,338,903	58,607			8,397,510
Transfer to charter school	101,761				101,761
Debt service:					
Principal				1,410,000	1,410,000
Interest and other charges				715,980	715,980
Capital outlay	30,709	10,331	7,400,392		7,441,432
TOTAL EXPENDITURES	29,584,586	1,348,545	7,400,392	2,125,980	40,459,503
Excess /(Deficiency) of revenues over expenditures	1,781,939	(111,610)	(7,400,392)	(154,367)	(5,884,430)
OTHER FINANCING SOURCES (USES)					
Bond Proceeds					-
Transfers in	-	-	-	18,897	18,897
Transfers out	-	-	-		-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	18,897	18,897
Net change in fund balances	1,781,939	(111,610)	(7,400,392)	(135,470)	(5,865,533)
Fund balance—July 1	(131,329)	(48,679)	7,471,277	276,248	7,567,517
Fund balance—June 30	\$ 1,650,610	\$ (160,289)	\$ 70,885	\$ 140,778	\$ 1,701,984

See independent auditor's report and notes to the financial statements

WEEHAWKEN BOARD OF EDUCATION
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Exhibit B-3

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

Total net change in fund balances - governmental funds (from B-2) \$ (5,865,533)

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

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

Depreciation expense	\$ (1,790,688)	
State of NJ payment of debt service charged to capital outlay	(30,709)	
Equipment not capitalized		
Adjustments to Fixed Assets -donated equipment/retirements		
Capitalized Leases		
Capital outlay	7,441,432	5,620,035

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period

(154,184)

Repayment of bond principal and capital leases are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

Repayment of bond principal	1,410,000	
Repayment of capital leases	32,266	
	1,442,266	1,442,266

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

-

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

Compensated absences earned/(retired)		(16,260)
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Change in net position of governmental activities		\$ 1,026,324
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**WEEHAWKEN BOARD OF EDUCATION
PROPRIETARY FUNDS
AT JUNE 30, 2020**

Exhibit B-4

STATEMENT OF NET POSITION

	Business-type Activities - Enterprise Funds		
	Food Service	Latchkey Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,085	\$ 9	\$ 5,094
Accounts receivable	15,804	-	15,804
Inventories	15,805	-	15,805
Total current assets	36,694	9	36,703
Noncurrent assets:			
Furniture, machinery & equipment	146,524	-	146,524
Less accumulated depreciation	(94,694)	-	(94,694)
Total noncurrent assets	51,830	-	51,830
TOTAL ASSETS	\$ 88,524	\$ 9	\$ 88,533
LIABILITIES AND NET POSITION			
Liabilities:			
Due to payroll account	\$ 3,958	-	\$ 3,958
Due to general fund	6,989	-	6,989
Accounts payable	1,671	-	1,671
Total liabilities	12,618	-	12,618
Net position:			
Invested in capital assets net of related debt	51,830	-	51,830
Unrestricted	24,076	9	24,085
Total net position	75,906	9	75,915
TOTAL LIABILITIES AND NET POSITION	\$ 88,524	\$ 9	\$ 88,533

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit B-5

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Business-type Activities - Enterprise Fund		
	Food Service	Latchkey Program	Total Enterprise
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ 85,104	\$ -	\$ 85,104
Daily sales - non-reimbursable programs	40,163		40,163
Community service activities		144,692	144,692
Total operating revenues	<u>125,267</u>	<u>144,692</u>	<u>269,959</u>
Operating expenses:			
Cost of sales-reimbursable programs	99,577		99,577
Cost of sales-non-reimbursable programs	14,383		14,383
Cost of sales- food distribution program	29,437		29,437
Salaries	83,313	150,021	233,334
Payroll taxes/benefits	24,939		24,939
Repairs and maintenance	12,881		12,881
Administrative fees	39,225		39,225
Outside services	8,989		8,989
Liability insurance	906		906
Uniforms	1,120		1,120
General supplies	18,563	14,312	32,875
Miscellaneous Equipment- Not capitalized	5,370		5,370
Depreciation	9,558		9,558
Total operating expenses	<u>348,261</u>	<u>164,333</u>	<u>512,594</u>
Operating (loss)	<u>(222,994)</u>	<u>(19,641)</u>	<u>(242,635)</u>
Non-operating revenues (expenses):			
State sources:			
State school lunch program	4,010		4,010
Federal sources:			
National school lunch program	159,041		159,041
Food distribution program	29,437		29,437
Canceled prior year / receivable	(358)		(358)
Retirement of equipment/adjustment			-
Total non-operating revenues/(expenses)	<u>192,130</u>	<u>-</u>	<u>192,130</u>
Change in net position	(30,864)	(19,641)	(50,505)
Total net position—beginning	<u>106,770</u>	<u>19,650</u>	<u>126,420</u>
Total net position—ending	<u>\$ 75,906</u>	<u>\$ 9</u>	<u>\$ 75,915</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit B-6

STATEMENT OF CASH FLOWS

	Business-type Activities - Enterprise Funds		
	Food Service	Latchkey Program	Total Enterprise
Cash flows from operating activities:			
Receipts from customers	\$ 124,132	\$ 144,692	\$ 268,824
(Payments) to employees	(83,313)	(150,021)	(233,334)
(Payments) for payroll taxes/employee benefits	(24,939)		(24,939)
(Payments) to suppliers	(223,168)	(14,460)	(237,628)
Net cash provided by (used for) operating activities	(207,288)	(19,789)	(227,077)
Cash flows from investing activities:			
Purchases of equipment		-	-
Net cash provided by (used for) investing activities	-	-	-
Cash flows from noncapital financing activities:			
State Sources	4,846		4,846
Federal Sources	207,527		207,527
Transfers from other funds			-
Net cash provided by (used for) non-capital financing activities	212,373	-	212,373
Net increase (decrease) in cash and cash equivalents	5,085	(19,789)	(14,704)
Balances—beginning of year	0	19,798	19,798
Balances—end of year	\$ 5,085	\$ 9	\$ 5,094
Reconciliation of operating (loss) to net cash provided by (used for) operating activities:			
Operating (loss)	\$ (222,994)	\$ (19,641)	\$ (242,635)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	9,558		9,558
Food distribution program	29,437		29,437
(Increase) decrease in accounts receivable, net	(1,135)		(1,135)
(Increase) decrease in inventories	(7,616)		(7,616)
Increase (decrease) in current liabilities	(14,538)	(148)	(14,686)
Total adjustments	15,706	(148)	15,558
Net cash provided by (used for) operating activities	\$ (207,288)	\$ (19,789)	\$ (227,077)

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
FIDUCIARY FUNDS
AT JUNE 30, 2020**

Exhibit B-7

STATEMENT OF FIDUCIARY NET POSITION

	<u>Expendable Trust Funds</u>	<u>Nonexpendable Trust</u>	<u>Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 23,642	\$ 1,000	\$ 290,593
Due from general fund			-
Due from food service fund	-		3,958
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 23,642</u>	<u>\$ 1,000</u>	<u>\$ 294,551</u>
 LIABILITIES AND NET POSITION			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Interfund payable - general fund	-	-	39,272
Payable to student groups	-	-	90,741
Payroll deductions and withholdings	-	-	164,538
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>294,551</u>
 Net Position:			
Held in trust for other purposes	23,642		
Reserved for scholarships		1,000	
	<u> </u>	<u> </u>	<u> </u>
TOTAL NET POSITION	<u>23,642</u>	<u>1,000</u>	<u>-</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 23,642</u>	<u>\$ 1,000</u>	<u>\$ 294,551</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit B-8

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	<u>Expendable Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Investment earnings:		
Interest	\$ 82	\$ -
Net investment earnings	82	-
TOTAL ADDITIONS	82	-
DEDUCTIONS		
Student Scholarships	4,000	-
TOTAL DEDUCTIONS	4,000	-
Change in net position	(3,918)	-
Net position—beginning of the year	27,560	1,000
Net position—end of the year	\$ 23,642	\$ 1,000

See independent auditor's report and notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Weehawken School District (the "District") is a Type II district located in the County of Hudson, State of New Jersey. As a Type II district, the District functions independently through the Weehawken Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. The District had an approximate enrollment at June 30, 2020 of 1,363 students.

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

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

Based on the aforementioned criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Accounting Standards

- GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.
- GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.
- GASB 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The District does not expect this Statement to impact its financial statements.

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Accounting Standards (Continued)

- GASB 66, *Technical Corrections – 2012, an Amendment of GASB Statements 10 and 62*, was effective beginning with the year ending June 30, 2014. The objective of this Statement is to improve accounting and financial reporting for a government financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions and No. 62 Codification of accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements.
- GASB 75, *Accounting for Financial Reporting of Postemployment Benefits Other Than Pension* was effective for fiscal years beginning after June 15, 2017. 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. The adoption of this Statement required the District to recognize a revenue and expense on the government-wide statement of activities for the State's proportionate share of the postemployment expense associated with the District. In addition, the District was required to include additional note disclosures (See Note 7) and required supplementary information related to the postemployment benefits.
- GASB 77, *Tax Abatement Disclosures*, provides financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The adoption of this statement had no impact on the basic financial statements of the School District.
- GASB 80, *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*, amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The adoption of this Statement had no impact on the basic financial statements of the School District.
- GASB 82, *Pension Issues and amendment of GASB Statements 67, 68 and 73*, addresses issues regarding (1) the presentation of payroll-related measures in requires supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The adoption of this Statement did not have a significant impact on the basic financial statements of the School District.
- GASB 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. The adoption of this Statement has been postponed to fiscal year 2021 of the School District.

C. Basic Financial Statements – District-Wide Statements

The District's basic financial statements include both District-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the District-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general operating services,

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basic Financial Statements – District-Wide Statements (Continued)

special revenue, capital projects, debt service and non-expendable trust funds are classified as governmental activities. The District's Food Service and Latchkey Program are classified as business-type activities.

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

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

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

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

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

D. Fund Financial Statements

The District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The New Jersey Department of Education (NJDOE) requires New Jersey Districts to treat each governmental fund as a major fund in accordance with GASB No. 34. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the District are grouped into the categories governmental, proprietary and fiduciary, as follows:

Governmental Funds

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

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

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued):

Governmental Funds (Continued)

General Fund (Continued):

As required by the NJDOE, the District includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America (GAAP) as they pertain to governmental entities, states that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

Special Revenue Fund: The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government (other than major capital project, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund: The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The GAAP applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Fund of the District:

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

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

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Proprietary Fund (Continued)

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

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

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

Fiduciary Funds

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

Expendable Trust Fund: An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Louis Ferullo Scholarship Fund.

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

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

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

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

See independent auditor’s report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Measurement Focus and Basis of Accounting

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

Measurement Focus

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

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

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

Basis of Accounting

The financial statements of the District have been prepared in conformity with GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

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

See independent auditor’s report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Measurement Focus and Basis of Accounting (Continued)

Ad Valorem (Property) Taxes are susceptible to accrual, and under New Jersey Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be "accounts receivable".

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

F. Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2 (m)l. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and GAAP with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

G. Encumbrances

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

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

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

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity date of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

I. Tuition Receivable

Tuition charges for the fiscal year 2019-2020 were established by the Board based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

J. Tuition Payable

Tuition charges for the fiscal years 2019-2020 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

K. Inventories and Prepaid Expenses

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors that will benefit periods beyond June 30, 2020. The District did not have any prepaid expenses at June 30, 2020.

L. Short-Term Interfund Receivables/Payables

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

For the purpose of the Statement of Changes in Net Position, all interfund transfers between individual funds have been eliminated.

M. General Fixed Assets

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

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

District-Wide Statements

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

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. General Fixed Assets (Continued)

District-Wide Statements (Continued)

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

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

Fund Financial Statements

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

N. Deferred Outflows and Deferred Inflows of Resources

District-Wide Statements

The statement of net position reports separate sections for deferred outflows and resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by Governmental Accounting Standards Board (GASB) standards. The District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans, and postemployment benefit plans.

O. Compensated Absences

In accordance with GAAP, the District accounts for compensated absences (e.g., unused vacation, sick leave). A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the right to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued sick leave up to \$7,000. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

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

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Deferred Revenue

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

Q. Long-Term Obligations

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

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

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

R. Equity Classifications

District-Wide Statements

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

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

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

S. Net Position

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

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Fund Balance

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

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

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

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

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

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

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

U. Operating and Nonoperating Revenue

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

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Expenditures/Expenses

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

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

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

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

W. Use of Estimates

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

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

As of June 30, 2020, the District’s deposits and investments are summarized as follows:

Reconciliation to District-Wide statement of net position:	
Unrestricted cash	\$ 2,652,905
Restricted cash	521,373
Trust and Agency Fund cash (not included in District-Wide statements)	315,235
	\$ 3,489,513

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

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

New Jersey Cash Management Fund - All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to ensure the quality of investments and to maximize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. Securities in the Fund are insured, registered or held by the Division or its agent in the Fund's name. As of June 30, 2020, the District had \$13,379 on deposit with the New Jersey Cash Management Fund.

As of June 30, 2020, the District implemented disclosure requirements of GASB No. 40 *Deposits and Investment Risk Disclosures* and, accordingly, the Authority has assessed the Custodial Credit Risk, the Concentration of Credit Risk, Credit Risk and Interest Rate Risk of its Cash and Cash Equivalents and Investments.

- (a) *Custodial Credit Risk* - The District deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, collateralized with securities held by the financial institution's trust department or agent but not in the depository government's name. The deposit risk is that, in the event of the failure of the financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the District and are held by either: the counterparty or the counterparty's trust department or agent but not in the District's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. As of June 30, 2020, the District's bank balance was not exposed to custodial credit risk since the full amount was covered by either FDIC insurance or GUDPA. The New Jersey Cash Management Fund which is administered by the State of New Jersey Department of the Treasury invests pooled monies from various State and non-State agencies in primarily short-term investments. The investments include: US Treasuries, Short-Term Commercial Paper, US Government Agency Bonds, Corporate Bonds, and Certificated of Deposits. Agencies that are part of the Fund typically earn returns that mirror short-term interest rates. The Fund is considered an investment pool and as such is not exposed to custodial credit risk. The District does not have a formal policy for deposit custodial credit risk other than to maintain sufficient funds in the checking account to cover checks that have not cleared the account as of a specific date.

As of June 30, 2020, there were no investments in the District's portfolio. The District does not have a formal policy for investment securities custodial risk other than to maintain a safekeeping account for the securities at a financial institution.

- (b) *Concentration of Credit Risk* - This is the risk associated with the amount of investments the District has with any one issuer that exceed 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the US government and investments in mutual funds, external investment pools, and other pooled investments were excluded from this requirement. The District places no limit on the amount it may invest in any one issuer. As of June 30, 2020, the District was not exposed to a concentration of credit risk.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

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

- (c) *Credit Risk* - GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the District does not have an investment policy regarding Credit Risk except to the extent previously outlined under the District's investment policy. The New Jersey Cash Management Fund is not rated.
- (d) *Interest Rate Risk* - This is the risk that changes in the interest rates will adversely affect the fair value of investment. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations, but the District does from time to time evaluate its investment portfolio to determine if, based on the interest rate environment, other investments would provide higher yields that lower the cost and risk.

NOTE 3. CAPITAL ASSETS AND DEPRECIATION

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

Donated capital assets are capitalized at estimated fair market value on the date donated. Capital outlay of \$7,441,432 (Exhibit B-2) reconciles to additions in the fixed assets schedule of \$7,410,723, except for (\$30,709) which was debt service aid withheld from the District's State aid payments.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: building - 50 years, improvements - 20 years, equipment 5 to 10 years. Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance June 30, 2019	Additions	Adjustment/ Disposals	Balance June 30, 2020
Governmental activities:				
Land	\$ 602,575	\$ -	\$ -	\$ 602,575
Buildings & building improvements	29,964,201	7,410,723		37,374,924
Machinery & equipment	2,164,081			2,164,081
Totals at historic cost	<u>32,730,857</u>	<u>7,410,723</u>	-	<u>40,141,580</u>
Less accumulated depreciation				
Buildings & building improvements	(16,388,584)	(1,609,147)		(17,997,731)
Machinery & equipment	(1,250,218)	(181,541)		(1,431,759)
Total accumulated depreciation	<u>(17,638,802)</u>	<u>(1,790,688)</u>	-	<u>(19,429,490)</u>
Governmental activities capital assets, net	<u>\$ 15,092,055</u>	<u>\$ 5,620,035</u>	<u>\$ -</u>	<u>\$ 20,712,090</u>
Business-type activities:				
Machinery & equipment	\$ 146,524			\$ 146,524
Totals at historic cost	<u>146,524</u>	-	-	<u>146,524</u>
Less accumulated depreciation, machinery & equipment	(85,136)	(9,558)		(94,694)
Business-type activities capital assets, net	<u>\$ 61,388</u>	<u>\$ (9,558)</u>	<u>\$ -</u>	<u>\$ 51,830</u>

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3. CAPITAL ASSETS AND DEPRECIATION (Continued)

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

Instruction:		
Regular	\$	543,556
Special education		-
Other instruction		-
Total instruction		543,556
Support services:		
Student & instructional related services		328,791
School administrative services		
General & business administrative services		545,312
Operation & maintenance of plant		214,351
Student transportation		44,228
Unallocated depreciation		114,450
Total support services		1,247,132
Total depreciation expense	\$	1,790,688

NOTE 4. ACCOUNTS RECEIVABLES

Accounts receivable at June 30, 2020 consisted of accounts (fees for services), intergovernmental awards/grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the District's individual major and fiduciary funds in the aggregate, are as follows:

Description	Governmental Funds			Total Governmental Activities	Proprietary Funds	
	General Fund	Special Revenue Fund	Debt Service Fund		Food Service Fund	Total
Federal Awards	\$ -	\$ 369,494	\$ -	\$ 369,494	\$ 2,631	\$ 372,125
State Awards	744,215		-	744,215	42	744,257
Other	-	-		-	13,131	13,131
	\$ 744,215	\$ 369,494	\$ -	\$ 1,113,709	\$ 15,804	\$ 1,129,513

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5. LONG-TERM DEBT

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

As of June 30, 2020, the governmental long-term debt of the District consisted of the following:

Bonds payable:	
Current portion	\$ 1,590,000
Non current portion	20,525,000
Accrued compensated absences:	
Current portion	131,528
Non current portion	91,175
Obligations under capital leases	
Current portion	33,646
Non current portion	49,247
Total governmental activity debt	<u>\$ 22,420,596</u>

As of June 30, 2020, there was no long-term debt payable from proprietary fund resources. During the fiscal year ended June 30, 2020, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance June 30, 2019	Issued	Retired/ Adjustments	Balance June 30, 2020	Amounts Due Within One Year	Long Term Portion
Bonds payable	\$ 23,525,000	\$ -	\$ (1,410,000)	\$ 22,115,000	\$ 1,590,000	\$ 20,525,000
Obigations under Capital leases	115,159		(32,266)	82,893	33,646	49,247
Compensated Absences Payable	206,443	37,880	(21,620)	222,703	131,528	91,175
	<u>\$ 23,846,602</u>	<u>\$ 37,880</u>	<u>\$ (1,463,886)</u>	<u>\$ 22,420,596</u>	<u>\$ 1,755,174</u>	<u>\$ 20,665,422</u>

A. Bonds Payable

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

In October 1993, the District issued serial bonds for general improvements to the District's property and in July, 2003, the District issued pension serial bonds for early retirement incentives payable. On July 27, 2017 the District issued serial bonds in the amount of \$16,000,000. The new project includes (a) building improvements and upgrades to the Daniel Webster Elementary School, Theodore Roosevelt Elementary School and Weehawken High School, including life safety system upgrades, sound system upgrades, and interior renovations; (b) to undertake improvements and upgrades to the science classrooms/laboratories at Weehawken High School. The approved State Aid for school facilities projects is in the form of annual debt service aid, with the amount of such annual State Aid to be 40% of the annual principal and interest payable on the \$15,775,363 bonds, being the final project costs approved by the State for school facilities projects pursuant to the Educational Facilities Construction and Financing Act, P.L. 2000,c.72. On December 20, 2017 the District issued refunding bonds in the amount of \$4,795,000 to refund its Series 2008 Bonds.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5. LONG-TERM DEBT (Continued)

Principal and interest due on those serial bonds outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,590,000	\$ 801,296	\$ 2,391,296
2022	1,505,000	743,786	2,248,786
2023	1,575,000	689,426	2,264,426
2024	1,590,000	518,783	2,108,783
2025	1,110,000	473,888	1,583,888
Thereafter	14,745,000	2,961,669	17,706,669
	<u>\$ 22,115,000</u>	<u>\$ 6,188,848</u>	<u>\$ 28,303,848</u>

B. Capital Leases

On December 1, 2019, September 19, 2014 and August 10, 2017, respectively, the Board signed three five-year leases for two school buses, one pick-up truck and one van. Principal and interest due on the capital lease obligations outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 33,646	\$ 3,667	\$ 37,313
2022	35,086	2,227	37,313
2023	14,161	724	14,885
	<u>\$ 82,893</u>	<u>\$ 6,618</u>	<u>\$ 89,511</u>

NOTE 6. PENSION PLANS

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

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

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

Summary of Significant Accounting Policies TPAF- For the 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$55,760,882 as measured on June 30, 2019 and \$57,197,704 as measured on June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$3,288,926 and revenue of \$3,288,926 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2020 is based upon changes in the collective net pension liability with a measurement period of June 30, 2018 through June 30, 2019. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon changes in the collective net pension liability between July 1, 2018 and June 30, 2019.

Although the district does not report net pension liability or deferred outflows or inflows related to TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/19</u>	<u>06/30/18</u>
Collective deferred outflows of resources	\$ 9,932,767,606	\$12,473,998,870
Collective deferred inflows of resources	17,539,845,423	16,180,773,643
Collective net pension liability (Nonemployer- State of New Jersey)	61,519,112,443	63,806,350,446
State's portion of the net pension liability that was associated with the district	55,760,882	57,197,704
State's portion of the net pension liabilities that was associated with the district as a percentage of the collective net pension liability	.0908587657%	.0899082600%

Actuarial Assumptions- The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The total pension liability for June 30, 2018 measurement date was determined by an actuarial valuation of July 1, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price:	2.75%
Wage:	3.25%
Salary increases through 2026:	1.55% -4.55% (based on years of service)
Thereafter:	2.75% -5.65% (based on years of service)
Investment Rate of Return:	7.00%

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019. The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 TPAF’s target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long- Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash equivalent	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. developed market equity	12.50%	9.00%
Emerging markets equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate: The discount rate used to measure the State's total pension liability was 5.60% and 4.86% as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00%, and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and 2017, respectively, based on the Bond Buyer G.O. 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. Since the District's has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/pdf/financial/gasb68-tpaf19.pdf>

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

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

Summary of Significant Accounting Policies - 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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

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

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources:

Defined Benefit Pension Plans – The difference between expected (actuarial and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the District's proportion of expenses and liabilities to the pension as a whole, differences between the District's pension contribution and its proportionate share of contributions, and the District's pension contributions subsequent to the pension valuation measurement date.

At June 30, 2019, the District reported a liability of \$4,990,723 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2018. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2019 and 2018. At June 30, 2019, the District's proportion was 0.027698%, which was an increase of 0.003018% from its proportion measured as of June 30, 2018.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

For the year ended June 30, 2020, the District recognized pension expense of \$423,600. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

Pension Reports Dated:	June 30, 2019		June 30, 2018	
	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>
	<u>Outflows of</u>	<u>Inflow of</u>	<u>Outflows of</u>	<u>Inflow of</u>
	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>
Difference between expected and actual experience	\$ 89,577	\$ 22,047	\$ 92,668	\$ 25,056
Changes of assumptions	498,342	1,732,264	800,733	1,553,747
Net difference projected and actual earnings on pension plan investments		78,781		45,580
Changes in proportion and differences between District and proportionate share of contributions	639,736	118,011	215,181	184,882
District contributions subsequent to the measurement date	270,399		246,404	
Total	<u><u>\$ 1,498,054</u></u>	<u><u>\$ 1,951,103</u></u>	<u><u>\$ 1,354,986</u></u>	<u><u>\$ 1,809,265</u></u>

\$270,399 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability measured as of June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>
2020	\$ (144,109)
2021	(467,488)
2022	(417,440)
2023	(196,009)
2024	(20,126)
Total	<u><u>\$ (1,245,173)</u></u>

Changes in Proportion The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for the 2019, 2018, 2017, 2016, 2015, and 2014 amounts, respectively.

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective deferred outflows of resources	\$2,122,619,897	\$3,619,985,444
Collective deferred inflows of resources	6,618,184,855	6,581,869,368
Collective net pension liability (Non-State-Local Group)	18,143,832,135	19,689,501,539
District's portion of net pension liability	4,990,723	4,859,304
District's proportion %	0.0276977994%	0.0246796719%

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

Actuarial assumptions. The collective total pension liability for June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Price:	2.75%
Wage:	3.25%
Salary Increases:	
Through 2026	2.00% – 6.00% based on years of service
Thereafter	3.00% – 7.00% based on years of service
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00 % at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equities	28.00%	8.26%
Non- U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

Discount rate. The discount rate used to measure the total pension liability was 6.28% and 5.66% and as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00%, and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and 2018, respectively, based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of the actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability measured as of June 30, 2019 and 2018, calculated using the discount rate of 6.25% and 5.66% respectively, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

June 30, 2019	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
	<u>5.28%</u>	<u>6.28%</u>	<u>7.28%</u>
District's proportionate share of the net pension liability	\$ 6,304,094	\$ 4,990,723	\$ 3,884,022
June 30, 2018	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
	<u>4.66%</u>	<u>5.66%</u>	<u>6.66%</u>
District's proportionate share of the net pension liability	\$ 6,110,015	\$ 4,859,304	\$ 3,810,038

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

PERS and TPAF Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

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

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

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

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

Three – Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/20	\$ 270,399	100%	0
06/30/19	246,404	100%	0
06/30/18	230,093	100%	0

Three – Year Trend Information for TPAF

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/20	\$ 2,737,276	100%	0
06/30/19	2,654,775	100%	0
06/30/18	2,235,185	100%	0

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. PENSION PLANS (Continued)

During the fiscal year ended June 30, 2020, the State of New Jersey contributed \$2,737,276 to the TPAF for normal, post-retirement benefits, and long term disability benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A: 66-66, the State of New Jersey reimbursed the District \$762,458 during the year ended June 30, 2020 for employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as a revenue and an expenditure. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

NOTE 7. POST-RETIREMENT BENEFITS

Plan description and benefits provided

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 year of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of 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. In Fiscal Year 2019, the State paid PRM benefits for 153,893 State and local retirees.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2019, the State contributed \$1.908 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State's "pay-as-you-go" contributions have remained consistent with Fiscal Year 2018 amounts. The State has appropriated \$1.612 billion in Fiscal Year 2020 as the State's contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2019 total State OPEB liability to provide these benefits is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the \$90.5 billion liability recorded in Fiscal Year 2018.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7. POST-RETIREMENT BENEFITS (continued):

Total OPEB Liability:

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State CAFR at <https://www.nj.gov/treasury/omb/cafr.shtml>

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2019 actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

The net OPEB Liability from the New Jersey's plan is \$ 41,729,081,045.

	<u>TPAF/ABP</u>	
Inflation	2.50%	
Salary increases:		
Through 2026	1.55-3.05%	average, including inflation
	Based on years of service	
Thereafter	1.55-3.05%	
	Based on years of service	
Discount rate	3.50%	
Healthcare cost trend rate:		
Pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits	5.70%	decreases to 4.50% long-term trend rate after 8 years
Self insured post-65 PPO and HMO medical benefits	4.50%	for all future years decreasing to 4.5% long-term trend rate after 8 years
Prescription drug benefits	7.50%	after 8 years
Medicare Part B reimbursement	5.00%	
Retirees' share of benefit related Costs	Varies	of projected health insurance premiums for retirees varies determined based on the retiree's annual retirement benefit and level of coverage

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7. POST-RETIREMENT BENEFITS (continued):

Discount Rate

The discount rate for June 30, 2019 and 2018 was 3.50% and 3.87%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go20-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.

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/APB), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

The actuarial assumptions used in the June 30, 2018 valuation based on the results of an actuarial experience studies for the period July 1, 2015 – June 30, 2018, July 1, 2014- June 30, 2018, and July 1, 2013- June 30, 2018 for TPAF, PERS and PFRS, respectively.

Changes in the Total OPEB Liability reported by the State of New Jersey

Below represents the changes in the State’s portion of the OPEB liability associated with the District for the year ended June 30, 2019:

	<u>Total OPEB Liability</u>
Total OPEB Liability Balance at 6/30/18	\$ 38,878,361
Changes for the year:	
Service cost	1,507,646
Interest	1,543,034
Changes of benefit terms	
Differences between expected and actual experience	(6,545,514)
Changes in assumptions or other inputs	519,838
Contributions-employee	31,725
Benefit payments	(1,070,247)
Net changes	(4,013,518)
Balance at 6/30/19	\$ 34,864,843

There were no changes in benefit terms that would reflect an increase in retirees’ share of health insurance premiums.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% in 2018 to 3.50% percent in 2019.

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**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
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NOTE 7. POST-RETIREMENT BENEFITS (continued):

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

The following presents State's proportionate share of the net OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for the District would be using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

June 30, 2018	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
	<u>(2.50%)</u>	<u>3.50%</u>	<u>4.50%</u>
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 41,189,157	\$ 34,864,843	\$ 29,841,154

June 30, 2018	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
	<u>(2.87%)</u>	<u>3.87%</u>	<u>4.87%</u>
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 45,962,137	\$ 38,878,361	\$ 33,247,491

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following represents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

June 30, 2019	<u>1% Decrease</u>	<u>Health Cost</u>	<u>1% Increase</u>
		<u>Trend Rates</u>	-
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 28,727,077	\$ 34,864,843	\$ 42,989,985

June 30, 2018	<u>1% Decrease</u>	<u>Health Cost</u>	<u>1% Increase</u>
		<u>Trend Rates</u>	-
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 32,227,976	\$ 38,878,361	\$ 47,796,410

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NOTE 7. POST-RETIREMENT BENEFITS (continued):

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of \$ 881,391 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired employee's OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	
Changes in proportion	\$ 241,599	\$ (509,878)	
Difference between expected and actual experience		(8,760,238)	
Changes of assumptions or other inputs		(7,086,358)	
Total	\$ 241,599	\$ (16,356,474)	
District's Proportion	0.08%		

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

	Year Ended June 30:
2020	\$ (2,037,222)
2021	(2,037,222)
2022	(2,037,222)
2023	(2,037,222)
2024	(2,037,222)
Total Thereafter	(4,987,087)
Total	\$ (15,173,196)

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**WEEHAWKEN BOARD OF EDUCATION
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NOTE 8. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued sick leave up to \$7,000. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid in accordance with District agreements with the various employee unions.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year. The liability for vested compensated absences of the governmental fund types is recorded as a current and long-term liability. The current portion of the compensated absence balance is \$131,528 and long-term liability balance of compensated absences is \$91,175. The total balance of compensated absences payable was \$222,703 as of June 30, 2020.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020, a liability existed for compensated absences in the Food Service Fund in the amount of \$0.

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows: 1) Equitable, 2) Met Life, 3) Valic, and 4) Lincoln Investment.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance - The District maintains commercial insurance coverage through North Jersey Educational Insurance Fund for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The following Interfund balances remained on the balance sheet at June 30, 2020:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General fund	\$ 498,237	\$ 10,331
Special revenue fund		319,860
Capital project fund	10,331	184,061
Debt Service Fund	184,061	132,116
Enterprise Funds		10,947
Fiduciary funds	3,958	39,272
Total	\$ 696,587	\$ 696,587

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

NOTE 12. INVENTORY

Ending inventory in the Food Service Fund at June 30, 2020 was \$15,805.

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

NOTE 13. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$1,650,610 General Fund balance at June 30, 2020, \$381,786 is committed and reserved for encumbrances; \$0 is restricted and reserved as excess surplus designated for subsequent year's expenditures in accordance with N.J.S.A. 18A:7F-7; \$781,950 of the total is reserve for excess surplus and \$0 assigned fund balance has been appropriated and included as anticipated revenue for the year ending June 30, 2020; and \$486,874 is unassigned and undesignated.

Capital Projects Fund - Of the \$70,885 Capital Project Fund balance at June 30, 2020, \$0 is committed and reserved for encumbrances; \$70,885 is unassigned and undesignated.

Debt Service Fund - Of the \$140,778 Debt service Fund balance at June 30, 2020, \$99,530 has been assigned and appropriated and included as anticipated revenue for the year ending June 30, 2020; and \$41,248 is unassigned and undesignated.

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 13. FUND BALANCE APPROPRIATED (continued):

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

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Fund balance/net position	\$ 1,701,984	\$ 75,915	\$ 1,777,899
Add: Capital assets, net of A/D	20,712,090		20,712,090
Add: Deferred Inflows net With Deferred Outflows	(723,448)		(723,448)
Less: Long-term liabilities	(27,411,319)		(27,411,319)
Total net position	<u>\$ (5,720,693)</u>	<u>\$ 75,915</u>	<u>\$ (5,644,778)</u>

NOTE 14. DEFICIT FUND BALANCES

The District has a deficit fund balance of (\$160,289) in the Special Revenue Fund as of June 30, 2020 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditures, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

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

NOTE 15. CONCENTRATIONS

The District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 16. BUDGETS / BUDGETARY CONTROLS

The Following presents a reconciliation of the general fund revenues and special revenue funds revenue and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental funds. Note that the district does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognitions policy for the last state aid payment.

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 31,206,632	\$ 1,348,545
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior year encumbrances expended		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	(34,823)	(160,289)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	194,716	48,679
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 31,366,525	\$ 1,236,935
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 29,584,586	\$ 1,348,545
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior year encumbrances expended		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 29,584,586	\$ 1,348,545

See independent auditor's report

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 17. CALCULATION OF EXCESS SURPLUS

Pursuant to N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Reserved excess surplus-designated for subsequent year expenditures was \$0. The excess fund balance at June 30, 2020 was \$781,950.

NOTE 18. CONTINGENT LIABILITIES

Litigation

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

Grants

The District received and continued to participate in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes and effective internal control for the proper administration of the funds. The District is subject to the provisions of the Single Audit Act of 1984 and as amended by the Single Audit Act of 1996 and other related Federal requirements, and State of New Jersey requirements which require that financial assistance programs received by the District be audited in conjunction with the audit of the general-purpose financial statements. In addition, substantially all grants, entitlements and costs reimbursements are subject to financial and compliance audits by the grantors. As of June 30, 2020, the District estimates that no material liabilities will result from such audits.

NOTE 19. 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 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. The Township of Weehawken has entered into seven payments in lieu of tax (PILOT) exemptions which include: Hartz Estuary, Roseland Building # 13, Roseland Building # 11, XS Hotel Urban Renew and Housing Authority (5 parcels), Hartz-1500 Harbor Blvd, and Hartz Whole Food. Total PILOT payments when compared to amount of taxes that would have been assessed for the five properties total \$ 6,195,350 in PILOT payments vs. \$ 5,622,286 of taxes that would have been assessed.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 20. SUBSEQUENT EVENTS

Management has reviewed subsequent events through January 25, 2021, which is the date the financial statements were available to be issued. There has been no new debt authorized as of January 25, 2021.

The extent of the impact of COVID-19 on the District's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our taxpayers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain. There is a potential for loss of certain revenues, including state aid.

See independent auditor's report

Required Supplementary Information

Part II

BUDGETARY COMPARISON SCHEDULES

**WEEHAWKEN BOARD OF EDUCATION
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

BUGETARY COMPARISON SCHEDULE

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable / (Unfavorable)</u>
REVENUES					
Local sources:					
Local tax levy	\$ 21,519,163	\$ -	\$ 21,519,163	\$ 21,519,163	\$ -
Local - PILOT	725,000	-	725,000	725,000	-
Tuition	84,000	-	84,000	79,677	(4,323)
Sale of Property	-	1,900,000	1,900,000	1,900,000	-
Miscellaneous	77,000	-	77,000	203,122	126,122
Total - local sources	<u>22,465,163</u>	<u>1,900,000</u>	<u>24,365,163</u>	<u>24,426,962</u>	<u>121,799</u>
State Sources:					
Adjustment aid	1,095,930	-	1,095,930	1,095,930	-
Transportation aid	150,232	-	150,232	150,232	-
Special education aid	900,996	-	900,996	900,996	-
Security aid	351,824	-	351,824	351,824	-
Extraordinary aid	300,000	-	300,000	744,215	444,215
TPAF pension (on-behalf - non-budgeted)	-	-	-	1,994,750	1,994,750
TPAF post retirement medical contributions (on-behalf - non-budgeted)	-	-	-	740,016	740,016
TPAF long term disability insurance contributions (on-behalf-non-budgeted)	-	-	-	2,510	2,510
TPAF social security (reimbursed - non-budgeted)	-	-	-	762,458	762,458
Total - state sources	<u>2,798,982</u>	<u>-</u>	<u>2,798,982</u>	<u>6,742,931</u>	<u>3,943,949</u>
Federal sources:					
Medical assistance program	25,130	-	25,130	36,739	11,609
Total - federal sources	<u>25,130</u>	<u>-</u>	<u>25,130</u>	<u>36,739</u>	<u>11,609</u>
TOTAL REVENUES	<u>25,229,275</u>	<u>1,900,000</u>	<u>27,129,275</u>	<u>31,206,632</u>	<u>4,077,357</u>
EXPENDITURES					
INSTRUCTION					
Current expenses:					
Regular programs - instruction:					
Regular programs - instruction:					
Preschool/kindergarten - salaries of teachers	525,491	67,813	593,304	593,304	-
Grades 1-5 - salaries of teachers	2,549,823	31,564	2,581,387	2,581,387	-
Grades 6-8 - salaries of teachers	1,652,504	(252,543)	1,399,961	1,399,961	-
Grades 9-12 - salaries of teachers	1,670,226	652,168	2,322,394	2,322,394	-
Regular programs - home instruction:					
Salaries of teachers	20,440	(3,118)	17,322	17,270	52
Other purchased services (400-500 series)	6,500	(3,508)	2,992	2,992	-
Regular programs - undistributed instruction:					
Other salaries - instruction	83,177	(14,850)	68,327	34,527	33,800
Purchased professional-educational services	60,000	40,862	100,862	100,473	389
Purchased technical services	186,500	(82,339)	104,161	103,688	473
Leased instructional equipment (Moved to Other Objects)	266,193	(60,906)	205,287	205,287	-
Other purchased services (400-500 series)	56,910	(45,101)	11,809	11,809	-
Travel (Moved to other objects)	8	8	8	8	-
General/teaching supplies	318,734	(74,863)	243,871	238,279	5,592
Textbooks	132,870	(27,250)	105,620	102,656	2,964
Other objects	35,000	(33,020)	1,980	1,980	-
Total regular programs - instructions	<u>7,564,368</u>	<u>194,917</u>	<u>7,759,285</u>	<u>7,716,015</u>	<u>43,270</u>
Special education - instructions:					
Learning and/or language disabilities:					
General supplies	-	-	-	-	-
Total learning and/or language disabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Resource room/resource center:					
Salaries of teachers	1,036,670	30,937	1,067,607	1,067,607	-
Other salaries for instruction	229,031	7,140	236,171	236,171	-
General supplies	1,000	(1,000)	-	-	-
Textbooks	1,500	(1,500)	-	-	-
Total resource room/resource center	<u>1,268,201</u>	<u>35,577</u>	<u>1,303,778</u>	<u>1,303,778</u>	<u>-</u>
Total special education - instruction	<u>1,268,201</u>	<u>35,577</u>	<u>1,303,778</u>	<u>1,303,778</u>	<u>-</u>
Bilingual education - instruction:					
Salaries of teachers	216,867	726	217,593	217,593	-
General supplies	3,300	(2,320)	980	663	317
Textbooks	4,500	(3,129)	1,371	1,353	18
Total bilingual education - instruction	<u>224,667</u>	<u>(4,723)</u>	<u>219,944</u>	<u>219,609</u>	<u>335</u>
School-spon co curricular actvts. - instruction:					
Salaries	221,336	59,510	280,846	279,037	1,809
Supplies and materials	20,100	(862)	19,238	19,238	-
Other objects	40,000	(28,028)	11,972	11,972	-
Total school-spon co curricular actvts. - instruction	<u>281,436</u>	<u>30,620</u>	<u>312,056</u>	<u>310,247</u>	<u>1,809</u>

**WEEHAWKEN BOARD OF EDUCATION
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit C-1

BUGETARY COMPARISON SCHEDULE

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable / (Unfavorable)</u>
School-spon athletics - instruction:					
Salaries	\$ 449,812	\$ (16,915)	\$ 432,897	\$ 392,334	\$ 40,563
Purchased services					
Supplies and materials	80,000	(10,830)	69,170	69,170	-
Other objects	<u>35,000</u>	<u>(4,543)</u>	<u>30,457</u>	<u>29,982</u>	<u>475</u>
Total school-spon, athletics - instruction	<u>564,812</u>	<u>(32,288)</u>	<u>532,524</u>	<u>491,486</u>	<u>41,038</u>
TOTAL INSTRUCTION	<u>9,903,484</u>	<u>224,103</u>	<u>10,127,587</u>	<u>10,041,135</u>	<u>86,452</u>
Undistributed expenditures - instruction:					
Tuition to other LEA's within the state - special	703,359	1,029,305	1,732,664	1,614,091	118,573
Tuition to CSSD & regional day schools	900,900	24,775	925,675	862,997	62,678
Tuition to private schools for the disabled - within state	770,094	379,400	1,149,494	1,129,721	19,773
Tuition State facilities					
Tuition - Other	<u>29,734</u>	<u>231,209</u>	<u>260,943</u>	<u>257,819</u>	<u>3,124</u>
Total undistributed expenditures - instruction	<u>2,404,087</u>	<u>1,664,689</u>	<u>4,068,776</u>	<u>3,864,628</u>	<u>204,148</u>
Undistributed expend. - attend. & social work:					
Salaries	4,085	(2,563)	1,522	1,375	147
Other purchased services (400-500 series)	500	(500)	-	-	-
Total undistributed expend. - attend. & social work	<u>4,585</u>	<u>(3,063)</u>	<u>1,522</u>	<u>1,375</u>	<u>147</u>
Undistributed expenditures - health services:					
Salaries	216,852	2,224	219,076	219,076	-
Purchased professional and technical services	13,765	17,153	30,918	30,918	-
Supplies and materials	15,500	(11,839)	3,661	3,023	638
Other objects	<u>11,150</u>	<u>(11,150)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total undistributed expenditures - health services	<u>257,267</u>	<u>(3,612)</u>	<u>253,655</u>	<u>253,017</u>	<u>638</u>
Undist. expend. - speech, OT, PT and other supp. serv. students - related serv.:					
Salaries	158,384	(59,889)	98,495	98,495	-
Purchased professional - educational service	650,000	(47,078)	602,922	438,240	164,682
Supplies and materials	6,600	(655)	5,945	5,873	72
Other objects	<u>400</u>	<u>100</u>	<u>500</u>	<u>500</u>	<u>-</u>
Total undist. expend. - speech, OT, PT and - related serv.	<u>815,384</u>	<u>(107,522)</u>	<u>707,862</u>	<u>543,108</u>	<u>164,754</u>
Undist. expend. - other supp. serv. guidance- students-reg.:					
Extra-ordinary services	140,556	165,880	306,436	250,627	55,809
Salaries of other professional staff	222,185	4,813	226,998	223,385	3,613
Purchased professional - educational service	32,700	(14,320)	18,380	18,380	-
Purchased service testing					
Travel	1,000	(1,000)	-	-	-
Supplies and materials	9,000	(2,894)	6,106	5,345	761
Other objects	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total undist. expend. - other supp. serv. guidance- students - reg.	<u>407,441</u>	<u>150,479</u>	<u>557,920</u>	<u>497,737</u>	<u>60,183</u>
Undist. expend. - other supp. serv. students - spl. - child study teams:					
Salaries of other professional staff	387,099	59,481	446,580	446,580	-
Salaries of secretarial and clerical assistants	39,400	(39,400)	-	-	-
Travel	-	-	362	362	-
Misc. purchased serv. (400 - 500 series other than resid. costs)	13,000	(11,000)	2,000	2,000	-
Supplies and materials	5,000	(4,646)	354	354	-
Other objects - Misc expense instruction CST	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total undist. expend. - other supp. serv. students - spl. - child study teams	<u>445,499</u>	<u>3,797</u>	<u>449,296</u>	<u>449,296</u>	<u>-</u>
Undist. expend. - improvement of inst. serv.:					
Salaries of supervisor of instruction	256,553	2,845	259,398	259,398	-
Travel	<u>2,000</u>	<u>(1,230)</u>	<u>770</u>	<u>770</u>	<u>-</u>
Total undist. expend. - improvement of inst. serv.	<u>258,553</u>	<u>1,615</u>	<u>260,168</u>	<u>260,168</u>	<u>-</u>
Undist. expend. - edu. media serv./sch. library:					
Salaries	185,671	(18,447)	167,224	167,224	-
Salaries of technology coordinators	129,357	51,293	180,650	180,650	-
Purchased professional and technical services	3,000	(3,000)	-	-	-
Travel	2,000	(2,000)	-	-	-
Supplies and materials	11,527	(9,904)	1,623	1,623	-
Other objects	<u>5,000</u>	<u>(4,300)</u>	<u>700</u>	<u>700</u>	<u>-</u>
Total undist. expend. - edu. media serv./sch. Library	<u>336,555</u>	<u>13,642</u>	<u>350,197</u>	<u>350,197</u>	<u>-</u>
Undist. expend. - instructional staff training serv.:					
Purchased professional - educational service	59,522	(8,061)	51,461	41,272	10,189
Other purchased services	<u>10,200</u>	<u>(4,500)</u>	<u>5,700</u>	<u>5,500</u>	<u>200</u>
Total undist. expend. - instructional staff training serv.	<u>69,722</u>	<u>(12,561)</u>	<u>57,161</u>	<u>46,772</u>	<u>10,389</u>
Undist. expend. - supp. serv. - general admin.:					
Salaries	244,475	18,058	262,533	237,096	25,437
Legal services	65,000	(19,910)	45,090	45,090	-
Audit fees	76,751	56,353	133,104	133,104	-
Other purchased professional services	74,225	(18,058)	56,167	55,119	1,048
Purchased technical services	16,320	(840)	15,480	15,480	-
Communications/telephone	136,149	(34,671)	101,478	101,478	-
BOE other purchased services	14,000	(2,515)	11,485	11,485	-
Travel-Superintendent					
Other purchased services	44,370	805	45,175	44,975	200
Supplies and materials	17,000	(11,816)	5,184	5,184	-
Miscellaneous expenditures	5,000	9,578	14,578	12,578	2,000
BOE membership dues and fees	<u>12,240</u>	<u>(3,170)</u>	<u>9,070</u>	<u>9,070</u>	<u>-</u>
Total undist. expend. - supp. serv. - general admin.	<u>705,530</u>	<u>(6,186)</u>	<u>699,344</u>	<u>670,659</u>	<u>28,685</u>
Undist. expend. - support serv. - school admin.:					
Salaries of principals/assistant principals	460,247	3,201	463,448	462,348	1,100
Salaries Special Ed Director	245,599	(93,995)	151,604	151,604	-
Salaries of secretarial and clerical assistants	178,880	666	179,546	179,546	-
Purchased professional and technical services					
Travel	2,500	(1,225)	1,275	1,275	-
Supplies and materials	14,000	(9,527)	4,473	3,790	683
Other objects	<u>22,200</u>	<u>(17,099)</u>	<u>5,101</u>	<u>5,101</u>	<u>-</u>
Total undist. expend. - support serv. - school admin.	<u>923,426</u>	<u>(117,979)</u>	<u>805,447</u>	<u>803,664</u>	<u>1,783</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit C-1

BUGETARY COMPARISON SCHEDULE

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable / (Unfavorable)</u>
Undist. expend. - central services:					
Salaries	\$ 303,792	\$ (6,940)	\$ 296,852	\$ 296,852	\$ -
Purchased professional services	500	1,520	2,020	2,020	-
Travel	500	(500)	-	-	-
Supplies and materials	5,000	(3,431)	1,569	1,569	-
Other Objects	4,000	(1,653)	2,347	2,347	-
Total undist. expend. - central services	<u>313,792</u>	<u>(11,004)</u>	<u>302,788</u>	<u>302,788</u>	<u>-</u>
Undist. expend. - allowable maintenance for school facilities:					
Cleaning, repair, and maintenance services	146,484	(100,368)	46,116	45,592	524
General supplies	6,120	-	6,120	1,574	4,546
Total undist. expend. - allowable maintenance for school facilities	<u>152,604</u>	<u>(100,368)</u>	<u>52,236</u>	<u>47,166</u>	<u>5,070</u>
Undist. expend. - other oper. & maint. of plant - custodial services:					
Salaries	694,971	71,536	766,507	766,507	-
Salaries of non-instructional aides	123,497	4,126	127,623	127,623	-
Purchased professional and technical services	99,960	7,765	107,725	98,725	9,000
Cleaning, repair and maintenance services	144,653	(3,092)	141,561	107,420	34,141
Other purchased property services	75,480	(28,477)	47,003	45,023	1,980
Insurance	238,594	187,724	426,318	426,318	-
Travel	10,000	(10,000)	-	-	-
General supplies	107,289	(49,592)	57,697	50,603	7,094
Energy (electricity)	78,000	(43,656)	34,344	20,857	13,487
Other objects	5,100	(2,959)	2,141	2,141	-
Energy (natural gas)	168,500	99,820	268,320	226,918	41,402
Total undist. expend. - other oper. & maint. of plant - custodial services	<u>1,746,044</u>	<u>233,195</u>	<u>1,979,239</u>	<u>1,872,135</u>	<u>107,104</u>
Undist. expend. - security:					
Salaries	87,213	3,928	91,141	91,141	-
General supplies	1,000	(1,000)	-	-	-
Total undist. expend. - security	<u>88,213</u>	<u>2,928</u>	<u>91,141</u>	<u>91,141</u>	<u>-</u>
Total undist. expend. - oper. & maint. of plant	<u>1,986,861</u>	<u>135,755</u>	<u>2,122,616</u>	<u>2,010,442</u>	<u>112,174</u>
Undist. expend. - student transportation serv.:					
Salaries of non-instructional aids	91,675	(91,675)	-	-	-
Sal. for pup. trans. (bet home and school) - regular	205,920	86,746	292,666	292,666	-
Sal. for pup. trans. (bet home and school) - special	63,323	(26,824)	36,499	36,499	-
Sal. for pup. trans. (other than bet. home and school)	46,305	32,123	78,428	78,428	-
Cleaning, repair and maintenance services	72,030	58,622	130,652	130,652	-
Rental payment - school buses	-	-	-	-	-
Lease purchase payments - school buses	83,665	119	83,784	83,784	-
Aid in lieu of charter school	9,017	(6,017)	3,000	2,001	999
Contract services - (other than between home and school) - vendors	3,600	(3,600)	-	-	-
Contract services. (special education students)- joint agreements	91,029	7,860	98,889	42,608	56,281
Contract services regular education students	40,800	(40,800)	-	-	-
Transportation services- CTSA special education	490,000	122,548	612,548	313,059	299,489
Travel	500	(500)	-	-	-
Misc. purchased serv. - transportation	28,100	(11,732)	16,368	14,310	2,058
Supplies and materials	48,960	(28,864)	20,096	17,849	2,247
Other objects	8,160	(1,034)	7,126	6,371	755
Total undist. expend. - student transportation serv.	<u>1,283,084</u>	<u>96,972</u>	<u>1,380,056</u>	<u>1,018,227</u>	<u>361,829</u>
UNALLOCATED BENEFITS					
Social security contributions	264,000	60,095	324,095	293,521	30,574
PERS contributions - regular	251,332	19,067	270,399	270,399	-
Unemployment compensation	75,000	(8,879)	66,121	66,121	-
Workmen's compensation	162,750	(162,750)	-	-	-
Health benefits	4,150,913	19,122	4,170,035	4,135,668	34,367
Tuition reimbursement	31,000	(10,691)	20,309	19,819	490
Other employee benefits	34,596	19,455	54,051	53,641	410
Unused vacation benefits	-	-	-	-	-
Unused sick pay retirement	21,000	(19,350)	1,650	-	1,650
TOTAL UNALLOCATED BENEFITS	<u>4,990,591</u>	<u>(83,931)</u>	<u>4,906,660</u>	<u>4,839,169</u>	<u>67,491</u>
ON-BEHALF CONTRIBUTIONS					
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	1,994,750	(1,994,750)
TPAF post retirement medical contributions (on-behalf - non-budgeted)	-	-	-	740,016	(740,016)
TPAF long term disability insurance contributions (on-behalf-non-budgeted)	-	-	-	2,510	(2,510)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	762,458	(762,458)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,499,734</u>	<u>(3,499,734)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>4,990,591</u>	<u>(83,931)</u>	<u>4,906,660</u>	<u>8,338,903</u>	<u>(3,432,243)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>15,202,377</u>	<u>1,721,091</u>	<u>16,923,468</u>	<u>19,410,981</u>	<u>(2,487,513)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>25,105,861</u>	<u>1,945,194</u>	<u>27,051,055</u>	<u>29,452,116</u>	<u>(2,401,061)</u>
CAPITAL OUTLAY					
Facilities acquisition and construction services:					
SDA assessment	30,709	-	30,709	30,709	-
Undistributed expenditures- special education	-	-	-	-	-
Undistributed expenditures- admin info tech	-	-	-	-	-
Undistributed expenditures- custodial services	-	-	-	-	-
Undistributed expenditures- kindergarten	-	-	-	-	-
Undistributed expenditures- grades 1-5	-	-	-	-	-
Undistributed expenditures- grades 9-12	-	-	-	-	-
Undistributed expenditures- School-sponsored and other instructional program	-	-	-	-	-
Total facilities acquisition and construction services	<u>30,709</u>	<u>-</u>	<u>30,709</u>	<u>30,709</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>30,709</u>	<u>-</u>	<u>30,709</u>	<u>30,709</u>	<u>-</u>

See independent auditor's report and notes to the financial statements

WEEHAWKEN BOARD OF EDUCATION
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

BUDGETARY COMPARISON SCHEDULE

Exhibit C-1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
Transfer of funds to Charter Schools	\$ 92,705	\$ 9,056	\$ 101,761	\$ 101,761	\$ -
TOTAL EXPENDITURES	<u>25,229,275</u>	<u>1,954,250</u>	<u>27,183,525</u>	<u>29,584,586</u>	<u>(2,401,061)</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (54,250)	\$ (54,250)	\$ 1,622,046	\$ 1,676,296
Other financing sources:					
Operating transfer out:					
Transfer to food service fund	-	-	-	-	-
Transfer to extended care	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources Over (under) expenditures and other financing sources (uses)	-	(54,250)	(54,250)	1,622,046	1,676,296
Fund balance, July 1				63,387	
Fund balance, June 30	<u>\$ -</u>	<u>\$ (54,250)</u>	<u>\$ (54,250)</u>	<u>\$ 1,685,433</u>	<u>\$ 1,676,296</u>
Recapitulation fund balance:					
Restricted fund balance:					
Reserved excess surplus - designated for subsequent year's expenditures					
Assigned Fund Balance - designated for subsequent year's expenditures					
Reserve for excess surplus				\$ 781,950	
Committed fund balance:					
Year end encumbrances				381,786	
Unassigned fund balance				<u>521,697</u>	
				1,685,433	
Reconciliation to governmental funds statements (GAAP):					
Last state aid payment not recognized on GAAP basis				(34,823)	
Fund balance per governmental funds (GAAP)				<u>\$ 1,650,610</u>	

**WEEHAWKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit C-2

BUDGETARY COMPARISON SCHEDULE

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
State sources	\$ 591,087	\$ 5,627	\$ 596,714	\$ 572,191	\$ (24,523)
Federal sources	828,182	(3,217)	824,965	776,354	(48,611)
TOTAL REVENUES	<u>1,419,269</u>	<u>2,410</u>	<u>1,421,679</u>	<u>1,348,545</u>	<u>(73,134)</u>
EXPENDITURES					
Instruction:					
Salaries of teachers	688,712	(158,885)	529,827	519,657	10,170
Other salaries for instruction	142,918	13,830	156,748	142,918	13,830
Purchased professional and technical services	4,980	180,885	185,865	141,894	43,971
Tuition	325,906	11,006	336,912	336,912	-
General supplies	25,698	747	26,445	21,777	4,668
Other purchased services	-	-	-	-	-
Other objects	-	-	-	-	-
Total instruction	<u>1,188,214</u>	<u>47,583</u>	<u>1,235,797</u>	<u>1,163,158</u>	<u>72,639</u>
Support services:					
Salaries of supervisor of instruction	-	-	-	-	-
Salaries of program directors	33,336	1,500	34,836	34,836	-
Salaries of other professional staff	-	-	-	-	-
Salaries of secretaries & clerical assistants	14,838	-	14,838	14,838	-
Personal services - salaries	-	-	-	-	-
Other salaries	-	-	-	-	-
Personal services - employee benefits	99,735	(41,127)	58,608	58,607	1
Plant operations and maintenance	-	-	-	-	-
Purchased professional - technical services	19,922	(7,922)	12,000	12,000	-
Purchased professional - educational services	46,374	(2,874)	43,500	43,500	-
Rentals	-	-	-	-	-
Other purchased services	-	11,569	11,569	11,275	294
Supplies & materials	-	200	200	-	200
Total support services	<u>214,205</u>	<u>(38,654)</u>	<u>175,551</u>	<u>175,056</u>	<u>495</u>
Facilities acquisition and const. serv.:					
Construction services	16,850	(6,519)	10,331	10,331	-
Total facilities acquisition and const. serv.	<u>16,850</u>	<u>(6,519)</u>	<u>10,331</u>	<u>10,331</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,419,269</u>	<u>2,410</u>	<u>1,421,679</u>	<u>1,348,545</u>	<u>73,134</u>
Total outflows	<u>1,419,269</u>	<u>2,410</u>	<u>1,421,679</u>	<u>1,348,545</u>	<u>73,134</u>
Excess (deficiency) of revenues over (under)					
Expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

WEEHAWKEN BOARD OF EDUCATION
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Exhibit C-3

BUDGET-TO-GAAP RECONCILIATION

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 31,206,632	[C-2] \$ 1,348,545
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior year encumbrances expended		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(34,823)	(160,289)
State aid payment recognized for GAAP Statement in the current year, previously recognized for budgetary purposes.	194,716	48,679
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	 [B-2] <u>\$ 31,366,525</u>	 [B-2] <u>\$ 1,236,935</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 29,584,586	[C-2] \$ 1,348,545
Difference - budget to GAAP:		
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis.		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		-
Prior year encumbrances expended		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund		
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	 [B-2] <u>\$ 29,584,586</u>	 [B-2] <u>\$ 1,348,545</u>

Required Supplementary Information

Part III

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS**

Exhibit L-1

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Teachers' Pension and Annuity Fund (TPAF)

	<u>Fiscal Year Ending June 30,</u>									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
District's proportionate share of the net pension liability (asset) **										
District's proportionate share of the net pension liability (asset) associated with the District	\$ 55,760,882	\$ 57,197,704	\$ 57,080,301	\$ 70,461,723	\$ 56,552,535	\$ 48,308,189	\$ 46,867,404			
Total	<u>55,760,882</u>	<u>57,197,704</u>	<u>57,080,301</u>	<u>70,461,723</u>	<u>56,552,535</u>	<u>48,308,189</u>	<u>46,867,404</u>			
District's covered employee payroll	10,189,202	9,468,951	9,251,690	9,048,395	8,913,297	10,988,621	8,818,184			
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%			

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Public Employees' Retirement System (PERS)

	<u>Fiscal Year Ending June 30,</u>									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
District's proportion of the net pension liability (asset)	0.02770%	0.02468%	0.02484%	0.02455%	0.02620%	0.02543%	0.02243%			
District's proportionate share of the net pension liability (asset)	\$ 4,990,723	\$ 4,859,304	\$ 5,781,775	\$ 7,270,949	\$ 5,892,087	\$ 4,761,481	\$ 4,287,568			
District's covered employee payroll	2,056,991	1,847,515	1,710,300	1,727,822	1,657,489	1,774,778	1,658,529			
District's proportionate share of net pension liability (asset) as a percentage of its covered-employee payroll	243%	263%	338%	421%	355%	268%	259%			
Plan fiduciary net position as a percentage of the total pension liability (Local)	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%			

* Until a full ten year trend is compiled, information will be presented for those years for which information is available

WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS

Exhibit L-2

SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Pension and Annuity Fund (TPAF)

	Fiscal Year Ending June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution**	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Contributions in relation to the contractually required contributions**	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Contributions deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
District's covered employee payroll	\$ 10,189,202	\$ 9,468,951	\$ 9,251,690	\$ 9,048,395	\$ 8,913,297	\$ 10,988,621	\$ 8,818,184			
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A			

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	Fiscal Year Ending June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution**	\$ 269,418	\$ 330,379	\$ 230,093	\$ 218,097	\$ 225,660	\$ 169,035	\$ 173,660			
Contributions in relation to the contractually required contributions**	(269,418)	(330,379)	(230,093)	(218,097)	(225,660)	(169,035)	(173,660)			
Contributions deficiency (excess)	-	-	-	-	-	-	-			
District's covered employee payroll	2,056,991	1,847,515	1,710,300	1,727,822	1,657,489	1,774,778	1,658,529			
Contributions as a percentage of covered-employee payroll	13.10%	17.88%	13.45%	12.62%	13.61%	9.52%	10.47%			

* Until a full ten year trend is compiled, information will be presented for those years for which information is available.

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

There were none.

Changes of Assumptions

The discount rate changed from 4.86% as of June 30, 2018 to 5.60% as of June 30, 2019. The long-term expected rate of return changed from 7.00% as of June 30, 2018 to 7.00% as of June 30, 2019. Further, the demographic assumptions were revised to reflect those recommended on the basis of the July 1, 2015 -June 30, 2018 experience study.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

There were none.

Changes of Assumptions

The discount rate changed from 5.00% as of June 30, 2018 to 6.28% as of June 30, 2019. The long-term expected rate of return changed from 7.00% as of June 30, 2018 to 7.00% as of June 30, 2019. Demographic assumptions were revised in accordance with the results of the July 1, 2014-June 30, 2018 experience study and the mortality improvement scale incorporated the plan actuary's Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from base year of 2010 on a generational basis. Further, salary increases were assumed to increase between 2.00% and 6.00% (based on years of service) through fiscal year 2026 and 3.00% and 7.00% (based on years of service) for each fiscal year thereafter.

Required Supplementary Information

Part IV

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS**

Exhibit M-1

SCHEDULE OF CHANGES IN THE SCHOOL DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
Public Employee's Retirement System and Teachers' Pension and Annuity Fund

	Fiscal Year Ending June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
State's proportion of the net OPEB liability (asset) associated with the District	0.08%	0.08%	0.08%	0.08%						
District's proportion share of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -						
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 34,864,843</u>	<u>\$ 38,878,361</u>	<u>\$ 45,333,148</u>	<u>\$ 48,476,668</u>						
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 34,864,843</u>	<u>\$ 38,878,361</u>	<u>\$ 45,333,148</u>	<u>\$ 48,476,668</u>						

	Fiscal Year Ending June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability:										
Service cost	\$ 1,507,646	\$ 1,702,128	\$ 2,054,168							
Interest cost	1,543,034	1,666,055	1,425,818							
Difference between expected and actual experience	(6,545,514)	(4,357,820)								
Changes in assumptions	519,838	(4,461,486)	(5,612,158)							
Member contributions	31,725	35,930	38,664							
Gross benefit payments	<u>(1,070,247)</u>	<u>(1,039,594)</u>	<u>(1,050,012)</u>							
Net Change in total OPEB liability	(4,013,518)	(6,454,787)	(3,143,520)							
Total OPEB liability- beginning	<u>38,878,361</u>	<u>45,333,148</u>	<u>48,476,668</u>							
Total OPEB liability - ending	<u>\$ 34,864,843</u>	<u>\$ 38,878,361</u>	<u>\$ 45,333,148</u>							
Covered-employee payroll	12,246,193	11,316,466	10,961,990							
Total OPEB as a percentage of covered-employee payroll	284.70%	343.56%	413.55%							

* Until a full ten year trend is compiled, information will be presented for those years for which information is available.

WEEHAWKEN BOARD OF EDUCATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Exhibit M-2

Other Post-Retirement Benefit Plan- Public Employees' Retirement System and Teachers' Pension and Annuity Fund

Changes in Benefit Terms

There were none.

Differences Between Expected and Actual Experiences

The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences.

Changes of Assumptions

The decrease in the liability from June 30, 2018 to June 30, 2019 is due to the combined effect of the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions.

ABBOTT SCHEDULES

These schedules have been omitted. The Weehawken School District is a Non Abbott District.

SPECIAL REVENUE FUND

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

**WEEHAWKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit E-1

COMBINING SCHEDULE OF PROGRAM REVENUES & EXPENDITURES - BUDGETARY BASIS

	Total Brought Forward (Ex. E-1a)	Title I 2019-2020	I.D.E.A. Part B Basic 2019-2020	I.D.E.A. Part B Flow Through 2019-2020	Totals 2020
REVENUES					
State sources	\$ 572,191	\$ -	\$ -	\$ -	\$ 572,191
Federal sources	74,910	364,532	-	336,912	776,354
TOTAL REVENUES	647,101	364,532	-	336,912	1,348,545
EXPENDITURES:					
Instruction:					
Salaries of teachers	365,450	154,207			519,657
Other salaries for instruction	142,918				142,918
Personal services - salaries	-				-
Purchased professional and technical services	-	141,894			141,894
Tuition	-			336,912	336,912
General supplies	17,845	3,932			21,777
Other purchased services	-				-
Other objects	-				-
Total instruction	526,213	300,033	-	336,912	1,163,158
Support services:					
Salaries of supervisors of instruction	-				-
Salaries of program directors	34,836				34,836
Salaries of other professional staff	-				-
Salaries of sec. and clerical assist.	14,838				14,838
Personal services - salaries	-				-
Other salaries	-				-
Personal services - employee benefits	3,108	55,499			58,607
Plant operations and maintenance	-				-
Purchased professional - technical services	12,000				12,000
Purchased professional - educational services	34,500	9,000			43,500
Rentals	-				-
Other purchased services	11,275				11,275
Supplies & materials	-				-
Total support services	110,557	64,499	-	-	175,056
Facilities acquisition and const. serv.:					
Equipment	10,331				10,331
Total facilities acquisition and const. serv.	10,331	-	-	-	10,331
Transfer to charter schools	-				-
TOTAL EXPENDITURES	647,101	364,532	-	336,912	1,348,545
Other financing sources (uses)					
Transfer in from general fund	-				-
Total outflows	647,101	364,532	-	336,912	1,348,545
Excess (deficiency) of revenues Over (under) expenditures	\$ -	\$ -	\$ -	\$ -	-

**WEEHAWKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit E-1a

COMBINING SCHEDULE OF PROGRAM REVENUES & EXPENDITURES - BUDGETARY BASIS

	Title II, Part A	Title III	Title III Immigrant	Preschool Program Aid	Sub-totals 2020
REVENUES					
State sources	\$ -	\$ -	\$ -	\$ 561,860	\$ 572,191
Federal sources	45,775	11,743	5,392		74,910
TOTAL REVENUES	45,775	11,743	5,392	561,860	647,101
EXPENDITURES					
Instruction:					
Salaries of teachers		8,635		356,815	365,450
Other salaries for instruction				142,918	142,918
Personal services - salaries					-
Purchased professional and technical services					-
Tuition					-
General supplies			5,392	12,453	17,845
Other purchased services					-
Other objects					-
Total instruction	-	8,635	5,392	512,186	526,213
Support services:					
Salaries of supervisors of instruction					-
Salaries of program directors				34,836	34,836
Salaries of other professional staff					-
Salaries of sec. and clerical assist.				14,838	14,838
Personal services - salaries					-
Other salaries					-
Personal services - employee benefits		3,108			3,108
Plant operations and maintenance					-
Purchased professional - technical services					12,000
Purchased professional - educational services	34,500				34,500
Rentals					-
Other purchased services	11,275				11,275
Supplies & materials					-
Total support services	45,775	3,108	-	49,674	110,557
Facilities acquisition and const. serv.:					
Instructional equipment					10,331
Total facilities acquisition and const. serv.	-	-	-	-	10,331
Transfer to charter schools					
					-
TOTAL EXPENDITURES	45,775	11,743	5,392	561,860	647,101
Other financing sources:					
Transfer in from general fund					-
Contribution to Whole School Reform					-
					-
Total outflows	45,775	11,743	5,392	561,860	647,101
Excess (deficiency) of revenues Over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit E-1b

COMBINING SCHEDULE OF PROGRAM REVENUES & EXPENDITURES - BUDGETARY BASIS

	Title IV Safe and Drug Free Schools	NJ EIF Safety Grant Program	Total Carried Forward
REVENUES			
State Sources	\$ -	\$ 10,331	\$ 10,331
Federal Sources	12,000		12,000
TOTAL REVENUES	12,000	10,331	22,331
EXPENDITURES			
Instruction:			
Salaries of Teachers			-
Other Salaries For Instruction			-
Personal Services - Salaries			-
Purchased Professional and Technical Services			-
Tuition			-
General Supplies			-
Other Purchased Services			-
Other Objects			-
Total Instruction	-	-	-
Support Services:			
Salaries of Supervisors of Instruction			-
Salaries of Program Directors			-
Salaries of Other Professional Staff			-
Salaries of Administrative and Clerical Assistants			-
Personal Services - Salaries			-
Other Salaries			-
Personal Services - Employee Benefits			-
Plant Operations and Maintenance			-
Purchased Professional - Technical Services	12,000		12,000
Purchased Professional - Educational Services			-
Rentals			-
Other Purchased Services			-
Supplies & Materials			-
Total Support Services	12,000	-	12,000
Facilities Acquisition and Const. Serv.:			
Construction Services		10,331	10,331
Total Facilities Acquisition and Const. Serv.	-	10,331	10,331
Transfer to Charter Schools			-
TOTAL EXPENDITURES	12,000	10,331	22,331
Other Financing Sources (Uses)			
Transfer in from General Fund			-
Contribution to Whole School Reform			-
Total Outflows	12,000	10,331	22,331
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -

**WEEHAWKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit E-2

SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES - BUDGETARY BASIS

EXPENDITURES	Budgeted	Actual	Variance
Instruction:			
Salaries of teachers	\$ 366,984	\$ 356,815	\$ 10,169
Other salaries for instruction	156,748	142,918	13,830
Other purchased services (400-500 series)			-
Tuition to other LEAs within State			-
General supplies	12,977	12,453	524
Textbooks			-
Other objects			-
Total instruction	<u>536,709</u>	<u>512,186</u>	<u>24,523</u>
Support services:			
Salaries of supervisors of instruction			-
Salaries of program directors	34,836	34,836	-
Salaries of other professional staff			-
Salaries of secr. and clerical assistants	14,838	14,838	-
Other salaries			-
Salaries of community parent involvement specialists			-
Salaries of master teachers			-
Personal services - employee benefits			-
Purchased professional - educational services			-
Other purchased professional education - services			-
Rentals			-
Contr. transportation service (betw. home & sch.)			-
Contr. transportation service (field trips)			-
Travel			-
Supplies & materials			-
Total support services	<u>49,674</u>	<u>49,674</u>	<u>-</u>
TOTAL EXPENDITURES	<u><u>\$ 586,383</u></u>	<u><u>\$ 561,860</u></u>	<u><u>\$ 24,523</u></u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2019-20 Preschool Education Aid Allocation	\$ 579,083
Add: Actual ECPA Carryover (June 30, 2019)	7,300
Add: Budgeted Transfer from the General Fund 2019-20	<u>586,383</u>
Total Preschool Education Aid Funds Available for 2019-20 Budget	586,383
Less: 2019-20 Budgeted Preschool Education Aid (Including prior year budget carryover)	<u>(586,383)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2020	-
Add: Prior Year Unexpended Encumbrance	24,532
Add: June 30, 2020 Unexpended Preschool Education Aid	<u>24,532</u>
2019-20 Actual Carryover - Preschool Education Aid/ Preschool	<u><u>\$ 24,532</u></u>
2019-20 Preschool Education Aid Carryover Budgeted in 2020-21	<u><u>\$ 7,300</u></u>

See independent auditor's report and notes to the financial statements

CAPITAL PROJECTS FUND

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

**WEEHAWKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit F-1

SUMMARY STATEMENT OF PROJECT EXPENDITURES

<u>Project Title/Issue</u>	<u>Approval Date</u>	<u>Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Appropriations At June 30, 2019</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Various School Improvements	7/27/2017	\$ 16,000,000	\$ 8,533,331	\$ 7,400,392	\$ 66,277
Various School Improvements	12/17/2002	9,407,200	9,402,592	-	4,608
Totals		<u>\$ 25,407,200</u>	<u>\$ 17,935,923</u>	<u>\$ 7,400,392</u>	<u>\$ 70,885</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit F-2

**SUMMARY SCHEDULE REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS**

REVENUES AND OTHER FINANCING SOURCES

Bond proceeds	\$	-
Other sources		-
		-
TOTAL REVENUES AND OTHER FINANCING SOURCES		-

EXPENDITURES AND OTHER FINANCING USES

Other purchased professional and technical services		123,948
Construction services		7,275,619
Legal services		825
TOTAL EXPENDITURES AND OTHER FINANCING USES		7,400,392
Excess (deficiency) of revenues over (under) expenditures		(7,400,392)
Fund balance - beginning		7,471,277
Fund balance - ending		\$ 70,885

See independent auditor's report and notes to the financial statements

WEEHAWKEN BOARD OF EDUCATION
 CAPITAL PROJECTS FUND
 VARIOUS SCHOOL IMPROVEMENTS - 12/17/2002
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Exhibit F-2a

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State sources - SCC Grant	\$ 3,548,899	\$ -	\$ 3,548,899	\$ 3,548,899
Bond proceeds and transfers	5,858,000		5,858,000	5,858,000
Other sources	301		301	301
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>9,407,200</u>	<u>-</u>	<u>9,407,200</u>	<u>9,407,200</u>
EXPENDITURES AND OTHER FINANCING USES				
Other professional and technical services	990,877		990,877	995,363
Construction services	8,410,175		8,410,175	8,285,837
Legal services	1,540		1,540	126,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>9,402,592</u>	<u>-</u>	<u>9,402,592</u>	<u>9,407,200</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 4,608</u>	<u>\$ -</u>	<u>\$ 4,608</u>	<u>\$ -</u>

Additional project information:

Project Number	5580-050-03-0457
	5580-050-03-0458
	5580-050-03-0459
Grant date	12/20/02
Bond authorization date	07/09/04
Bonds authorized	\$ 5,858,000.00
Bonds issued	\$ 5,858,000.00
Original authorized cost	\$ 9,471,513.00
Additional authorized cost	\$ -
Revised authorized cost	\$ 9,471,513.00
Percentage increase over original	
Authorized cost	0%
Percentage completion	100%
Original target completion date	01/01/05
Revised target completion date	06/30/07

**WEEHAWKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
VARIOUS SCHOOL IMPROVEMENTS - 07/27/2017
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit F-2b

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Bond proceeds and transfers	16,000,000		16,000,000	16,000,000
Other sources			-	
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>16,000,000</u>	<u>-</u>	<u>16,000,000</u>	<u>16,000,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Other professional and technical services	1,421,548	123,948	1,545,496	1,500,000
Construction services	7,057,552	7,275,619	14,333,171	14,200,000
Legal services	54,231	825	55,056	300,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>8,533,331</u>	<u>7,400,392</u>	<u>15,933,723</u>	<u>16,000,000</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 7,466,669</u>	<u>\$ (7,400,392)</u>	<u>\$ 66,277</u>	<u>\$ -</u>

Additional project information:

Project Number	
Daniel Webster School	5580-070-17-1000
Theodore Roosevelt School	5580-080-17-1000
High School	5580-050-17-1000
Grant date	N/A
Bond authorization date	07/27/17
Bonds authorized	\$ 16,000,000.00
Bonds issued	\$ 16,000,000.00
Original authorized cost	\$ 16,000,000.00
Additional authorized cost	\$ -
Revised authorized cost	\$ 16,000,000.00
Percentage increase over original Authorized cost	0%
Percentage completion	100%
Original target completion date	August 31, 2020
Revised target completion date	

PROPRIETARY FUNDS

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

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

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

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

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

Internal Service Fund - NON APPLICABLE

**WEEHAWKEN BOARD OF EDUCATION
ENTERPRISE FUNDS
AT JUNE 30, 2020**

Exhibit G-1

COMBINING STATEMENT OF NET POSITION

	<u>Food Service</u>	<u>Latchkey Program</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,085	\$ 9	\$ 5,094
Accounts receivable:			
Customer	13,131		13,131
Federal	2,631		2,631
State	42		42
Inventories	15,805		15,805
Total current assets	<u>36,694</u>	<u>9</u>	<u>36,703</u>
Noncurrent assets:			
Furniture, machinery & equipment	146,524		146,524
Less accumulated depreciation	(94,694)		(94,694)
Total noncurrent assets	<u>51,830</u>	<u>-</u>	<u>51,830</u>
 TOTAL ASSETS	 <u>\$ 88,524</u>	 <u>\$ 9</u>	 <u>\$ 88,533</u>
 LIABILITIES AND NET POSITION			
Liabilities			
Current liabilities:			
Due to payroll account	\$ 3,958	\$ -	\$ 3,958
Due to general fund	6,989		6,989
Accounts payable	1,671	-	1,671
Total current liabilities	<u>12,618</u>	<u>-</u>	<u>12,618</u>
Total liabilities	<u>12,618</u>	<u>-</u>	<u>12,618</u>
Net position			
Invested in capital assets net of related debt	51,830		51,830
Unrestricted	24,076	9	24,085
Total net position	<u>75,906</u>	<u>9</u>	<u>75,915</u>
 TOTAL LIABILITIES AND NET POSITION	 <u>\$ 88,524</u>	 <u>\$ 9</u>	 <u>\$ 88,533</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit G-2

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Food Service	Latchkey Program	Total Enterprise
Operating revenues			
Charges for services:			
Daily sales- reimbursable programs	\$ 85,104	\$ -	\$ 85,104
Daily sales - non-reimbursable programs	40,163	-	40,163
Miscellaneous			-
Community service activities		144,692	144,692
Total operating revenues	125,267	144,692	269,959
Operating expenses			
Cost of sales- reimbursable programs	99,577		99,577
Cost of sales- non-reimbursable programs	14,383		14,383
Cost of sales- food distribution program	29,437		29,437
Salaries	83,313	150,021	233,334
Payroll taxes/ employee benefits	24,939		24,939
Repairs and maintenance	12,881		12,881
Facility fees- current year			-
Outside services	8,989		8,989
Liability insurance	906		906
Uniforms	1,120		1,120
Administration Fees	39,225		39,225
General supplies	18,563	14,312	32,875
Miscellaneous Equipment - Not Capitalized	5,370		5,370
Depreciation	9,558		9,558
Total operating expenses	348,261	164,333	512,594
Operating (loss)	(222,994)	(19,641)	(242,635)
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	4,010		4,010
Federal sources:			
National school lunch program	159,041		159,041
Food distribution program	29,437		29,437
Canceled prior year receivable	(358)		(358)
Gain on retirement of equipment/adjustment			-
Total nonoperating revenues (expenses)	192,130	-	192,130
Change in net position	(30,864)	(19,641)	(50,505)
Net position—beginning	106,770	19,650	126,420
Net position—ending	\$ 75,906	\$ 9	\$ 75,915

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit G-3

COMBINING STATEMENT OF CASH FLOWS

	Food Service	Latchkey Program	Total Enterprise
Cash flows from operating activities			
Receipts from customers	\$ 124,132	\$ 144,692	\$ 268,824
Payments to employees	(83,313)	(150,021)	(233,334)
Payments for payroll taxes/ employee benefits	(24,939)		(24,939)
Payments to suppliers	(223,168)	(14,460)	(237,628)
Net cash provided by (used for) operating activities	(207,288)	(19,789)	(227,077)
Cash flows from investing activities			
Purchases of equipment			-
Net cash provided by (used for) investing activities	-	-	-
Cash flows from noncapital financing activities			
State Sources	4,846		4,846
Federal Sources	207,527		207,527
Transfers to other funds			-
Net cash provided by (used for) non-capital financing activities	212,373	-	212,373
Net increase (decrease) in cash and cash equivalents	5,085	(19,789)	(14,704)
Balances—beginning of year	-	19,798	19,798
Balances—end of year	\$ 5,085	\$ 9	\$ 5,094
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (222,994)	\$ (19,641)	\$ (242,635)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	9,558		9,558
Food Distribution Program	29,437		29,437
(Increase) decrease in accounts receivable, net	(1,135)		(1,135)
(Increase) decrease in inventories	(7,616)		(7,616)
Increase (decrease) in current liabilities	(14,538)	(148)	(14,686)
Total adjustments	15,706	(148)	15,558
Net cash provided by (used for) operating activities	\$ (207,288)	\$ (19,789)	\$ (227,077)

See independent auditor's report and notes to the financial statements

FIDUCIARY FUNDS

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

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

**Scholarship Trust Fund -
(Louis Ferullo Scholarship)**

This is an expendable trust fund used to account for asset held by the district for grants to students where there are no restrictions regarding the use of principal and income.

**Nonexpendable Trust Fund -
(McGowan Award)**

This is a scholarship fund used to account for assets held by the district under the terms of a formal trust agreement, whereby the district is under the obligation to maintain the trust principal.

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

Student Activity Fund -

This agency fund is used to account for student funds held at the schools.

Payroll Fund -

This agency fund is used to account for payroll transactions of the school district.

**WEEHAWKEN BOARD OF EDUCATION
FIDUCIARY FUNDS
AT JUNE 30, 2020**

Exhibit H-1

COMBINING STATEMENT OF FIDUCIARY NET POSITION

	<u>Expendable Trust</u>		<u>Nonexpendable</u>	<u>Agency</u>		<u>Total</u>
	<u>Anthony Colasurdo Scholarship Fund</u>	<u>Louis Ferullo Scholarship Fund</u>	<u>Trust McGowan Award Scholarship Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>2020</u>
ASSETS						
Cash and cash equivalents	\$ 20,211	\$ 3,431	\$ 1,000	\$ 90,741	\$ 199,852	\$ 315,235
Due from general fund						-
Due from food service fund					3,958	3,958
TOTAL ASSETS	<u>20,211</u>	<u>3,431</u>	<u>1,000</u>	<u>90,741</u>	<u>203,810</u>	<u>319,193</u>
LIABILITIES AND NET POSITION						
Liabilities:						
Payroll deductions and withholdings	-	-	-	-	164,538	164,538
Due to general fund					39,272	39,272
Due to student groups	-	-	-	90,741		90,741
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,741</u>	<u>203,810</u>	<u>294,551</u>
Net position:						
Reserved - principal portion			1,000	-	-	1,000
Nonexpendable trust				-	-	23,642
Unreserved	20,211	3,431		-	-	24,642
TOTAL NET POSITION	<u>20,211</u>	<u>3,431</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>24,642</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 20,211</u>	<u>\$ 3,431</u>	<u>\$ 1,000</u>	<u>\$ 90,741</u>	<u>\$ 203,810</u>	<u>\$ 319,193</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
NONEXPENDABLE TRUST FUND - SCHOLARSHIP
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit H-2(A)

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	<u>McGowan Award Scholarship Fund</u>
Net position - beginning of the year	\$ 1,000
Net position - end of the year	<u>\$ 1,000</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
EXPENDABLE TRUST FUNDS - SCHOLARSHIP
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit H-2 (B)

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	Louis Ferullo Scholarship Fund	Anthony Colasurdo Scholarship Fund
Additions	\$ -	\$ -
Donations		
Investment earnings:		
Interest on investments	82	-
Total additions	82	-
Deductions		
Expenditures	2,000	2,000
Total deductions	2,000	2,000
Change in net position	(1,918)	(2,000)
Net position - beginning of the year	5,349	22,211
Net position - end of the year	\$ 3,431	\$ 20,211

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit H-3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance At June 30, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance At June 30, 2020</u>
Elementary School:				
Roosevelt	\$ 6,784	\$ 6,455	\$ 4,788	\$ 8,451
Webster	8,356	156	270	8,242
	<u>15,140</u>	<u>6,611</u>	<u>5,058</u>	<u>16,693</u>
Total elementary school				
High School:				
Store	1,540			1,540
Athletic Fund		15,000	14,950	50
General activity fund	71,263	105,521	104,326	72,458
	<u>72,803</u>	<u>120,521</u>	<u>119,276</u>	<u>74,048</u>
Total High School				
Total cash and cash equivalents	<u>\$ 87,943</u>	<u>\$ 127,132</u>	<u>\$ 124,334</u>	<u>\$ 90,741</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
PAYROLL AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit H-4

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

	Balance, At June 30, 2019	Additions	Deletions	Balance, At June 30, 2020
ASSETS				
Cash and cash equivalents	\$ 48,178	\$ 15,890,902	\$ 15,739,228	\$ 199,852
Due from general fund				-
Due from food service fund	3,958			3,958
TOTAL ASSETS	\$ 52,136	\$ 15,890,902	\$ 15,739,228	\$ 203,810
 LIABILITIES				
Net payroll	\$ -	\$ 8,796,859	\$ 8,796,859	\$ -
Payroll deductions and withholdings	30,701	6,396,164	6,262,327	164,538
Interfund payable - general fund	21,435	697,879	680,042	39,272
TOTAL LIABILITIES	\$ 52,136	\$ 15,890,902	\$ 15,739,228	\$ 203,810

LONG-TERM DEBT

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

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

**WEEHAWKEN BOARD OF EDUCATION
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit I-1a

SCHEDULE OF SERIAL BONDS

Issue	Date of Issue	Amount of Issue	Annual Maturates		Interest Rate (%)	Balance At June 30, 2019	Issued	Retired	Balance At June 30, 2020
			Date	Amount					
Pension Bonds Series 2003	07/15/03	2,060,000	04/15/21	160,000	5.850	\$ 505,000	\$ -	\$ 150,000	\$ 355,000
			04/15/22	60,000	5.850				
			04/15/23	65,000	5.850				
			04/15/24	70,000	5.850				
General Improvements	09/01/08	7,500,000			300,000		300,000	-	
Refunding School Bonds 2013, Refunded School Bonds 2003	10/30/13	3,500,000	07/15/20	370,000	3.000	1,925,000		360,000	1,565,000
			07/15/21	385,000	4.000				
			07/15/22	400,000	3.000				
			07/15/23	410,000	3.000				
Refunding School Bonds 2017, Refunded School Bonds 2008	12/20/17	4,795,000	9/1/2020-24	460,000	4.000	4,795,000			4,795,000
			9/1/2025-26	505,000	4.000				
			9/1/2027	500,000	3.000				
			9/1/2028	495,000	3.000				
			9/1/2029	490,000	3.000				
General Improvements	7/27/2017	16,000,000	7/15/2020	600,000	2.500	16,000,000		600,000	15,400,000
			7/15/2021	600,000	3.000				
			7/15/2022-23	650,000	3.000				
			7/15/2024	650,000	3.100				
			7/15/2025	725,000	3.300				
			7/15/2026	730,000	3.400				
			7/15/2027	740,000	3.500				
			7/15/2028	790,000	3.650				
			7/15/2029	825,000	3.750				
			7/15/2030	825,000	3.850				
			7/15/2031	875,000	4.000				
			7/15/2032	925,000	4.125				
			7/15/2033	950,000	4.125				
			7/15/2034	950,000	4.150				
			7/15/2035	950,000	4.200				
			7/15/2036	975,000	4.200				
			7/15/2037	990,000	4.200				
			7/15/2038	1,000,000	4.250				

**WEEHAWKEN BOARD OF EDUCATION
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SCHEDULE OF OLBIGATIONS UNDER CAPITAL LEASES

<u>Purpose</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Lease Principal</u>	<u>Interest Rate</u>	<u>Balance At June 30, 2019</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance At June 30, 2020</u>
2019 Pick-up Truck & Van	12/1/2018	5 Years	67,530	2.32%	\$ 52,645	\$ -	\$ 12,194	\$ 40,451
2017 School Bus	08/10/17	5 Years	103,731	3.77%	62,514		20,072	42,442
					<u>\$ 115,159</u>	<u>\$ -</u>	<u>\$ 32,266</u>	<u>\$ 82,893</u>

See independent auditor's report and notes to the financial statements

**WEHAWKEN BOARD OF EDUCATION
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit I-3

DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES					
Local sources:					
Local tax levy	\$ 1,478,261	\$ -	\$ 1,478,261	\$ 1,478,261	\$ -
Debt service aid type II	493,352		493,352	493,352	-
Capital reserve			-		-
TOTAL REVENUES	<u>1,971,613</u>	<u>-</u>	<u>1,971,613</u>	<u>1,971,613</u>	<u>-</u>
EXPENDITURES					
Regular debt service:					
Interest	708,788		708,788	686,437	22,351
Redemption of interest - early retirement bonds	29,543		29,543	29,543	-
Redemption of principal	1,410,000		1,410,000	1,410,000	-
Total regular debt service	<u>2,148,331</u>	<u>-</u>	<u>2,148,331</u>	<u>2,125,980</u>	<u>22,351</u>
TOTAL EXPENDITURES	<u>2,148,331</u>	<u>-</u>	<u>2,148,331</u>	<u>2,125,980</u>	<u>22,351</u>
Excess (deficiency) of revenues over (under) expenditures	(176,718)		(176,718)	(154,367)	22,351
Other financing sources:					
Operating transfers in:					
Interest earned in capital projects fund				18,897	18,897
Premium on refinance					-
				<u>18,897</u>	<u>18,897</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(176,718)	-	(176,718)	(135,470)	41,248
Fund balance, July 1	276,248	-	276,248	276,248	-
Fund balance, June 30	<u>\$ 99,530</u>	<u>\$ -</u>	<u>\$ 99,530</u>	<u>\$ 140,778</u>	<u>\$ 41,248</u>
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Budgeted fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,530</u>	<u>\$ (99,530)</u>

STATISTICAL SECTION
(unaudited)

WEEHAWKEN BOARD OF EDUCATION
LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Exhibit J-1

NET POSITION BY COMPONENT

	Fiscal Year Ending June 30,				
	2020	2019	2018	2017	2016
Governmental activities:					
Invested in capital assets, net of related debt	\$ (1,130,803)	\$ (8,043,104)	\$ (11,883,768)	\$ 601,525	\$ 833,757
Restricted	1,375,399	7,801,765	12,896,315	1,218,893	1,569,634
Unrestricted	<u>(5,965,289)</u>	<u>(6,505,678)</u>	<u>(6,160,251)</u>	<u>(5,836,375)</u>	<u>(5,407,194)</u>
Total governmental activities net position	<u>\$ (5,720,693)</u>	<u>\$ (6,747,017)</u>	<u>\$ (5,147,704)</u>	<u>\$ (4,015,957)</u>	<u>\$ (3,003,803)</u>
Business-type activities:					
Invested in capital assets, net of related debt	\$ 51,830	\$ 61,388	\$ 26,837	\$ 28,356	\$ 33,995
Restricted					
Unrestricted	<u>24,085</u>	<u>65,033</u>	<u>276,148</u>	<u>585,330</u>	<u>685,582</u>
Total business-type activities net position	<u>\$ 75,915</u>	<u>\$ 126,421</u>	<u>\$ 302,985</u>	<u>\$ 613,686</u>	<u>\$ 719,577</u>
District-wide:					
Invested in capital assets, net of related debt	\$ (1,078,973)	\$ (7,981,716)	\$ (11,856,931)	\$ 629,881	\$ 867,752
Restricted	1,375,399	7,801,765	12,896,315	1,218,893	1,569,634
Unrestricted	<u>(5,941,204)</u>	<u>(6,440,645)</u>	<u>(5,884,103)</u>	<u>(5,251,045)</u>	<u>(4,721,612)</u>
Total district net position	<u>\$ (5,644,778)</u>	<u>\$ (6,620,596)</u>	<u>\$ (4,844,719)</u>	<u>\$ (3,402,271)</u>	<u>\$ (2,284,226)</u>

**WEEHAWKEN BOARD OF EDUCATION
LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Exhibit J-2

CHANGES IN NET POSITION

	Fiscal Year Ending June 30,				
	2020	2019	2018	2017	2016
DISTRICT EXPENSES					
Governmental activities:					
Instruction:					
Regular	\$ 15,001,575	\$ 15,742,580	\$ 15,907,413	\$ 14,555,101	\$ 13,237,979
Special education	2,337,230	2,300,125	2,373,693	1,904,892	1,843,550
Other special education	392,086	395,264	420,379	377,005	324,128
Other instruction	1,333,901	1,449,568	1,329,888	903,399	816,864
Support Services:					
Tuition	3,864,628	3,028,634	2,392,536	3,003,394	3,121,199
Student & instruction related services	4,116,226	4,558,617	4,329,469	3,522,249	3,094,919
School administrative services	1,299,633	1,386,266	1,698,315	1,635,589	1,335,029
General and business administrative services	1,536,912	1,542,276	1,508,650	1,562,782	1,218,791
Central services	538,091	564,167	711,843	603,711	605,227
Plant operations and maintenance	3,005,777	2,567,957	2,919,311	2,541,032	2,289,711
Pupil transportation	1,385,538	1,784,338	1,446,165	1,464,490	1,473,970
Charter schools	101,761	120,360	167,540	167,882	141,643
Interest on long-term debt	715,980	966,964	295,386	390,150	415,378
Capital reserve transfer to debt service					
Capital outlay - not capitalized		1,895	55,802	40,397	30,709
Unallocated depreciation	114,449	82,408	72,427	64,330	77,949
Total governmental activities expenses	<u>35,743,787</u>	<u>36,491,419</u>	<u>35,628,817</u>	<u>32,736,403</u>	<u>30,027,046</u>
Business-type activities:					
Food service	348,261	412,177	404,538	389,693	446,942
Latchkey program	164,333	383,654	485,734	316,133	254,034
Total business-type activities expense	<u>512,594</u>	<u>795,831</u>	<u>890,272</u>	<u>705,826</u>	<u>700,976</u>
TOTAL DISTRICT EXPENSES	<u>\$ 36,256,381</u>	<u>\$ 37,287,250</u>	<u>\$ 36,519,089</u>	<u>\$ 33,442,229</u>	<u>\$ 30,728,022</u>
DISTRICT PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
Instruction (tuition)	\$ 79,677	\$ 102,296	\$ 80,867	\$ 104,791	\$ 77,036
Pupil transportation					
Central and other support services					
Operating grants and contributions	10,797,134	11,614,938	13,171,816	11,229,123	9,529,102
Capital grants and contributions					
Total governmental activities program revenues	<u>10,876,811</u>	<u>11,717,234</u>	<u>13,252,683</u>	<u>11,333,914</u>	<u>9,606,138</u>
Business-type activities:					
Charges for services:					
Food service	125,267	153,035	134,637	118,963	120,635
Child care	144,692	218,801	198,548	208,168	253,451
Operating grants and contributions	192,488	235,872	252,837	271,946	294,202
Capital grants and contributions					
Total business type activities program revenues	<u>462,447</u>	<u>607,708</u>	<u>586,022</u>	<u>599,077</u>	<u>668,288</u>
TOTAL DISTRICT PROGRAM REVENUES	<u>\$ 11,339,258</u>	<u>\$ 12,324,942</u>	<u>\$ 13,838,705</u>	<u>\$ 11,932,991</u>	<u>\$ 10,274,426</u>
DISTRICT NET (EXPENSES) / REVENUES					
Governmental activities	\$ (24,866,976)	\$ (24,774,185)	\$ (22,376,134)	\$ (21,402,489)	\$ (20,420,908)
Business-type activities	(50,147)	(188,123)	(304,250)	(106,749)	(32,688)
TOTAL DISTRICT NET (EXPENSES) / REVENUES	<u>\$ (24,917,123)</u>	<u>\$ (24,962,308)</u>	<u>\$ (22,680,384)</u>	<u>\$ (21,509,238)</u>	<u>\$ (20,453,596)</u>

See independent auditor's report and notes to the financial statements

WEEHAWKEN BOARD OF EDUCATION
LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Exhibit J-2

CHANGES IN NET POSITION

	Fiscal Year Ending June 30,				
	2020	2019	2018	2017	2016
DISTRICT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental activities:					
Property taxes levied for general purposes, net	\$ 21,519,163	\$ 20,569,732	\$ 19,794,817	\$ 18,422,272	\$ 17,904,821
Revenue from local gov't allocated to capital reserve					
Taxes levied for debt service	1,478,261	1,402,119	979,759	893,223	945,790
Local- PILOT Contribution	725,000	757,000			
Sale of Property	1,900,000				
Federal and state aid budget vs. GAAP	48,283	12,982	7,727	(10,091)	(2,429)
Miscellaneous income	203,122	594,806	377,604	372,063	132,774
Capital grant - capital project					
Special item - adjustments	574	(238,947)	(3,231)	79,958	131,964
Transfers	18,897	77,180	87,711	130	12
Total governmental activities	<u>25,893,300</u>	<u>23,174,872</u>	<u>21,244,387</u>	<u>19,757,555</u>	<u>19,112,932</u>
Business-type activities:					
Special item -adjustments	(358)	11,559	(6,451)		5,930
Investment earnings	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	<u>(358)</u>	<u>11,559</u>	<u>(6,451)</u>	<u>-</u>	<u>5,930</u>
TOTAL DISTRICT GENERAL REVENUES AND OTHER CHANGES IN NET POSITION	<u>\$ 25,892,942</u>	<u>\$ 23,186,431</u>	<u>\$ 21,237,936</u>	<u>\$ 19,757,555</u>	<u>\$ 19,118,862</u>
DISTRICT CHANGES IN NET POSITION					
Governmental activities	\$ 1,026,324	\$ (1,599,313)	\$ (1,131,747)	\$ (1,644,934)	\$ (1,307,976)
Business-type activities	(50,505)	(176,564)	(310,701)	(106,749)	(26,758)
TOTAL DISTRICT CHANGES IN NET POSITION	<u>\$ 975,819</u>	<u>\$ (1,775,877)</u>	<u>\$ (1,442,448)</u>	<u>\$ (1,751,683)</u>	<u>\$ (1,334,734)</u>

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
LAST FIVE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

Exhibit J-3

FUND BALANCES - GOVERNMENTAL FUNDS

	Fiscal Year Ending June 30,				
	2020	2019	2018	2017	2016
GENERAL FUND					
Restricted, committed, & assigned	\$ 381,786	\$ 54,250	\$ 682,770	\$ 1,210,647	\$ 1,477,974
Unassigned	486,874	(185,579)		245,727	264,077
TOTAL GENERAL FUND	\$ 868,660	\$ (131,329)	\$ 682,770	\$ 1,456,374	\$ 1,742,051
ALL OTHER GOVERNMENTAL FUNDS					
Restricted, committed, & assigned	\$ 99,530	\$ 6,835,923	\$ 5,977,382	\$ 130	\$ 12
Unassigned:					
Special revenue fund	(160,289)	(48,679)	(54,255)	(55,618)	(56,159)
Capital projects fund	70,885	812,072	6,059,445	7,840	90,180
Debt service fund	41,248	99,530	176,718	276	130
Permanent fund					
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 51,374	\$ 7,698,846	\$ 12,159,290	\$ (47,372)	\$ 34,163

WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Exhibit J-4

CHANGES IN FUND BALANCES - GOVERNMENTAL FUND

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
REVENUES										
Tax levy	\$ 22,997,424	\$ 1,402,119	\$ 20,774,576	\$ 20,099,471	\$ 19,315,495	\$ 18,850,611	\$ 18,633,735	\$ 18,214,223	\$ 17,813,768	\$ 17,141,458
Local - PILOT	725,000	757,000								
Sale of Property	1,900,000									
Tuition charges	79,677		80,867	104,791	77,036	113,038	138,138	99,343	148,151	65,523
Miscellaneous	203,122		377,604	310,424	372,063	132,774	271,414	718,533	474,658	453,718
State sources	7,856,757	906,774	6,783,865	6,038,095	5,884,797	5,531,743	5,225,174	5,527,081	4,880,792	4,332,989
Federal sources	813,093	828,176	898,026	821,256	898,308	989,658	695,185	895,709	978,685	1,341,799
TOTAL REVENUES	34,575,073	3,894,069	28,914,938	27,374,037	26,547,699	25,617,824	24,963,646	25,454,889	24,296,054	23,335,487
EXPENDITURES										
Instruction:										
Regular instruction	8,879,173	1,121,043	8,703,691	8,120,994	8,060,932	7,872,082	7,554,994	7,401,632	7,405,665	7,661,246
Special education instruction	1,303,778	-	1,159,959	970,485	1,035,115	970,406	978,165	956,327	828,175	862,797
Other special instruction	219,609	-	206,368	192,689	183,033	152,457	184,478	180,942	172,382	206,883
Other instruction	801,733	-	736,068	510,807	509,258	468,451	469,370	525,699	451,572	371,743
Community service programs										
Support services:										
Tuition	3,864,628	-	2,392,536	3,003,394	3,121,199	2,985,446	2,766,054	2,683,755	2,384,574	2,119,925
Student & inst. related services	2,518,119	127,047	2,695,493	2,228,436	1,855,835	1,984,186	1,870,203	1,814,951	1,731,879	1,827,243
School administrative services	670,659	-	768,451	724,203	612,339	545,782	536,642	582,103	581,556	616,488
Other administrative services	803,664	-	924,684	983,192	955,285	853,722	788,932	876,556	805,718	793,223
Central services	302,788	-	352,801	312,790	341,651	299,248	344,419	342,887	338,311	322,767
Plant operations and maintenance	2,010,442	-	1,838,886	1,626,524	1,599,178	1,604,641	1,778,190	1,711,528	1,379,427	1,420,923
Pupil transportation	1,018,227	-	1,034,070	1,080,711	1,189,620	1,097,318	1,145,258	1,117,450	1,089,459	959,545
Employee benefits	8,397,510	101,959	7,458,762	6,505,427	5,995,108	5,523,069	5,343,299	5,400,321	4,833,617	4,499,454
Transfer to charter schools	101,761	-	167,540	167,882	141,643	118,305	101,212	132,360	157,107	159,959
Special education jobs fund									72,364	35,440
Debt service:										
Principal	1,410,000	785,000	755,000	745,000	720,000	640,000	829,969	812,722	775,583	758,596
Interest and other charges	715,980	966,964	295,386	390,150	415,378	459,744	417,270	515,755	545,352	573,549
Capital outlay	7,441,432	4,565,274	4,079,896	178,841	301,092	138,529	78,803	77,983	128,205	553,382
TOTAL EXPENDITURES	40,459,503	7,667,287	33,569,591	27,741,525	27,036,666	25,713,386	25,187,258	25,132,971	23,680,946	23,743,163
Excess ((deficiency) of revenues over expenditures	(5,884,430)	(3,773,218)	(4,654,653)	(367,488)	(488,967)	(95,562)	(223,612)	321,918	615,108	(407,676)
Other financing sources (uses)										
Bond Proceeds			16,000,000							
Transfers in	18,897	77,180	87,711	276	130	12	57,083	19	23	565
Transfers out							(48,711)			
Total other financing sources (uses)	18,897	77,180	16,087,711	276	130	12	8,372	19	23	565
Net change in fund balances	\$ (5,865,533)	\$ (3,696,038)	\$ 11,433,058	\$ (367,212)	\$ (488,837)	\$ (95,550)	\$ (215,240)	\$ 321,937	\$ 615,131	\$ (407,111)
Debt service as a percentage of noncapital expenditures	6.44%	56.48%	3.56%	4.12%	4.25%	4.30%	4.97%	5.30%	5.61%	5.74%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

See independent auditor's report and notes to the financial statements

WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(Unaudited)

Exhibit J-5

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE (NJ)

Description	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Funds										
Interest on investments	\$ 16,300	\$ 638	\$ 823	\$ 2,030	\$ 891	\$ 234	\$ 207	\$ 227	\$ 166	\$ 2,200
Additional fund from Township of Weehawken		300,000								
Use of facilities- current year		150,000	175,000	125,000	100,000	1,500	510	445,264	300,000	300,000
Use of facilities- prior year			150,000							
High School gate fees/book fines & sales/ activity account		1,191	5,213	4,245	1,074	4,758	6,755	6,883	4,611	4,773
Lost Chrome Books/ ID Replacements	1,509	5,385		11,555						
Insurance refunds/ Worker's Comp	21,683	10,450		28,368	43,238	17,667	11,403	17,862	16,703	9,536
Refunds from vendors/educational institutions /e-rate HCS	120,769	8,754	2,400	105,954	120,143	101,577	105,953	114,072	93,441	100,206
Re-imbursment from Fund 30 for over-time			25,578							
Anti-bullying grant/ Exxon grant	1,000	500					811			
NJSIG-RK- Insurance Safety Grant	22,779									
Special needs teacher reimbursement							83,977			
Cancel prior year accounts payable/py voided checks			16,651	30,298	94,798	1,107	5,742	24,568	23,725	33,317
Brain camp reimbursement		100,000								
AP exam charges	944	12,888								
UBS rent payment		5,000								
Other	18,138		1,939	2,974	11,919	5,931	5,014	5,721	36,012	3,686
Total miscellaneous	203,122	594,806	377,604	310,424	372,063	132,774	220,372	614,597	474,658	453,718
Revenue from local gov't allocated to capital reserve										
Capital reserve transfer to debt service										
Sale of Property	1,900,000									
Local- PILOT	725,000	757,000								
Tuition	79,677	102,296	80,867	104,791	77,036	113,038	51,042	103,936	148,151	65,523
Total General Fund other than local revenue	\$ 2,907,799	\$ 1,454,102	\$ 458,471	\$ 415,215	\$ 449,099	\$ 245,812	\$ 271,414	\$ 718,533	\$ 622,809	\$ 519,241

Source: district records

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(Unaudited)**

Exhibit J-6

ASSESSED VALUE & ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Fiscal Year Ended June 30,	Net Assessed Valuations	Estimated Full Cash Valuations	Percentage of Net Assessed to Equalized Valuations
2020	\$ 4,105,080,500	\$ 4,100,569,873	100.11%
2019	4,089,418,600	4,043,324,698	101.14%
2018	* 3,850,799,400	3,526,737,142	109.19%
2017	1,249,269,560	2,890,489,495	43.22%
2016	1,194,462,742	2,690,837,445	44.39%
2015	1,179,925,232	2,615,082,518	45.12%
2014	1,181,084,193	2,639,452,108	44.75%
2013	1,170,850,850	2,525,748,607	46.36%
2012	1,204,038,935	2,323,054,090	51.83%
2011	1,183,868,735	2,284,138,019	51.83%

* Revaluation

Source: Abstract of Ratables, Hudson County Board of Taxation

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(Unaudited)**

Exhibit J-7

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(rate per \$100 of assessed value)

<u>Assessment Year</u>	<u>Weehawken School District</u>	<u>Weehawken Township</u>	<u>Hudson County</u>	<u>Open Space</u>	<u>Special Garbage District</u>	<u>Total</u>	
2020	0.5860	0.7630	0.3880	0.0000	0.0610	1.7980	
2019	0.5450	0.6930	0.4070	0.0100	0.0600	1.7150	
2018	*	0.5600	0.6700	0.4110	0.0100	0.0630	1.7140
2017	1.6350	2.3340	1.1210	0.0240	0.1840	5.2980	
2016	1.5960	2.3700	1.0720	0.0220	0.1830	5.2430	
2015	1.5960	2.2450	1.2130	0.0120	0.1850	5.2510	
2014	1.5880	2.1170	1.1700	0.0120	0.1840	5.0710	
2013	1.5730	1.9030	1.1650	0.0050	0.1820	4.8280	
2012	1.5220	1.8290	0.9740	0.0200	0.1590	4.5040	
2011	1.4510	1.7780	0.8930	0.0100	0.1700	4.3020	

Source: Weehawken Township Tax Collector

* Revaluation

See independent auditor's report and notes to the financial statement

**WEEHAWKEN BOARD OF EDUCATION
CURRENT YEAR AND NINE YEARS AGO**

Exhibit J-8

PRINCIPAL PROPERTY TAXPAYERS

	2020			2011		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
HARTZ MOUNTAIN IND INC	\$ 322,427,100	1	7.88%	\$ 25,122,800	4	2.15%
ROSELAND PROPERTIES (MACK-CALI)	235,500,100	2	5.76%			
GLOBAL WEEHAWKEN ACQUISITIONS GROUP, LLC	95,361,000	3	2.33%	40,000,000	3	3.43%
LENNAR CORP.	30,300,000	4	0.74%			
DYKES LUMBER	27,000,000	5	0.66%			
TOWER PLAZA ASSOC.	21,500,000	6	0.53%	8,653,000	10	0.74%
1500 HARBOR BLVD PARTNERS, LLC	19,295,000	7	0.47%			
NORTH PIER ASSOCIATES, LLC	16,500,000	8	0.40%			
SIMONE CONDOMINIUM	15,000,000	9	0.37%			
ROCK EAGLE PROPERTIES, LLC	12,920,000	10	0.32%			
HARTZ PW LP				80,439,900	1	6.89%
HARTZ PW TOWER BLP				53,826,500	2	4.61%
HARTZ MOUNTAIN - PARSIPPANY				24,511,800	5	2.10%
PORT IMPERIAL SOUTH 15 LLC				23,600,000	6	2.02%
HARTZ-PW LIMITED PARTNERSHIP				23,384,700	7	2.00%
RIVER PW HOTEL LIMITED PARTNERSHIP				22,446,100	8	1.92%
RIVER PW HOTEL LIMITED PARTNERSHIP				10,998,300	9	0.94%
TOTAL	<u>\$ 795,803,200</u>		<u>19.46%</u>	<u>\$ 312,983,100</u>		<u>26.80%</u>

Source: Municipal Tax Assessor

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(Unaudited)**

Exhibit J-9

MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS

Fiscal Year Ended June 30,	Total Tax Levy	Current Tax Collections	Percent of Tax Levy Collected
2020	\$ 74,661,873	\$ 74,552,987	99.85%
2019	67,010,094	66,731,503	99.58%
2018	66,559,913	66,505,714	99.92%
2017	64,299,005	64,264,303	99.95%
2016	64,133,073	63,739,500	99.39%
2015	62,017,579	61,811,306	99.67%
2014	61,352,024	60,635,460	98.83%
2013	57,612,041	57,323,487	99.50%
2012	52,119,924	51,873,546	99.53%
2011	52,127,848	51,698,409	99.18%

Source: Weehawken Township Tax Collector

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS**

Exhibit J-10

RATIOS OF OUTSTANDING DEBT BY TYPE

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2020	\$ 22,115,000	\$ -	\$ 82,893	\$ -	\$ -	\$ 22,197,893	N/A	N/A
2019	23,525,000	-	115,159	-	-	23,640,159	N/A	N/A
2018	24,310,000	-	98,098	-	-	24,408,098	0.27%	65,139
2017	9,020,000	-	50,594	-	-	9,070,594	0.69%	62,461
2016	9,765,000	-	102,616	-	-	9,867,616	0.59%	58,466
2015	10,485,000	-	169,628	-	-	10,654,628	0.53%	56,540
2014	11,125,000	-	157,360	-	-	11,282,360	0.47%	52,819
2013	12,052,969	-	134,906	-	-	12,187,875	0.40%	49,075
2012	12,865,691	-	165,779	-	-	13,031,470	0.37%	48,103
2011	13,641,274	-	46,951	-	-	13,688,225	0.34%	46,273
2010	14,399,870	-	61,081	-	-	14,460,951	0.31%	45,124

N/A - Not Available

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

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

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS**

Exhibit J-11

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

General Bonded Debt Outstanding

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2020	\$ 22,115,000		\$ 22,115,000	0.54%	N/A
2019	23,525,000		23,525,000	0.58%	N/A
2018	24,310,000	-	24,310,000	0.63%	65,139
2017	9,020,000	-	9,020,000	0.72%	62,461
2016	9,765,000	-	9,765,000	0.82%	58,466
2015	10,485,000	-	10,485,000	0.89%	56,540
2014	11,125,000	-	11,125,000	0.94%	52,819
2013	10,485,000	-	10,485,000	0.90%	49,075
2012	12,865,691	-	12,865,691	1.07%	48,103
2011	13,641,274	-	13,641,274	1.15%	46,273

N/A - Not Available

Notes:

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

- a** See Exhibit J-6 for property tax data.
- b** Population data can be found in Exhibit J-14.

See independent auditor's report and notes to the financial statements

**WEEHAWKEN BOARD OF EDUCATION
AS OF JUNE 30, 2020**

Exhibit J-12

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

	Gross Debt	Deductions	Net Debt
Municipal Debt: (1)			
Weehawken School District	\$ 22,197,893	\$ 22,197,893	\$ -
Weehawken Township	118,870,454	39,480,500	79,389,954
	\$ 141,068,347	\$ 61,678,393	\$ 79,389,954
Overlapping Debt:			
County of Hudson (2) - Township's Share (4.22%)			22,057,771
			\$ 101,447,725

Sources:

- (1) Weehawken's Annual Debt Statement - June 30, 2020
- (2) Hudson County Treasurer's Office. The County debt was apportioned to Weehawken Township by dividing the Township's 2020 Equalized Value by the total 2020 Equalized Value for Hudson County, which results in an apportionment rate of 4.22%

WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS

LEGAL DEBT MARGIN INFORMATION

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2020

	<u>Equalized Valuation Basis</u>	
	2017	3,214,000,816
	2018	3,700,556,794
	2019	4,043,324,698
	[A]	<u>\$ 10,957,882,308</u>
Average equalized valuation of taxable property	[A/3]	\$ 3,652,627,436
Debt limit (4 % of average equalization value)	[B]	146,105,097 ^a
Total Net Debt Applicable to Limit	[C]	<u>79,389,954</u>
Legal debt margin	[B-C]	<u>\$ 66,715,143</u>

	<u>Fiscal Year Ending June 30,</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Debt limit	\$ 146,105,097	\$ 130,258,858	\$ 115,592,976	\$ 108,180,804	\$ 104,676,301	\$ 103,736,654	\$ 99,804,515	\$ 95,699,435	\$ 91,849,871	\$ 60,840,222
Total net debt applicable to limit	<u>22,197,893</u>	<u>22,197,893</u>	<u>24,408,098</u>	<u>9,070,594</u>	<u>9,867,616</u>	<u>10,485,000</u>	<u>11,125,000</u>	<u>12,052,969</u>	<u>12,865,691</u>	<u>13,641,274</u>
Legal debt margin	<u>\$ 123,907,204</u>	<u>\$ 108,060,965</u>	<u>\$ 91,184,878</u>	<u>\$ 99,110,210</u>	<u>\$ 94,808,685</u>	<u>\$ 93,251,654</u>	<u>\$ 88,679,515</u>	<u>\$ 83,646,466</u>	<u>\$ 78,984,180</u>	<u>\$ 47,198,948</u>
Total net debt applicable to the limit as a percentage of debt limit	15.19%	17.04%	21.12%	8.38%	9.43%	10.11%	11.15%	12.59%	14.01%	22.42%

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

^a Limit set by NJS A 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(Unaudited)**

Exhibit J-14

DEMOGRAPHIC AND ECONOMIC STATISTICS

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income *</u>	<u>School District Population</u>
2020	N/A	N/A	N/A
2019	2.40%	N/A	14,638
2018	3.00%	65,139	14,767
2017	3.50%	62,461	14,914
2016	4.80%	58,466	14,921
2015	3.80%	56,540	13,817
2014	4.90%	52,819	13,029
2013	9.30%	49,075	12,915
2012	9.30%	48,103	12,864
2011	9.00%	46,273	12,801
2010	11.40%	45,124	12,553

* Per capita income for Hudson County

N/A Not Available

(E) Estimate

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

**WEEHAWKEN BOARD OF EDUCATION
DEMOGRAPHIC & ECONOMIC INFORMATION
CURRENT YEAR AND NINE YEARS AGO**

Exhibit J-15

PRINCIPAL EMPLOYERS

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank [Optional]</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank [Optional]</u>	<u>Percentage of Total Municipal Employment</u>
UBS Financial Services	5,000	1	55.01%			
Hanover Direct Incorporated	1,975	2	21.73%	340	4	4.71%
The Swatch Group US Inc.	700	2	7.70%	570	3	7.89%
Port Imperial Ferry Corp.	500	4	5.50%	700	1	9.69%
Ceres Marine Terminals Inc.	200	5	2.20%	200	7	2.77%
Dykes Lumber Co. Inc	175	6	1.93%			
Weehawken Board of Education	137	7	1.51%			
Micros Retail System Inc	103	8	1.13%			
Chart House Restaurant	100	9	1.10%			
Houlihan's	100	10	1.10%			
Specialists LTD	100	11	1.10%	100	11	1.38%
Citicorp Data Systems Incorporated				594	2	8.23%
New Jersey Department of Transportation				300	5	4.15%
Hartz Mountain Industries Inc.				250	6	3.46%
Citicorp Information Technologies				150	8	2.08%
Qwest Cyber Solutions				150	9	2.08%
Pathmark Stores Inc				130	10	1.80%
UBS Painewebber Inc				100	12	1.38%
	9,090		100.00%	3,584		49.62%

Source: Hudson County Economic Development Corp.

WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS

Exhibit J-16

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION / PROGRAM

<u>FUNCTION / PROGRAM</u>	<u>Fiscal Year Ending June 30,</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Instruction:										
Regular	94	92	93	97	94	91	91	89	89	89
Special education	25	22	16	12	12	11	10	10	9	8
Other special education										-
Vocational										-
Other instruction	13	11	14	11	11	11	17	17	17	17
Nonpublic school programs										-
Adult/continuing education programs										-
Support Services:										
Student & instruction related services	29	31	31	31	39	30	31	31	29	27
General administration	11	11	11	5	5	5	5	5	5	5
School administrative services	7	7	7	7	7	7	7	7	7	7
Other administrative services					-	-	1	1	1	1
Central services	5	4	4	2	2	2	2	2	2	3
Administrative Information Technology					-	-	-	-	-	-
Plant operations and maintenance	11	10	10	12	12	12	12	11	11	11
Pupil transportation	8	8	7	7	7	7	9	9	9	9
Other support services										-
Special Schools									-	-
Food Service									-	-
Child Care									-	-
TOTAL FUNCTION / PROGRAM	203	196	193	184	189	176	185	182	179	177

Source: District Personnel Records

**WEEHAWKEN BOARD OF EDUCATION
OPERATING INFORMATION
LAST TEN FISCAL YEARS**

Exhibit J-17

OPERATING STATISTICS

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2020	1,353	\$ 35,743,787	26,418	(0.01)	132	9.98	10.33	10.40	1,363	1,289	1.19%	94.57%
2019	1,395	36,491,419	26,159	(0.01)	125	9.44	8.55	11.87	1,404	1,320	4.23%	94.02%
2018	1,344	35,628,817	26,510	0.02	123	11.28	10.53	10.94	1,344	1,304	-1.97%	97.02%
2017	1,347	32,736,403	24,303	0.11	121	12.05	10.37	10.96	1,347	1,272	-1.75%	94.43%
2016	1,372	30,027,046	21,886	0.03	127	12.77	9.90	10.17	1,371	1,303	3.24%	95.04%
2015	1,328	28,173,214	21,215	0.09	113	13.41	12.67	10.20	1,328	1,261	1.45%	94.95%
2014	1,309	25,401,490	19,405	(0.04)	118	13.72	13.25	9.62	1,309	1,236	4.05%	94.42%
2013	1,258	25,405,421	20,195	0.05	115	13.05	12.05	9.23	1,258	1,194	1.53%	94.91%
2012	1,239	23,855,881	19,254	0.02	114	8.00	8.80	9.85	1,239	1,183	-0.72%	95.48%
2011	1,248	23,590,341	18,903	0.01	114	12.52	11.23	9.92	1,248	1,177	2.80%	94.31%

Sources: District records

Note: Enrollment based on annual October district count.

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

**WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS**

Exhibit J-18

SCHOOL BUILDING INFORMATION

<u>District Building</u>	<u>Fiscal Year Ending June 30,</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Pre-K thru Grade 2</u>										
Daniel Webster (1939)										
Square Feet	50,700	50,700	50,700	50,700	50,700	50,700	50,700	50,700	50,700	50,700
Capacity (students)	281	281	281	281	281	281	281	281	281	281
Enrollment	410	410	415	458	445	429	417	405	388	388
<u>Grade 3 thru Grade 6</u>										
Theodore Roosevelt (1928)										
Square Feet	56,300	56,300	56,300	56,300	56,300	56,300	56,300	56,300	56,300	56,300
Capacity (students)	311	311	311	311	311	311	311	311	311	311
Enrollment	415	415	383	363	356	380	397	374	348	348
<u>Grade 7 thru Grade 12</u>										
Weehawken High School (1939)										
Square Feet	125,600	125,600	125,600	125,600	125,600	125,600	125,600	125,600	125,600	125,600
Capacity (students)	572	572	572	572	572	572	572	572	572	572
Enrollment	570	570	546	526	560	520	488	480	512	512

Number of Schools at June 30, 2019

 Elementary School = 2

 High School = 1

 Other = 0

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. 2009 Increases in square footage and capacity are the result of new construction.

Capacity of schools are from the Long Range Facilities Plan.

WEEHAWKEN BOARD OF EDUCATION
LAST TEN FISCAL YEARS

Exhibit J-19

SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITY

Undistributed Expenditures - Required
Maintenance for School Facilities

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
* School Facilities										
1 Building A - High School	\$ 30,045	\$ 30,986	\$ 88,251	\$ 65,621	\$ 80,340	\$ 86,214	\$ 111,630	\$ 84,475	\$ 77,560	\$ 89,298
2 Building B - Webster School	1,053	10,031	31,345	23,307	12,153	28,325	48,402	21,945	21,531	34,566
5 Building C - Roosevelt School	11,218	8,516	27,744	20,630	10,660	15,802	27,837	18,013	35,899	13,696
9 Unallocated	4,850	2,958								
Total School Facilities	<u>47,166</u>	<u>52,491</u>	<u>147,340</u>	<u>109,558</u>	<u>103,153</u>	<u>130,341</u>	<u>187,869</u>	<u>124,433</u>	<u>134,990</u>	<u>137,560</u>
Other Facilities - District-wide										
Grand Total	<u>\$ 47,166</u>	<u>\$ 52,491</u>	<u>\$ 147,340</u>	<u>\$ 109,558</u>	<u>\$ 103,153</u>	<u>\$ 130,341</u>	<u>\$ 187,869</u>	<u>\$ 124,433</u>	<u>\$ 134,990</u>	<u>\$ 137,560</u>

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

WEEHAWKEN BOARD OF EDUCATION
AT JUNE 30, 2020
(Unaudited)

Exhibit J-20

INSURANCE SCHEDULE

	Coverage	Deductible
Property - N.J.S.I.G.		
Blanket Realty and Personal Property	\$ 500,000,000	\$ 5,000
Extra Expense	50,000,000	5,000
Valuable papers	10,000,000	5,000
Demolition and Increased Cost of Construction	25,000,000	
Loss of Business/Tuition	10,000,000	
Limited Builders Risk	10,000,000	
Fire Department service charge	10,000	
Arson reward	10,000	
Pollution and contamination cleanup	250,000	
Flood (Zones A or V)	25,000,000	500,000
Flood (All other zones)	75,000,000	10,000
Accounts receivable	250,000	
Earthquake	50,000,000	
Terrorism	1,000,000	
Newly Acquired Location	10,000,000	
Debris removal	2,500,000	
Electronic Data Processing - N.J.S.I.G.		
Computer virus	250,000	
Equipment Breakdown - N.J.S.I.G.		
	100,000,000	
Off premises property damage	1,000,000	
Extra expense	10,000,000	
Service Interruption	10,000,000	
Perishable Goods	1,000,000	
Data restore	1,000,000	
Cont. business income	1,000,000	
Demolition	1,000,000	
Ordinance or Law	1,000,000	
Expediting expenses	1,000,000	
Hazardous substances	1,000,000	
Newly acquired location	1,000,000	
Crime - N.J.S.I.G.		
Faithful performance	250,000	1,000
Forgery and alteration	250,000	1,000
Money and securities (in and out)	25,000	500
Money orders/counterfeit	100,000	1,000
Computer fraud	25,000	500
Board Secretary bond	250,000	1,000
Treasurer bond	250,000	1,000
Comprehensive General Liability - N.J.S.I.G.		
Bodily Injury and Property Damage	16,000,000	1,000
Products and Completed Operations	16,000,000	
Sexual Abuse	16,000,000	Per occurrence
	17,000,000	Annual Aggregate
Personal Injury and Advertising Injury	16,000,000	
Premises medical payments	10,000	Per accident
	5,000	Limit per person
Employee benefit coverage	16,000,000	1,000
Automobile - N.J.S.I.G.		
Bodily Injury and Property Damage	16,000,000	1,000
Uninsured/Underinsured Motorists - Private Passenger Autos	1,000,000	
Uninsured/Underinsured Motorists - All Other Vehicles	15,000	Bodily Injury PP
	30,000	Bodily Injury per accident
	5,000	Property Damage per accident
Personal Injury Protection (including pedestrians)	250,000	
Medical payments	10,000	Private passenger vehicles
	5,000	all other vehicles
Terrorism	1,000,000	
Workers' Compensation - N.J.S.I.G.		
Employers' liability	3,000,000	

See independent auditor's report and notes to the financial statements

SINGLE AUDIT SECTION

Exhibit K-1

**Independent Auditor's 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

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

We have audited , in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey, the financial statements of governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey (the "District"), as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements (the "financial statements"), and have issued our report thereon dated January 25, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the auditing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Weehawken Board of Education's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, and State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as items 2020-001.

We noted certain matters that we reported to the District in a separate report entitled, *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* dated January 25, 2021.

Board of Education of the Weehawken School District Response to Findings

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

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 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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534
Public School Accountant
No. 2415



Garbarini & Co. P.C. CPAs
Carlstadt, New Jersey

January 25, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS REQUIRED BY OMB UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

Independent Auditor's Report

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

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *N.J. State Office of Management and Budget's (OMB) State Grant Compliance Supplement 15-08* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2020. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedules of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and *N.J. OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, *Uniform Guidance and State Circular 15-08* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures, as we consider 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 district's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the 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, 2020.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and the *N.J. State Office of Management and Budget's (OMB) State Grant Compliance Supplement 15-08*.

Report on Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 *Uniform Guidance and N.J. 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 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 program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Report on Schedule of Expenditures of Federal Awards Required by 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 District as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report dated January 25, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the Uniform Guidance and schedule 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.



Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534
Public School Accountant
No. 2415



Garbarini & Co. P.C. CPAs
Carlstadt, New Jersey

January 25, 2021

**WEEKHAWKEN BOARD OF EDUCATION
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Exhibit K-3
Schedule A

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2019	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balances	(Accounts Receivable) June 30, 2020	Deferred Revenue	Due to Grantor June 30, 2020
					From	To									
U.S. Department of Agriculture															
Passed-through State Dept. of Agriculture															
<u>Enterprise Fund</u>															
National School Breakfast Program	10.553	201NJ304N1099	N/A	14,558	07/01/19	06/30/20	\$ -	\$ -	\$ 14,558	\$ (14,558)	\$ -	\$ -	\$ -	\$ -	\$ -
National School Breakfast Program	10.553	191NJ304N1099	N/A	22,422	07/01/18	06/30/19	(4,578)	-	4,578	-	-	-	-	-	-
National School Breakfast Program	10.553	171NJ304N1099	N/A	28,904	07/01/16	06/30/17	(2,273)	-	2,273	-	-	-	-	-	-
Food Donation Program	10.555	201NJ304N1099	N/A	29,437	07/01/19	06/30/20	-	-	29,437	(29,437)	-	-	-	-	-
National School Lunch Program	10.555	201NJ304N1099	N/A	144,483	07/01/19	06/30/20	-	-	141,852	(144,483)	-	-	(2,631)	-	-
National School Lunch Program	10.555	191NJ304N1099	N/A	176,346	07/01/18	06/30/19	(30,294)	-	30,294	-	-	-	-	-	-
National School Lunch Program	10.555	171NJ304N1099	N/A	200,042	07/01/16	06/30/17	(13,972)	-	13,972	-	-	-	-	-	-
							<u>(51,117)</u>	<u>-</u>	<u>236,964</u>	<u>(188,478)</u>	<u>-</u>	<u>-</u>	<u>(2,631)</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Agriculture															
U.S. Department of Education															
Passed-through State Dept. of Education															
<u>Special Revenue Fund</u>															
Title I, Part A	84.010	S010A190030		399,259	07/01/19	06/30/20			215,143	(364,532)			(184,178)	34,789	
Title I, Part A	84.010	S010A180030		414,709	07/01/18	06/30/19	(158,762)		158,762				-		
I.D.E.A. Cluster:															
I.D.E.A. Part B, Basic Regular- Individuals with Disabilities	84.027	H027A190100		325,906	07/01/19	06/30/20			196,532	(336,912)			(140,380)		
I.D.E.A. Part B, Basic Regular- Individuals with Disabilities	84.027	H027A180100		315,401	07/01/18	06/30/19	(36,391)		36,391				-		
Subtotal for I.D.E.A. Cluster							<u>(36,391)</u>	<u>-</u>	<u>232,923</u>	<u>(336,912)</u>	<u>-</u>	<u>-</u>	<u>(140,380)</u>	<u>-</u>	<u>-</u>
Title III English Language Acquisition State Grants	84.365	S365A190030		11,744	07/01/19	06/30/20			11,213	(11,743)			(531)	1	
Title III Immigrant	84.365	S365A190030		6,519	07/01/19	06/30/20		13	158	(5,392)			(6,561)	1,340	
Title III Immigrant	84.365	S365A180030		6,178	07/01/18	06/30/19	(2,692)	(6)	2,698				-		
Title III Immigrant	84.365	S365A170030		6,924	07/01/16	06/30/17	7	(7)					-		
Title II Part A, Supporting Effective Instruction ESSA	84.367A	S367B190029		46,069	07/01/19	06/30/20			32,425	(45,775)			(13,644)	294	
Title IV Student Support and Academic Enrichment (ESSA)	84.424	S424A190031		24,200	07/01/19	06/30/20				(12,000)			(24,200)	12,200	
Title IV Student Support and Academic Enrichment (ESSA)	84.424	S424A180031		24,902	07/01/18	06/30/19	(14,902)		14,902				-		
Total U.S. Department of Education							<u>(212,740)</u>	<u>-</u>	<u>668,224</u>	<u>(776,354)</u>	<u>-</u>	<u>-</u>	<u>(369,494)</u>	<u>48,624</u>	<u>-</u>
U.S. Dept. of Health and Human Services															
Passed-through State Dept. of Education															
<u>General Fund</u>															
Medical Assistance Program	93.778	2005NJ5MAP	N/A	36,739	07/01/19	06/30/20			36,739	(36,739)			-		
							<u>-</u>	<u>-</u>	<u>36,739</u>	<u>(36,739)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total U.S. Dept. of Health and Human Services															
Total Federal Financial Awards							<u>\$ (263,857)</u>	<u>\$ -</u>	<u>\$ 941,927</u>	<u>\$ (1,001,571)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (372,125)</u>	<u>\$ 48,624</u>	<u>\$ -</u>

WEEKHAWKEN BOARD OF EDUCATION
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Exhibit K-4
Schedule B

State Grantor Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2019			Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balances	Balance at June 30, 2020			Memo	
			From	To	(Accounts Receivable)	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Agriculture																	
<u>Enterprise Fund</u>																	
State School Lunch Program	20-100-010-3350-023	\$ 4,010	07/01/19	06/30/20	\$ -	\$ -	\$ -	\$ -	\$ 3,968	\$ (4,010)	\$ -	\$ -	\$ (42)	\$ -	\$ -	\$ -	\$ 4,010
State School Lunch Program	19-100-010-3350-023	5,272	07/01/18	06/30/19	(878)	-	-	-	878	-	-	-	-	-	-	-	-
State School Lunch Program	17-100-010-3350-023	5,085	07/01/16	06/30/17	(358)	-	-	-	-	-	358	-	-	-	-	-	-
Total State Department of Agriculture					(1,236)	-	-	-	4,846	(4,010)	358	-	(42)	-	-	-	4,010
State Department of Education																	
<u>General Fund</u>																	
Extraordinary Aid	20-495-034-5120-044	744,215	07/01/19	06/30/20	-	-	-	-	-	(744,215)	-	-	(744,215)	-	-	-	744,215
Extraordinary Aid	19-495-034-5120-044	484,227	07/01/18	06/30/19	(484,227)	-	-	-	484,227	-	-	-	-	-	-	-	-
Special Education Aid	20-495-034-5120-089	900,996	07/01/19	06/30/20	-	-	-	-	900,996	(900,996)	-	-	-	-	-	-	900,996
Special Education Aid	19-495-034-5120-089	900,996	07/01/18	06/30/19	(80,410)	-	-	-	80,410	-	-	-	-	-	-	-	-
Security Aid	20-495-034-5120-084	351,824	07/01/19	06/30/20	-	-	-	-	317,001	(351,824)	-	-	(34,823)	-	-	-	351,824
Security Aid	19-495-034-5120-084	351,824	07/01/18	06/30/19	(84,103)	-	-	-	84,103	-	-	-	-	-	-	-	-
Adjustment Aid	20-495-034-5120-085	1,095,930	07/01/19	06/30/20	-	-	-	-	1,095,930	(1,095,930)	-	-	-	-	-	-	1,095,930
Adjustment Aid	19-495-034-5120-085	1,204,317	07/01/18	06/30/19	(30,203)	-	-	-	30,203	-	-	-	-	-	-	-	-
Transportation Aid	20-495-034-5120-014	150,232	07/01/19	06/30/20	-	-	-	-	150,232	(150,232)	-	-	-	-	-	-	150,232
Social Security Tax	20-495-034-5094-003	762,458	07/01/19	06/30/20	-	-	-	-	762,458	(762,458)	-	-	-	-	-	-	762,458
On Behalf-Teachers' Pension and Annuity Fund					-	-	-	-	-	-	-	-	-	-	-	-	-
Post Retirement Medical	20-495-034-5094-001	740,016	07/01/19	06/30/20	-	-	-	-	740,016	(740,016)	-	-	-	-	-	-	740,016
On-Behalf-Teachers' Pension and Annuity Fund	20-495-034-5094-002	1,994,750	07/01/19	06/30/20	-	-	-	-	1,994,750	(1,994,750)	-	-	-	-	-	-	1,994,750
On Behalf-Teachers' Pension and Annuity Fund					-	-	-	-	-	-	-	-	-	-	-	-	-
- Non-contributory Insurance	20-495-034-5094-002	2,510	07/01/19	06/30/20	-	-	-	-	2,510	(2,510)	-	-	-	-	-	-	2,510
<u>General Fund Subtotal</u>					(678,943)	-	-	-	6,642,836	(6,742,931)	-	-	(779,038)	-	-	-	6,742,931
<u>Special Revenue Fund</u>																	
Preschool Education Aid	20-495-034-5120-086	579,083	07/01/19	06/30/20	-	-	-	7,300	418,794	(561,860)	-	-	-	(135,766)	-	(160,289)	561,860
Preschool Education Aid	19-495-034-5120-086	525,773	07/01/18	06/30/19	-	(41,379)	-	(7,300)	48,679	-	-	-	-	-	-	-	-
<u>Special Revenue Fund Subtotal</u>					-	(41,379)	-	-	467,473	(561,860)	-	-	-	(135,766)	-	(160,289)	561,860
<u>Debt Service Fund</u>																	
Debt Service Aid Type II	20-495-034-5120-017	493,352	07/01/19	06/30/20	-	-	-	-	493,352	(493,352)	-	-	-	-	-	-	493,352
<u>Debt Service Fund Subtotal</u>					-	-	-	-	493,352	(493,352)	-	-	-	-	-	-	493,352
Total State Department of Education					(680,179)	(41,379)	-	-	7,608,507	(7,802,153)	358	-	(779,080)	(135,766)	-	(160,289)	7,802,153
State Department of Health																	
Passed-through Hudson County Dept. of Human Services																	
<u>Special Revenue Fund</u>																	
NJEIF Safety Grant Program	N/A	10,331	07/01/19	06/30/20	-	-	-	-	10,331	(10,331)	-	-	-	-	-	-	10,331
NJEIF Safety Grant Program	N/A	8,477	07/01/18	06/30/19	(5,783)	5,077	-	819	-	-	-	-	113	-	-	-	-
NJEIF Safety Grant Program	N/A	5,881	07/01/16	06/30/17	-	819	-	(819)	-	-	-	-	-	-	-	-	-
Total State Department of Health					(5,783)	5,896	-	-	10,331	(10,331)	-	-	-	113	-	-	10,331
Total State Financial Assistance					\$ (685,962)	\$ (35,483)	\$ -	\$ -	\$ 7,618,838	\$ (7,812,484)	\$ 358	\$ -	\$ (779,080)	\$ (135,653)	\$ -	\$ (160,289)	\$ 7,812,484
Less: On-Behalf TPAF Pension System Contributions																	
On Behalf-Teachers' Pension and Annuity Fund																	
Post Retirement Medical	20-495-034-5094-001								740,016								
On-Behalf-Teachers' Pension and Annuity Fund	20-495-034-5094-002								1,994,750								
On Behalf-Teachers' Pension and Annuity Fund																	
- Non-contributory Insurance	20-495-034-5094-002								2,510								
Total for State Financial Assistance- Major Program Determination									\$ (5,075,208)								

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-5

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Weehawken School District (the "District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. and N.J. OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$159,893 for the general fund and (\$111,610) for the special revenue fund. See Note 14 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 expenditures are reported in the Board's basic financial statements on a GAAP basis as presented as follow:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 36,739	\$ 6,742,931	\$ 6,779,670
Special Revenue Fund	776,354	572,191	1,348,545
Debt Service Fund		493,352	493,352
Food Service Fund	188,478	4,010	192,488
Total Awards & Financial Assistance	\$ 1,001,571	\$ 7,812,484	\$ 8,814,055

**WEEHAWKEN BOARD OF EDUCATION
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-5

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

NOTE 6. ADJUSTMENTS

Amounts reported in the accompanying financial schedules under the column heading for adjustments, if any, represent fiscal year 2020 encumbrances, which were canceled in fiscal year 2020, canceled receivables, or amounts transferred to General Fund deferred revenue. Canceled encumbrances totaled \$0, canceled receivables totaled \$358, state aid deductions not received in cash totaled \$836,501 and amounts transferred to General Fund revenue totaled \$0.

**WEEHAWKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-6

Section I – Summary of Auditor’s Results

Financial Statements

(Reference – Section .516 and .518 of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.)

Type of Auditors Report Issued

Unmodified

Internal Control over Financial Reporting:

1) Material weakness(s) identified?

Yes X No

2) Significant deficiencies identified?

Yes X None reported

Noncompliance material to basic financial statement noted?

Yes X No

Federal Awards

Internal Control over major programs:

1) Material weakness(s) identified

Yes X No

2) Significant deficiencies identified?

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 ?

Yes X No

Identification of major programs:

**CFDA Number/ FEIN
Numbers**

Name of Federal Program or Cluster

(Type B)

84.010

Grants to Local Education Entities:
Title 1, Part A

(Type B)

10.553/10.555

National School Lunch/Breakfast Program

Dollar threshold used to determine type A and type B programs (518):

\$ 750,000

Auditee qualified as low-risk auditee?

X Yes No

**WEEHAWKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-6

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

State Awards

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

\$ 750,000

Auditee qualified as low-risk auditee?

 X Yes No

Internal Control over Major Programs

1) Material weakness identified

 Yes X No

2) Significant deficiencies identified that are not considered to be material weaknesses?

 Yes X None reported

Type of Auditor’s Report Issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08?

 Yes X No

Identification of major programs:

	<u>State Grant/ Project Number</u>	<u>Name of State Program</u>
(Type B)	20-495-034-5120-044	Extraordinary Aid
(Type B)	20-495-034-5120-089	Special Education Aid
(Type B)	20-495-034-5120-084	Security Aid
(Type A)	20-495-034-5120-085	Adjustment Aid
(Type B)	20-495-034-5120-014	Transportation Aid
(Type B)	20-495-034-5094-003	Social Security Tax
(Type B)	20-495-034-5120-086	Preschool Education Aid

**WEEHAWKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-6

Section II – Financial Statement Findings

[This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting in the Uniform Guidance and NJ OMB Circular 15-08. See paragraphs 13.15 and 13.35. See the AICPA Audit Guide *Government Auditing Standards and Uniform Guidance Audits* for further guidance on this schedule]

Finding 2020-001:

Criteria:

As per N.J.S.A 18A:18A-4, every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this chapter or specifically by any other law.

Condition:

Our review of vendor payments in excess of the bid threshold revealed that one vendor for cleaning supplies was above the bid threshold and was not advertised for bid.

Effect:

Cleaning supplies expended exceeded the bid threshold and was not advertised for bid.

Cause:

The administrator was not aware that the vendor had exceeded the bid threshold.

Recommendation:

All contracts in excess of the bid threshold should be advertised for bid in accordance with N.J.S.A 18A:18A-4.

Views of responsible officials and planned corrective action:

The District will ensure that all contracts that are anticipated to be over the bid threshold be advertised for bid.

**WEEHAWKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-6

Section III – Federal Awards and State Financial Assistance Findings and Questioned Cost

[This section identifies audit findings required to be reported by 2 CFR section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and NJOMB Circular 15-08, as applicable.

FEDERAL AWARDS

“NONE NOTED”

STATE AWARDS

“NONE NOTED”

**WEEHAWKEN BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS OF PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-7

[This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. (section .511(a)(b)) and NJ OMB's Circular Letter 04-04 and or 15-08, as applicable].

Finding 2019-001:

Recommendation:

Approved budgetary line accounts should not be over-expended. The Board Administrator, (the "BA") should not approve the issuance of purchase orders that would cause over-expenditure in the line account to be charged, prior to the board approving the requested transfer of additional appropriations to cover such orders. Monthly certifications filed should be consistent with the actual budgetary records.

Status:

Corrective action has been taken.

Finding 2019-002:

Recommendation:

All budget transfers should be approved and recorded in minutes of the School Board. Executive County Superintendent approval should be requested, and proof of approval retained for audit inspection for any transfers over 10% in advertised appropriation accounts as defined under *N.J.A.C.6A:23A-13.3*.

Status:

Corrective action has been taken.

Finding 2019-003:

Recommendation:

All contracts in excess of the quote threshold should have the required documentation that at least two competitive quotations were received before award of that contract in accordance with N.J.S.A. 18A:18A-37.

Status:

Corrective action has been taken.

**WEEHAWKEN BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS OF PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-7

Finding 2019-004:

Recommendation:

All vendors must have the required IRS form W-9 and NJ Business Registration Certificate on file. IRS form 1099-Misc. must be transmitted to all vendors that are paid in excess of \$600 and are not exempt.

Status:

Corrective action has been taken.

Finding 2019-005:

Recommendation:

The Board Secretary should reconcile cash records with the reconciled bank statements and cash records of the treasurer in a timely manner.

Status:

Corrective action has been taken.

[This section identifies audit findings required to be reported by 2 CFR section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and NJOMB Circular 15-08, as applicable.

FEDERAL AWARDS

Finding 2019-006:

Recommendation:

That allocations of teachers' salaries to be charged to Title 1 be board approved and recorded in the minutes.

Status:

Corrective action has been taken.

Finding 2019-007:

Recommendation:

That amendment to budget line items within the Tile 1 grant be reflected correctly for reporting purposes.

Status:

Corrective action has been taken.

**WEEHAWKEN BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS OF PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit K-7

STATE AWARDS

Finding 2019-008:

Recommendation:

The District should establish procedures to review and use guidelines provided by the Extraordinary Aid program in order to provide accurate and supported costs for each student covered by the program.

Status:

Corrective action has been taken.