

**SCHOOL DISTRICT OF THE
CITY OF HACKENSACK
COUNTY OF BERGEN, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

**School District
of
Hackensack**

**HACKENSACK BOARD OF EDUCATION
Hackensack, New Jersey**

**Annual Comprehensive Financial Report
Year Ended June 30, 2025**

Annual Comprehensive Financial Report

of the

HACKENSACK BOARD OF EDUCATION
Hackensack, New Jersey

Year Ended June 30, 2025

Prepared by

School Business Administrator/Board Secretary

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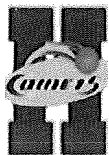
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INTRODUCTORY SECTION



Date: December 23, 2025
Honorable President and
Members of the Board of Education
Hackensack School District
Hackensack, New Jersey 07601
Dear Board Members:

The Annual Comprehensive Financial Report of the Hackensack School District for the Fiscal Year ended June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the Basic Financial Statements and results of Operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four (4) Sections as follows:

- The Introductory Section includes this transmittal letter, the District's Organizational Chart, list of professional advisors and a list of principal officials.
- The Financial Section includes the basic Financial Statements and Schedules, required supplementary information, Management's Discussion and Analysis, as well as the Auditor's Report thereon.
- The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.
- The Single Audit Section includes the Auditor's report on the internal control structure and compliance with applicable laws and regulations and finding(s) and recommendations. The District is required to undergo an Annual Single Audit in conformity with the provisions of the Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey States Office of Management and Budget 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 report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the Single Audit section of this report.

1. REPORTING ENTITY and ITS SERVICES:

The Hackensack School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by the National Council on Governmental Accounting (NCGA) Statement No. 14. All funds and account groups of the District are included in this Report. The Hackensack Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular academic, technological, vocational, as well as special education for handicapped students. This District is also a receiving school District from Rochelle Park and South Hackensack.

The District completed the 2024-25 fiscal year with an Average Daily Enrollment of 5,405 students, which is 71 students above the previous year's enrollment. The following details the changes in the student enrollment of the District over the last eleven years:

<i>Fiscal Year</i>		<i>ADE</i>		<i>Number Change</i>		<i>Percent Change</i>
2024/25		5,405		71		1.33%
2023/24		5,334		248		4.88%
2022/23		5,086		(257)		-4.81%
2021/22		5,343		(129)		-2.36%
2020/21		5,473		(144)		-2.57%
2019/20		5,617		(112)		-1.95%
2018/19		5,729		56		0.99%
2017/18		5,673		28		-0.50%
2016/17		5,645		(17)		-0.30%
2015/16		5,662		31		0.55%
2014/15		5,631		168		3.08%

For the 2024-25 school year, the District was configured as follows:

- Early Childhood Development Center Grades Pre-K
- Fairmount Elementary School Grades Pre-K through 4
- Fanny M. Hillers Elementary School Grades Pre-K through 4
- Jackson Avenue Elementary School Grades Pre-K through 4
- Nellie K. Parker Elementary School Grades Pre-K through 4
- Hackensack Middle School Grades 5 through 8
- Hackensack High School Grades 9 through 1

2. MAJOR INITIATIVES 2024-2025

Educational Programs, Grades Pre-K-12

Our District serves students in Pre-K - 12, with a Preschool Program, four (4) elementary schools, a middle school and one high school, with a total student population of over 5,400 students. Our program of instruction follows the New Jersey Students Learning Standards (NJSLS) and aims to provide for personalized learning, supporting the needs of individual students to address gaps. Teachers provide for engaging and rigorous learning in classroom environments that privilege culturally relevant pedagogy, inquiry, problem-solving, digital learning, and career-readiness skills, to prepare all students to be College and Career Ready.

The 2024-2025 school year saw our Pre-K full-day program maintain enrollment with 213 full day general education preschool students, which includes students in one local provider location, with a second location opening in September of 2025. The district was able to provide additional inclusion opportunities for students, and expand a preschool disabled class at Fanny M. Hillers School. Preschool teachers received training in Gold Assessments and aligning units of study to preschool teaching and learning standards, which assisted with aligning instruction.

During the 2024-2025 school year, the focus of Curriculum and Instruction work across grades K-12 centered on strengthening alignment, coherence, and instructional consistency across content areas. Efforts were concentrated on curriculum alignment to updated standards, the development of districtwide instructional documents, the establishment of consistent assessment practices, and the formalization of professional learning and coaching structures to support classroom implementation.

In English Language Arts, the district focused on supporting fidelity of implementation of newly adopted instructional resources, including *Into Reading* for grades K-5 and *Into Literature* for grades 6-8. Curriculum documents and pacing guides were developed and revised to align with the updated New Jersey Student Learning Standards and the design of the new instructional resources. Professional learning structures included district-wide half-day sessions, pull-out professional learning opportunities, and building-based professional development facilitated by HMH implementation coaches. K-12 literacy coaches supported instruction through lesson modeling, co-planning, data discussions, professional learning facilitation, and ongoing instructional support for teachers.

In Mathematics, no new instructional resources were introduced during the 2024-2025 school year. The primary curriculum and instruction focus was the creation of districtwide pacing guides to support instructional consistency and coherence across grade levels. Math coaches provided professional learning and embedded support aligned to these pacing expectations, contributing to a more unified instructional

framework across classrooms.

In Science, the district began a phased rollout of *OpenSciEd* for grades 5-12. Implementation during the 2024-2025 school year occurred at the unit level and served as the initial stage of a multi-year transition that will continue into the 2025-2026 school year. Professional learning focused on unit internalization and instructional practices aligned to phenomena-based, standards-aligned science instruction.

Assessment systems remained a key component of instructional support. The district utilized MAP Growth assessments in English Language Arts and Mathematics for grades K-12 for universal screening, progress monitoring, and instructional planning. Amira was implemented in grades K-4, with teachers receiving training and utilizing the tool as part of literacy assessment practices. Assessment calendars were established to promote consistency and predictability across the district.

Support for multilingual learners was provided through curriculum alignment, instructional materials, professional learning, and assessment practices designed to meet the needs of bilingual, ESL, and multilingual students. Instructional supports and resources were aligned to content-area expectations while addressing language development needs across grade levels.

Across all content areas, the district formalized coaching structures, facilitated grade-level meetings, and developed pacing guides and assessment calendars to strengthen instructional systems. These efforts supported consistent implementation, collaboration among educators, and a shared understanding of curriculum expectations across grades K-12.

Facility/District Upgrades included:

The district has initiated a massive plan to update and upgrade its school facilities, which have an average age of > 75 years. There are several capital projects underway funded either through ESIP, Capital Projects, and general funds. All of these projects have been completed. The following lists these improvements, which were completed in 2024-25 and are also ongoing during the end of 2024-2025 school year

At Various Schools

- Solar Panels on roof tops - Completed
- Solar Carports - Completed
- HVAC/Univent Replacement- Completed
- Building Controls Upgrade - Completed
- Air Handling Replacement - Completed
- Pool Chiller Replacement - Completed
- Steam Boiler Replacement (Fairmount) - Completed
- Lighting retrofit - Completed

Improvements at all Schools funded from Capital and General Fund: Fairmount Avenue

- Elevator - Completed
- Bathroom Renovations - Completed New Playground - Completed
- Gymnasium Renovation including new floor and bleachers - Completed
- System Upgrades at Fairmount School - Completed

Jackson Avenue

- Elevator - Completed
- Boiler Replacement - Completed
- Bathroom Renovations - Completed

Fanny Meyers Hillers

- Window Replacement - Completed
- Replace Rooftop Units to expand A/C -Completed Kindergarten classrooms and cafeteria - Completed Partial Roof Replacement - Completed
- New Playground - Completed

Hackensack High School

- Canopy/Portico/Security Improvements at front entry - Completed
- Cafeteria Improvements (funded from surplus food service enterprise funds) - Completed.
- Fully Upgrade Auditorium including HVAC System - Completed
- Field House Renovation including HVAC System - Completed
- Fitness Center Renovation including new equipment - Completed
- High School Track Improvements - Completed
- Partial roof Replacement - Completed
- All Parking Lots Upgraded - Completed
- East wing New Gymnasium Floor - Completed

Hackensack Middle School

- Cafeteria Improvements (funded from surplus food service enterprise funds)-Completed
- New Field Turf - Completed
- System Upgrades at Hackensack Middle School - Completed

Nellie K. Parker

- Security Vestibule at Nellie K. Parker - Ongoing

3. INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure the adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

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

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

4. BUDGETARY CONTROLS:

In addition to internal accounting controls which now includes, the prerequisite that all requisitions confirm the use of Ed Data, NJESC, State Contracts etc., the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated Budgets are adopted for the General Fund, Special Revenue Fund, and 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 on June 30, 2025.

5. ACCOUNTING SYSTEM AND REPORTS:

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

6. DEBT ADMINISTRATION

At June 30, 2025, the District had outstanding bonds in the amount of \$9,760,000 is for bonds payable, \$1,337,909 represents lease-purchase agreements payable, \$1,927,330 is for compensated absences, \$18,692,943 is for the District's net pension liability, and \$1,877,096 represents the lease liability for the rental of instructional space. For more detailed information, please refer to the Notes to the Financial Statements.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END

The Board developed its 2024-25 budget under the State's funding formula. An analysis of the expenditures in the financial section of this report will show that the Board was prudent in presenting the community with an accurate picture of educational needs.

8. CASH MANAGEMENT

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

9. RISK MANAGEMENT

The Board continues to be a member of the New Jersey School Boards Association Insurance Group, which self-insures Workers' Compensation and purchases general liability, auto and property insurance on a volume basis (Joint Insurance Fund).

10. OTHER INFORMATION

Independent Audit - State statutes require an annual audit by independent certified public accountants (CPA) or registered municipal accountants. The accounting firm of Wielkott & Company LLC. was selected by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance) and State Treasury Circular Letter 15-08 OMB. The Auditor's Report on the basic financial

statements and specific required supplemental information 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.

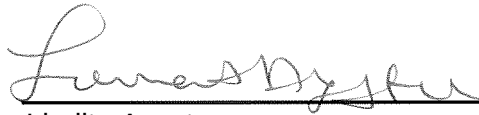
11. ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Hackensack School 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. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office staff.

Sincerely,

A handwritten signature in cursive script, reading "Andrea Oates-Parchment", written over a horizontal line.

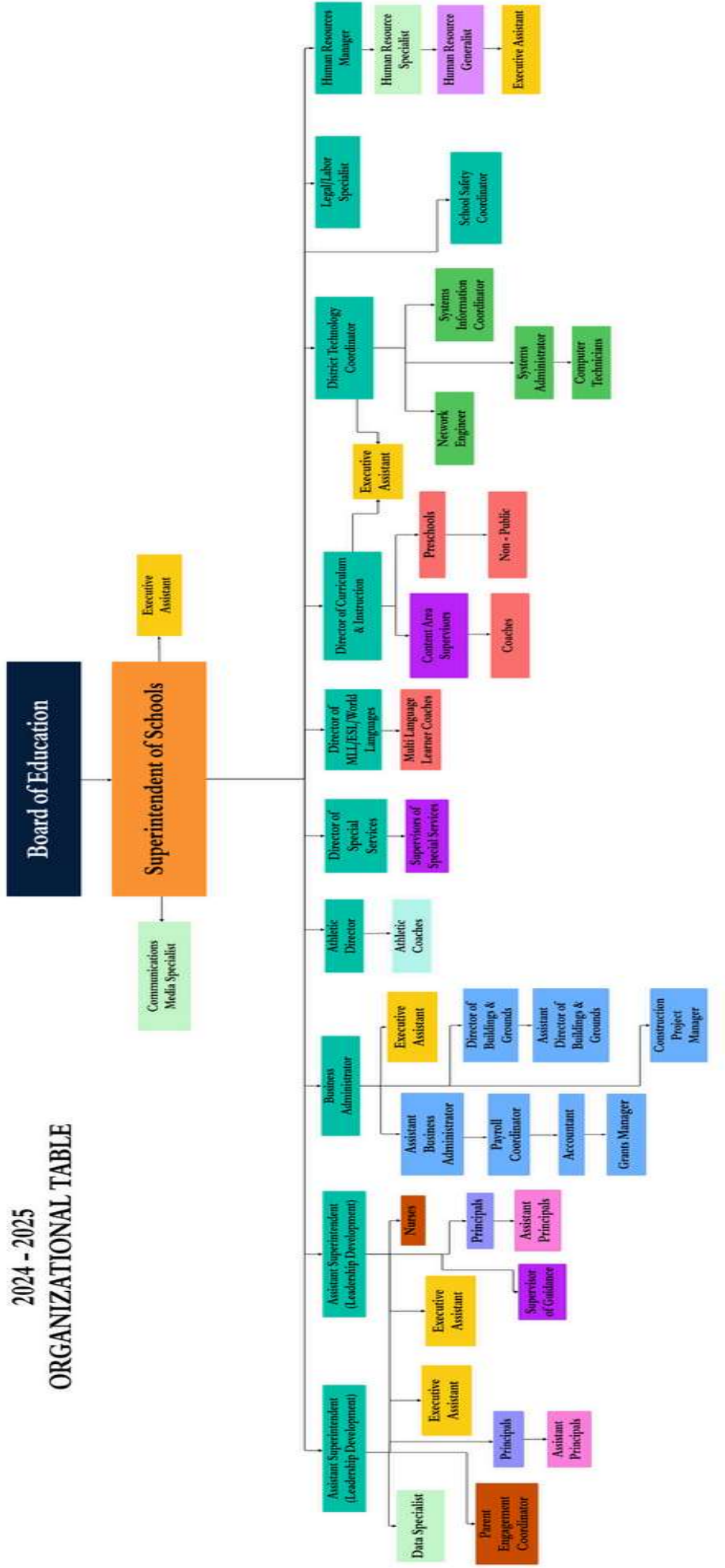
Andrea Oates-Parchment
Acting Superintendent of Schools

A handwritten signature in cursive script, reading "Lindita Agastra", written over a horizontal line.

Lindita Agastra
Acting Business Administrator/Board Secretary



2024 - 2025
ORGANIZATIONAL TABLE



HACKENSACK BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2025

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Jennifer Harris - President (1/1/25-6/30/25)	2027
Mark Stein - Vice President	2026
Melanie Alston-Balaputra (2/5/25-6/30/25)	2026
Leila Amirhamzeh (1/1/25-6/30/25)	2027
Demetrius Carroll	2025
Eugina Gilmore (1/1/25-6/30/25)	2027
Kenneth Martin	2026
Shivonnie Pringle	2026
Lisette Cordero-Outen (7/1/24-6/5/25)	2025
Scott James - Vickery - President (7/1/24-12/31/25)	2025

Other Officials

Dr. Thomas McBryde, Jr - Superintendent (7/1/24-6/12/25)
Andrea Oates-Parchment, Acting Superintendent (6/18/25-6/30/25)

Rosemary Marks - Assistant Superintendent
Andrea Oates-Parchment - Assistant Superintendent (7/1/24-6/18/25)

Lydia Singh, School Business Administrator/Board Secretary (7/1/24-6/12/25)
Lindita Agastra - Acting School Business Administrator/Board Secretary (6/18/25-6/30/25)

HACKENSACK BOARD OF EDUCATION

CONSULTANTS & ADVISORS

JUNE 30, 2025

Attorney

DECOTIIS, FITZPATRICK, COLE & GOBLIN, LLP
61 Paramus Rd
Suite 250
Paramus, NJ 07652

Insurance Broker

ALAMO INSURANCE GROUP, INC
55 Flanagan Way
Secaucus, NJ 07094

District Auditor

WIELKOTZ & COMPANY, LLC
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

Official Depository

TD Bank
1000 MacArthur Blvd
Mahwah, New Jersey 07430

FINANCIAL SECTION



WIELKOTZ & COMPANY ^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
City of Hackensack School District
County of Bergen, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the City of Hackensack School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the City of Hackensack Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hackensack Board of Education, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hackensack Board of Education's ability to continue as a going concern for the next twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Hackensack Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hackensack Board of Education's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

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



Other Information

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

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025 on our consideration of the City of Hackensack Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Hackensack Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 23, 2025



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The discussion and analysis of the City of Hackensack Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the Districts' financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by the program for the General Fund, Special Revenue Fund, and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Hackensack Board of Education exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year by \$45,118,474. (Net Position).
- In total, net position decreased \$4,821,140. Net position of the governmental activities decreased by \$5,246,145 and net position of business-type activities increased by \$425,005.
- General revenues accounted for \$98,756,737 in revenue or 58 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$72,831,073 or 42 percent of total revenues of \$171,587,810.
- The School District had \$172,052,962 in expenses related to governmental activities; only \$68,058,483 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (entitlements and property taxes) of \$98,748,334 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$17,976,044.
- The General Fund fund balance at June 30, 2025 was \$17,427,589, a decrease of \$3,835,839 compared to the ending fund balance at June 30, 2024 of \$21,263,428.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$3,609,343 which represents an increase of \$218,830 compared to the ending unassigned budgetary fund balance at June 30, 2024 of \$3,390,513. The increase is primarily due to allowable adjustments in the excess surplus calculation.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

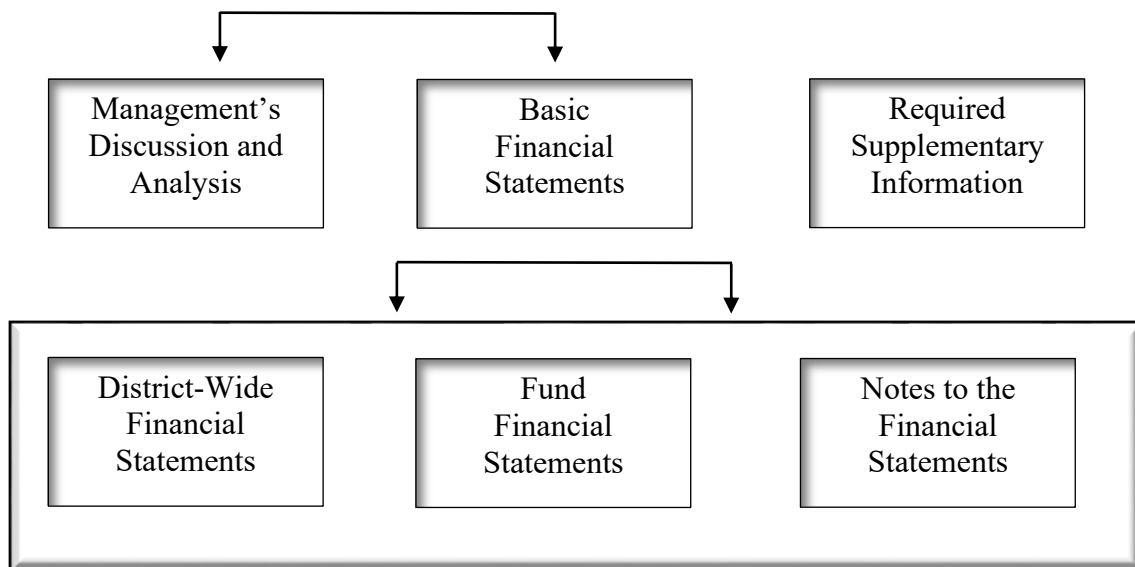
**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the district-wide statements.
- The district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

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



**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are detailed below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole (district-wide statements), and then proceed to provide an increasingly detailed look at specified financial activities.

District-Wide Financial Statements

The *statement of net position and statement of activities* reports information about the District as a whole and about its' activities in a manner that helps answer the question, "Is the District better or worse off as a result of the year's activities?" These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the Hackensack Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

In the *Statement of Net Position and the Statement of Activities*, the District is divided into two distinct kinds of activities:

- **Governmental Activities** – All of the school district's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-type Activity** – This service is provided on a charge for goods and services basis to recover all the expenses of the goods or services provided. The Food Service Program is reported as business activities.

The two statements report the District's net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District's financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District's overall financial health.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Hackensack Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the district's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities* (reported in the Statement of Net Position and the Statement of Activities).

The Hackensack Board of Education maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general, special revenue, and capital projects funds which are considered to be major funds.

The Hackensack Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison schedule has been provided for the general fund and special revenue fund to demonstrate compliance with their budgets.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Hackensack Board of Education uses proprietary funds to account for its' food service program.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

DISTRICT-WIDE FINANCIAL ANALYSIS

The Statement of Net Positions provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The School District's net position was \$45,118,474 at June 30, 2025 and \$49,939,614 at June 30, 2024. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2025 compared to 2024 (Table 1) and change in net position (Table 2) of the School District.

	Net Position June 30,					
	Governmental Activities		Business-Type Activities		Total	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current and Other Assets	\$ 26,784,554	\$ 34,519,040	\$ 1,429,426	\$ 1,027,403	\$ 28,213,980	\$ 35,546,443
Capital Assets:						
Land and Construction in Progress	68,800	27,607,523		3,723,824	68,800	31,331,347
Depreciable Buildings, Improvements and Equipment (net)	56,444,259	30,109,925	4,631,124	826,421	61,075,383	30,936,346
Right to Use Leased Assets, Net of Amortization	1,660,990	693,658			1,660,990	693,658
Total Assets	<u>\$ 84,958,603</u>	<u>\$ 92,930,146</u>	<u>\$ 6,060,550</u>	<u>\$ 5,577,648</u>	<u>\$ 91,019,153</u>	<u>\$ 98,507,794</u>
Deferred Outflows:						
Deferred Outflows of Resources						
Related to PERS	\$ 2,612,225	\$ 904,604			\$ 2,612,225	\$ 904,604
Total Deferred Outflows	<u>\$ 2,612,225</u>	<u>\$ 904,604</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,612,225</u>	<u>\$ 904,604</u>
Liabilities						
Current Liabilities	\$ 10,783,438	\$ 11,958,664	\$ 325,673	\$ 258,811	\$ 11,109,111	\$ 12,217,475
Noncurrent Liabilities	33,595,278	34,791,490			33,595,278	34,791,490
Total Liabilities	<u>\$ 44,378,716</u>	<u>\$ 46,750,154</u>	<u>\$ 325,673</u>	<u>\$ 258,811</u>	<u>\$ 44,704,389</u>	<u>\$ 47,008,965</u>
Deferred Outflows:						
Unamortized Bond Issuance Premiums	\$ 1,463,516				\$ 1,463,516	\$ -
Deferred Inflows of Resources						
Related to PERS	2,344,999	2,454,854		8,965	2,344,999	2,463,819
Total Deferred Outflows	<u>\$ 3,808,515</u>	<u>\$ 2,454,854</u>	<u>\$ -</u>	<u>\$ 8,965</u>	<u>\$ 3,808,515</u>	<u>\$ 2,463,819</u>
Net Assets						
Net Investment in Capital Assets	\$ 45,612,624	\$ 46,463,829	\$ 4,631,124	\$ 4,550,245	\$ 50,243,748	\$ 51,014,074
Restricted	17,993,249	24,360,079			17,993,249	24,360,079
Unrestricted	(24,222,276)	(26,194,166)	1,103,753	759,627	(23,118,523)	(25,434,539)
Total Net Position	<u>\$ 39,383,597</u>	<u>\$ 44,629,742</u>	<u>\$ 5,734,877</u>	<u>\$ 5,309,872</u>	<u>\$ 45,118,474</u>	<u>\$ 49,939,614</u>

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Net Position:

The District's total net position decreased \$4,821,140 over the course of the 2024-2025 fiscal year (See Table 2). Net position invested in capital assets decreased \$770,326 due to capital asset additions, offset by current fiscal year depreciation and paydown of right to use leased assets, offset by amortization. Restricted net position decreased \$6,366,830 as a result of net decreases in the capital reserve, encumbrances, capital projects and excess surplus. Unrestricted net position increased \$2,316,016 primarily due to the changes in compensated absences payable, net pension liability, deferred inflows and outflows of resources related to pensions, unexpected budget appropriations and an excess in state revenues.

Table 2 below shows the changes in net position for fiscal year 2025 compared to 2024.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program Revenues						
Charges for Services and Sales	\$ 414,507	\$ 3,535,177	\$ 587,850	\$ 571,455	\$ 1,002,357	\$ 4,106,632
Operating Grants and Contributions	67,643,976	65,664,548	4,184,740	3,574,689	71,828,716	69,239,237
Capital Grants and Contributions		6,176,163			-	6,176,163
General Revenues:						
Taxes:						
Local Tax Levy	93,389,606	89,151,864			93,389,606	89,151,864
Tuition Received	3,400,024				3,400,024	-
Miscellaneous Income	822,552	595,338			822,552	595,338
Investment Income	1,101,792	1,426,214			1,101,792	1,426,214
Unrestricted Miscellaneous Revenue	42,763				42,763	-
Other Financing Sources/ (Uses)	(8,403)		8,403		-	-
Total Revenue and Transfers	<u>\$ 166,806,817</u>	<u>\$ 166,549,304</u>	<u>\$ 4,780,993</u>	<u>\$ 4,146,144</u>	<u>\$ 171,587,810</u>	<u>\$ 170,695,448</u>

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Functions/Program Expenses						
Instruction:						
Regular	\$ 39,938,032	\$ 66,130,344			\$ 39,938,032	\$ 66,130,344
Special Education	17,944,013	28,940,320			17,944,013	28,940,320
Other Special Education	3,035,662	4,587,740			3,035,662	4,587,740
Other Instruction	1,823,242	2,112,273			1,823,242	2,112,273
Support Services:						
Instruction	11,074,709				11,074,709	-
Student & Instruction Related Services	24,107,624	26,605,532			24,107,624	26,605,532
General Administrative Services	1,060,633	1,316,758			1,060,633	1,316,758
School Administrative Services	5,007,055	7,284,794			5,007,055	7,284,794
Central Services	1,156,546	3,393,212			1,156,546	3,393,212
Administrative Info. Tech.	1,834,192				1,834,192	-
Plant Operations and Maintenance	11,707,929	14,627,509			11,707,929	14,627,509
Pupil Transportation	4,882,498	5,021,659			4,882,498	5,021,659
Unallocated Benefits	31,495,037				31,495,037	-
Charter Schools	7,974,423				7,974,423	-
Capital Outlay - Non-depreciable	5,051,665				5,051,665	-
Interest on Long-term Debt	67,082	348,431			67,082	348,431
Unallocated Depreciation	3,068,945				3,068,945	-
Amortization	823,675				823,675	-
Food Service			4,355,988	4,125,942	4,355,988	4,125,942
Total Expenses	<u>\$ 172,052,962</u>	<u>\$ 160,368,572</u>	<u>\$ 4,355,988</u>	<u>\$ 4,125,942</u>	<u>\$ 176,408,950</u>	<u>\$ 164,494,514</u>
Increase or (Decrease) in Net Position	<u>\$ (5,246,145)</u>	<u>\$ 6,180,732</u>	<u>\$ 425,005</u>	<u>\$ 20,202</u>	<u>\$ (4,821,140)</u>	<u>\$ 6,200,934</u>

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental Activities

Net position from the District's governmental activities decreased by \$5,246,145 during the fiscal year. However, maintaining existing programs, the provision of multitude of special programs/services for student with special needs and the cost of employee benefits has places demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Table 3 presents the costs of six major District activities: instruction, pupil and instructional services, administrative and business, maintenance and operations, transportation, and other. The table also shows each activity's net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific program). The net cost shows the financial burden places on the District's taxpayers by each of these functions.

**Table 3
Net Cost of Governmental Activities
Year Ended June 30,**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Instruction	\$ 62,740,949	\$ 101,770,677	\$ 28,668,095	\$ 73,349,239
Pupil and Instruction Services	35,182,333	26,605,532	19,671,292	19,168,940
Administrative and Business	9,058,426	11,994,764	9,058,426	10,712,799
Maintenance and Operations	11,707,929	14,627,509	9,582,216	6,308,689
Transportation	4,882,498	5,021,659	4,083,749	4,307,005
Other	48,480,827	348,431	32,930,701	(60,919)
	<u>\$ 172,052,962</u>	<u>\$ 160,368,572</u>	<u>\$ 103,994,479</u>	<u>\$ 113,785,753</u>

Business-Type Activities

The net position of the District's business-type activities increased \$425,005. The net position of the Food Service Program increased \$425,005 due to an increase in daily cafeteria sales and subsidy reimbursements.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business -Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$176,408,950. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$93,389,606 because some of the cost was paid by those who benefitted from the programs \$1,002,357, by other governments and organizations who subsidized certain programs with grants and contributions \$71,828,716, tuition received \$3,400,024, investment earnings \$1,101,792 and by miscellaneous sources \$865,315.

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food Service revenues exceeded expenses by \$425,005.
- ✓ Charges for services provided totaled \$587,850 which represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursements for meals served, including payments for free and reduced priced breakfast and lunches, and donated commodities was \$4,184,740.

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2025, and the amount and percentage of increases/(decreases) relative to the prior year.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2024</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$ 100,275,830	54.2%	\$ 5,919,579	6.27%	\$ 94,356,251
State Source	77,553,164	41.9%	9,773,890	14.42%	67,779,274
Federal Source	<u>7,169,021</u>	<u>3.9%</u>	<u>6,865,577</u>	2262.55%	<u>303,444</u>
	<u>\$ 184,998,015</u>	<u>100.0%</u>	<u>\$ 22,559,046</u>	13.89%	<u>\$ 162,438,969</u>

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business -Type Activities (continued)

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2024</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures					
Instruction	\$ 63,659,872	33.5%	\$ (41,501,595)	-39.46%	\$ 105,161,467
Undistributed	118,961,021	62.7%	63,047,820	112.76%	55,913,201
Debt Service	649,425	0.3%	(768,664)	-54.20%	1,418,089
Capital Outlay	6,591,552	3.5%	910,281	16.02%	5,681,271
	<u>\$ 189,861,870</u>	<u>100.0%</u>	<u>\$ 21,687,842</u>	12.90%	<u>\$ 168,174,028</u>

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2025, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- During the fiscal year ended June 30, 2025, the School District amended the special revenue fund by \$2,949,644 for increases in local and federal, and state grants.

General Fund

The general fund actual revenue was \$170,070,740 including transfers. That amount is \$32,690,233 above the final amended budget of \$137,380,507. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$29,303,583 for TPAF pension and social security reimbursements, an excess in other state and federal aid of \$1,037,371, an excess of \$1,325,623 in miscellaneous anticipated revenues, \$215,506 of non-budgeted capital leases and \$808,150 transferred from other funds.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS, (continued)

General Fund, (continued)

The actual expenditures of the general fund were \$176,207,385, including transfers which is \$25,583,410 above the final amended budget of \$150,623,975. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$29,303,583 for TPAF pension and social security reimbursements, \$8,403 transferred to other funds, and \$3,711,770 of unexpended budgeted funds.

General fund had total revenues and other financing sources of \$170,070,740 and total expenditures of \$176,207,385 and an ending fund balance \$21,054,137 on the budgetary basis of accounting.

Special Revenue Fund

The special revenue fund actual revenue was \$10,028,977, including transfers. That amount is above the original budget estimate of \$7,906,446 and below the final amended budget of \$10,856,090. The \$2,949,644 variance between the original and final budget was due to additional federal, state and local grant monies awarded to the District after the original budget was approved. The \$(1,533,399) variance between the final amended budget and the June 30, 2025 actual revenues was due to the deferral of Federal and State grants received in the current fiscal year to be spent in the next fiscal year, and the inclusion of student activity fund and scholarship revenues.

The actual expenditures of the special revenue fund were \$10,135,159, which is above the original budget estimate of \$7,906,446 and below the final amended budget of \$10,856,090. The \$2,949,644 variance between the original and final budget was due to additional expenditures related to the additional grants awarded to the District after the original budget was approved. The \$(720,931) variance between the final amended budget and the June 30, 2025 actual results was due to the anticipation of fully expending Federal and State grant programs and the inclusion of student activity fund and scholarship expenses. Expenditures will be incurred in the next fiscal year.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2025 the School District had \$116,670,165 invested in sites, buildings, equipment, construction in progress and right to use leased assets. Of this amount \$53,864,992 in depreciation/amortization has been taken over the years. We currently have a net book value of \$62,805,173. Total additions for the year were \$3,956,206, the majority of which was for various technology and office equipment, transportation equipment, food service equipment and improvements to the District's facilities. Transfers from construction in progress for the year were \$31,262,547. Table 4 shows fiscal year 2025 balances compared to 2024.

**Table 4
Capital Assets at June 30,
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land and Land Improvements	\$ 1,119,242	\$ 1,359,756			\$ 1,119,242	\$ 1,359,756
Construction in Progress		27,538,723		3,723,824		31,262,547
Buildings and Improvements	52,842,642	25,975,695	3,926,947	241,335	56,769,589	26,217,030
Furniture, Equipment and Vehicles	2,551,175	2,843,274	704,177	585,086	3,255,352	3,428,360
Right to Use Leased Assets	1,660,990	693,658			1,660,990	693,658
	<u>\$ 58,174,049</u>	<u>\$ 58,411,106</u>	<u>\$ 4,631,124</u>	<u>\$ 4,550,245</u>	<u>\$ 62,805,173</u>	<u>\$ 62,961,351</u>

For more detailed information, please refer to the Notes to Basic Financial Statements.

Debt Administration

At June 30, 2025, the District had \$33,595,278 of outstanding debt. Of this amount, \$9,760,000 is for bonds payable, \$1,337,909 represents lease-purchase agreements payable, \$1,927,330 is for compensated absences, \$18,692,943 is for the District's net pension liability, and \$1,877,096 represents the lease liability for the rental of instructional space. For more detailed information, please refer to the Notes to the Financial Statements.

**CITY OF HACKENSACK SCHOOL DISTRICT
HACKENSACK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The district continues to rely predominately upon local property taxes as its main source of funding. Therefore, in consideration of current economic conditions and the anticipation of continued flat state aid support, the Board of Education has sought to control budget expenses to minimize the impact on the local tax levy.

The following factors were considered in preparing the 2025-2026 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

Prior to the end of fiscal year 2004, S1701 was enacted. This law is meant to control public school district budgets by revising the calculation of budget caps and reducing surplus. Starting in 2005-06 the CAP will be set at 2.5% or cost of living, whichever is greater. A number of other changes will affect the calculation of SGLA's and per pupil administrative costs. Any undesignated general fund fund balance in excess of 2% or \$250,000, which is greater, must be appropriated for tax relief.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Hackensack School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Lindita Agastra
Interim School Business Administrator
City of Hackensack School District
191 Second Street
Hackensack, NJ 07601

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

HACKENSACK BOARD OF EDUCATION
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 12,018,993	\$ 563,134	\$ 12,582,127
Receivables, net	4,354,251	841,245	5,195,496
Security Deposit	46,667		46,667
Inventory		25,047	25,047
Restricted assets:			
Capital reserve account - cash	6,196,815		6,196,815
Maintenance reserve account - cash	1,141,117		1,141,117
Emergency reserve account - cash	326,756		326,756
Net payroll account - cash	16,530		16,530
Payroll deductions and withholdings account - cash	961,708		961,708
Unemployment compensation account - cash	1,268,089		1,268,089
Student activity accounts - cash	258,893		258,893
Scholarship accounts - cash	194,735		194,735
Capital assets, net:			
Land	68,800		68,800
Other capital assets, net	56,444,259	4,631,124	61,075,383
Right to use lease assets, net of amortization	1,660,990		1,660,990
Total Assets	<u>84,958,603</u>	<u>6,060,550</u>	<u>91,019,153</u>
Deferred Outflow of Resources:			
Deferred outflows of resources related to PERS	<u>2,612,225</u>		<u>2,612,225</u>
Total Deferred Outflows	<u>2,612,225</u>		<u>2,612,225</u>
LIABILITIES			
Accounts payable and accrued liabilities	7,743,864	312,777	8,056,641
Payable to federal government	62,393		62,393
Payable to state government	84,172		84,172
Unearned revenue	1,718,451	9,906	1,728,357
Deferred commodities revenue		2,990	2,990
Payroll deductions and withholdings payable	978,237		978,237
Unemployment compensation claims payable	196,321		196,321
Noncurrent liabilities:			
Due within one year	1,477,930		1,477,930
Due beyond one year	32,117,348		32,117,348
Total liabilities	<u>44,378,716</u>	<u>325,673</u>	<u>44,704,389</u>
Deferred Inflow of Resources:			
Unamortized bond issuance premiums	1,463,516		1,463,516
Deferred inflows of resources related to PERS	<u>2,344,999</u>		<u>2,344,999</u>
Total Deferred Inflows	<u>3,808,515</u>		<u>3,808,515</u>
NET POSITION			
Net investment in capital assets	45,612,624	4,631,124	50,243,748
Restricted for:			
Capital projects	94,827		94,827
Other purposes	17,898,422		17,898,422
Unrestricted (Deficit)	<u>(24,222,276)</u>	<u>1,103,753</u>	<u>(23,118,523)</u>
Total net position	<u>\$ 39,383,597</u>	<u>\$ 5,734,877</u>	<u>\$ 45,118,474</u>

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

HACKENSACK BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2025

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	39,881,019	57,013			(39,938,032)		(39,938,032)
Special education	17,920,633	23,380		34,072,854	16,128,841		16,128,841
Other special instruction	3,030,279	5,383			(3,035,662)		(3,035,662)
Other instruction	1,820,804	2,438			(1,823,242)		(1,823,242)
Support services:							
Instruction	11,074,709			4,922,506	(6,152,203)		(6,152,203)
Student & instruction related services	24,083,607	24,017	414,507 *	10,174,028	(13,519,089)		(13,519,089)
General administrative services	1,059,769	864			(1,060,633)		(1,060,633)
School administrative services	4,998,235	8,820			(5,007,055)		(5,007,055)
Central Services	1,154,735	1,811			(1,156,546)		(1,156,546)
Administrative information tech.	1,832,179	2,013			(1,834,192)		(1,834,192)
Plant operations and maintenance	11,699,879	8,050		2,125,713	(9,582,216)		(9,582,216)
Pupil transportation	4,882,134	364		798,749	(4,083,749)		(4,083,749)
Unallocated benefits	31,495,037			12,494,858	(19,000,179)		(19,000,179)
Charter Schools	7,974,423				(7,974,423)		(7,974,423)
Capital outlay - non-depreciable	5,051,665			3,055,268	(1,996,397)		(1,996,397)
Interest on long-term debt	67,082				(67,082)		(67,082)
Unallocated depreciation	3,068,945 (D)				(3,068,945)		(3,068,945)
Amortization	823,675				(823,675)		(823,675)
Total governmental activities	171,918,809	134,153	414,507	67,643,976	(103,994,479)	-	(103,994,479)
Business-type activities:							
Food Service	4,355,988		587,850	4,184,740		416,602	416,602
Total business-type activities	4,355,988		587,850	4,184,740		416,602	416,602
Total primary government	176,274,797		1,002,357	71,828,716	(103,994,479)	416,602	(103,577,877)
General revenues:							
Taxes:							
Levied for general purposes					93,389,606		93,389,606
Tuition from Other LEAs Within the State					3,400,024		3,400,024
Investment Earnings					1,101,792		1,101,792
Miscellaneous Income					822,552		822,552
Other Restricted Miscellaneous Revenue					42,763 **		42,763
Other Financing Sources/(Uses)					(8,403)	8,403	-
Total general revenues, special items, extraordinary items and transfers					98,748,334	8,403	98,756,737
Change in Net Position					(5,246,145)	425,005	(4,821,140)
Net Position—beginning					44,629,742	5,309,872	49,939,614
Net Position—ending					39,383,597	5,734,877	45,118,474

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

* Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"

** Includes the interest earnings on the unemployment compensation bank account

(D) - Unallocated depreciation excludes direct depreciation expenses of the various programs

FUND FINANCIAL STATEMENTS

HACKENSACK BOARD OF EDUCATION

Balance Sheet
Governmental Funds
June 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents				
Checking	10,536,033	1,387,540	95,420	12,018,993
Accounts Receivable -				
Intergovernmental - State	2,785,144	511,159		3,296,303
Intergovernmental - Federal		598,209		598,209
Intergovernmental - Other	453,465			453,465
Tax levy receivable	6,274			6,274
Security Deposit	46,667			46,667
Restricted cash and cash equivalents:				
Capital reserve	6,196,815			6,196,815
Maintenance reserve	1,141,117			1,141,117
Emergency reserve	326,756			326,756
Net payroll	16,530 *			16,530
Payroll deductions and withholdings	961,708 *			961,708
Unemployment compensation	1,268,089 *			1,268,089
Student activity accounts		258,893 *		258,893
Scholarship accounts		194,735 *		194,735
Total assets	<u>23,738,598</u>	<u>2,950,536</u>	<u>95,420</u>	<u>26,784,554</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	5,136,451	631,892	593	5,768,936
Intergovernmental payable:				
State	**	84,172		84,172
Federal		62,393		62,393
Unearned revenue		1,718,451		1,718,451
Payroll deductions and withholdings payable	978,237 ***			978,237
Unemployment compensation claims payable	196,321 ****			196,321
Total liabilities	<u>6,311,009</u>	<u>2,496,908</u>	<u>593</u>	<u>8,808,510</u>
Fund Balances:				
Restricted for:				
Excess Surplus - prior year - designated for subsequent year's expenditures	2,672,121			2,672,121
Capital reserve account	6,196,815			6,196,815
Maintenance reserve	1,141,117			1,141,117
Emergency reserve	326,756			326,756
Unemployment compensation	1,071,768			1,071,768
Student Groups		258,893		258,893
Scholarships		194,735		194,735
Assigned to:				
Year-end Encumbrances	1,594,795			1,594,795
Designated by the BOE for subsequent year's expenditures	4,441,422			4,441,422
Capital projects fund			94,827	94,827
Unassigned:				
General Fund	(17,205)			(17,205)
Total Fund balances	<u>17,427,589</u>	<u>453,628</u>	<u>94,827</u>	<u>17,976,044</u>
Total liabilities and fund balances	<u>23,738,598</u>	<u>2,950,536</u>	<u>95,420</u>	

HACKENSACK BOARD OF EDUCATION

Balance Sheet
Governmental Funds
June 30, 2025

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$110,906,609 and the accumulated depreciation, is \$47,616,281	56,513,059
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use assets at historical cost	8,086,395
Accumulated amortization	(6,425,405)
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds	(108,459)
Accounts payable for subsequent Pension payment is not a payable in the funds	(1,866,469)
Bond issuance premium is recorded as revenue in the Governmental funds in the year of receipt. The original premium is \$1,986,791 and and accumulated amortization is \$523,275	(1,463,516)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	2,612,225
Deferred inflows of resources related to PERS Pension Liability	(2,344,999)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(33,595,278)
Net position of governmental activities	<u>39,383,597</u>

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

- * Include former fiduciary fund cash and cash equivalents
- ** Include payable due to the State for unreimbursed unemployment invoices
- *** Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)
- **** Include unspent employee payroll unemployment contributions

HACKENSACK BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local sources:				
Local tax levy	93,389,606			93,389,606
Tuition from Other LEAs Within the State	3,400,024			3,400,024
Other Restricted Miscellaneous Revenues	42,763 *			42,763
Interest on Investments	1,046,784		55,008	1,101,792
Proceeds from Capital Leases			1,202,997	1,202,997
Miscellaneous	822,552	771		823,323
Scholarship Donations		619 **		619
Student Group Receipts		314,706 **		314,706
Total - Local Sources	98,701,729	316,096	1,258,005	100,275,830
State sources	72,475,088	5,078,076		77,553,164
Federal sources	171,073	6,997,948		7,169,021
Total revenues	171,347,890	12,392,120	1,258,005	184,998,015
EXPENDITURES				
Current:				
Regular instruction	40,888,156			40,888,156
Special education instruction	13,193,389	4,727,244		17,920,633
Other special instruction	3,030,279			3,030,279
School sponsored/other instructional	1,820,804			1,820,804
Support services and undistributed costs:				
Instruction	11,074,709			11,074,709
Attendance and social work services	516,197			516,197
Health services	1,151,320			1,151,320
Student & instruction related services	17,019,014	5,397,076 ***		22,416,090
General administrative services	1,059,769			1,059,769
School administrative services	4,998,235			4,998,235
Central services	1,154,735			1,154,735
Administrative information tech.	1,832,179			1,832,179
Plant operations and maintenance	12,289,788			12,289,788
Pupil transportation	4,882,134			4,882,134
Unallocated benefits	20,307,859			20,307,859
On-behalf contributions	29,303,583			29,303,583
Transfer to charter schools	7,974,423			7,974,423
Debt Service:				
Principal	593,382	25,000		618,382
Interest and charges	31,043			31,043
Capital outlay	2,371,698	3,055,268	1,164,586	6,591,552
Total expenditures	175,492,696	13,204,588	1,164,586	189,861,870
Excess (Deficiency) of revenues over expenditures	(4,144,806)	(812,468)	93,419	(4,863,855)

HACKENSACK BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES)				
Capital Leases (non-budgeted)	215,506			215,506
Transfers out - Enterprise Fund	(8,403)			(8,403)
Transfers out - Special Revenue - Preschool Ed -Regular	(706,286)			(706,286)
Transfer in - General Fund		706,286		706,286
Transfers in - Capital Projects	808,150			808,150
Transfers out - General Fund			(808,150)	(808,150)
Total other financing sources and uses	<u>308,967</u>	<u>706,286</u>	<u>(808,150)</u>	<u>207,103</u>
Net change in fund balances	(3,835,839)	(106,182)	(714,731)	(4,656,752)
Fund balance—July 1	<u>21,263,428</u>	<u>559,810</u>	<u>809,558</u>	<u>22,632,796</u>
Fund balance—June 30	<u><u>17,427,589</u></u>	<u><u>453,628</u></u>	<u><u>94,827</u></u>	<u><u>17,976,044</u></u>

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

- * Include interest earnings on the unemployment compensation bank account
- ** Special revenue fund now includes revenues from scholarships and student activities
- *** Special revenue fund now includes expenditures from scholarships and student activities

HACKENSACK BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2025

Total net change in fund balances - governmental funds (from B-2) (4,656,752)

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 capital outlays exceeded depreciation in the period.

Depreciation expense	(3,068,945)	
Depreciable outlays	<u>1,864,556</u>	(1,204,389)

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Right to use assets at historical cost	1,877,096	
Accumulated amortization	<u>(909,764)</u>	967,332

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

In the current year, these amounts consist of:

Serial Bond Obligations	345,000	
Capital Lease Obligations	564,442	
Other Financing Agreements	362,935	
Right to Use Lease Liability	<u>618,382</u>	1,890,759

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 position.

Proceeds of lease liability	(1,877,096)	
Capital lease proceeds	<u>(1,418,503)</u>	(3,295,599)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in interest is an adjustment in the reconciliation.

Prior Year - Serial Bond Obligations	60,507	
Current Year - Serial Bond Obligations	(61,092)	
Prior Year - Capital Lease Obligations	11,913	
Current Year - Capital Lease Obligations	(39,776)	
Current Year - Right to Use Leases	<u>(7,591)</u>	(36,039)

The governmental funds report the effect of bond premiums when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (+)

86,089

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

Increase in compensated absences payable	(688,933)
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District pension contributions are reported as expenditures in the governmental funds when made.

However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	1,871,930	
Less: Pension Expense	<u>(180,543)</u>	
(Increase)/Decrease in Pension Expense		1,691,387

Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Decrease in On-behalf State Aid TPAF Pension	(20,173,706)
Decrease in On-behalf TPAF Pension Expense	20,173,706

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Increase in On-behalf State Aid TPAF Post Employment Medical Revenue	3,193,908
Increase in On-behalf State Aid TPAF Post Employment Medical Expense	<u>(3,193,908)</u>

Change in net position of governmental activities (5,246,145)

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

HACKENSACK BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2025

	<u>Food Service Program</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	563,134
Accounts receivable:	
State	14,076
Federal	292,534
Other	534,635
Inventories	25,047
Total current assets	<u>1,429,426</u>
Noncurrent assets:	
Capital assets:	
Building and Building Improvements	4,116,045
Machinery and Equipment	1,330,715
Less accumulated depreciation	<u>(815,636)</u>
Total capital assets (net of accumulated depreciation)	<u>4,631,124</u>
Total assets	<u><u>6,060,550</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	312,777
Unearned revenue	9,906
Total current liabilities	<u>322,683</u>
Deferred Inflows of Resources	
Deferred commodities revenue	<u>2,990</u>
Total deferred inflows of resources	<u>2,990</u>
<u>NET POSITION</u>	
Net investment in capital assets	4,631,124
Unrestricted	<u>1,103,753</u>
Total net position	<u><u>5,734,877</u></u>

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

Exhibit B-5

HACKENSACK BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2025

	<u>Food Service Program</u>
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	286,738
Daily sales - non-reimbursable programs	242,792
Special functions	58,320
Total operating revenues	<u>587,850</u>
Operating expenses:	
Cost of sales - reimbursable	1,426,110
Cost of sales - non-reimbursable	86,620
Salaries	1,849,062
Benefits	443,189
Supplies and materials	146,994
Purchased property services	168,639
Other expenses	101,699
Depreciation	133,675
Total operating expenses	<u>4,355,988</u>
Operating income (loss)	<u>(3,768,138)</u>
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	107,013
State school breakfast program	35,071
Breakfast after the bell	30,919
P-EBT administrative cost	1,556
Federal sources:	
National school lunch program	2,354,810
National breakfast program	1,238,118
Afterschool snack program	84,865
P-EBT administrative cost	1,556
Local food for schools cooperative agreement program	14,661
Food distribution program	316,171
Total nonoperating revenues (expenses)	<u>4,184,740</u>
Income (loss) before contributions & transfers	416,602
Other financing sources/(uses)	
Transfers in	8,403
Change in net position	<u>425,005</u>
Total net position—beginning	<u>5,309,872</u>
Total net position—ending	<u><u>5,734,877</u></u>

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

HACKENSACK BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2025

	<u>Food Service Program</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	413,674
Payments to suppliers	<u>(3,803,465)</u>
Net cash provided by (used for) operating activities	<u>(3,389,791)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Sources	172,516
Federal Sources	3,644,538
Board Contribution	<u>8,403</u>
Net cash provided by (used for) non-capital financing activities	<u>3,825,457</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	<u>(214,554)</u>
Net cash provided by (used for) capital and related financing activities	<u>(214,554)</u>
Net increase (decrease) in cash and cash equivalents	221,112
Balances—beginning of year	<u>342,022</u>
Balances—end of year	<u><u>563,134</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	(3,768,138)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
(Increase) decrease in accounts receivable	(152,968)
Depreciation and net amortization	133,675
Food Distribution Program	316,171
(Increase) decrease in inventories	23,572
Increase (decrease) in accounts payable	58,100
Increase (decrease) in prepaid revenue	<u>(203)</u>
Total adjustments	<u>378,347</u>
Net cash provided by (used for) operating activities	<u><u>(3,389,791)</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Board of Education of the City of Hackensack School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the board's accounting policies are described below.

A. Description of the School District and Reporting Entity:

The Board of Education ("Board") of the City of Hackensack School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The City of Hackensack School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades Pre-K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, a middle school and a high school, located in the City of Hackensack. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Currently the District does not have any fiduciary funds.

District-wide Financial Statements

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

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

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

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School 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 - *government*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. 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 Board are grouped into the categories governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

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

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

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

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

GOVERNMENTAL FUNDS, (continued)

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board 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 Board 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 Board's Enterprise Fund is comprised of the Food Service Fund.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

Fund Financial Statements

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendent's office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Budgets/Budgetary Control, (continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

F. Encumbrances

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

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

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

G. Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity 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.

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.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Cash, Cash Equivalents and Investments, (continued)

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

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

H. Tuition Revenues/Receivable

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

I. Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

L. Capital Assets

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

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at their acquisition value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board maintains a capitalization threshold of \$2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value to the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

M. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Board and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

M. Compensated Absences, (continued)

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

N. Unearned Revenue

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

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

O. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

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

P. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Accounting and Financial Reporting for Pensions (continued)

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources.

R. Bond Discounts/Premiums

Bond discounts/premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in a systematic and rational method, as a component of interest expense. Bond discounts/premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualifies in this category, deferred amounts related to pension and unamortized bond premiums.

T. Right to Use Assets

The District has recorded right to use leased assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

U. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

U. Fund Balances, (continued)

- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

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

V. 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 the 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 are available.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

W. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

X. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

Y. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Z. Use of Estimates

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

AA. Recently Issued Accounting Pronouncements

During fiscal year 2025, the District adopted the following GASB statements:

GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

AA. Recently Issued Accounting Pronouncements (continued)

GASB Statement No. 102, Certain Risk Disclosures, will be effective beginning with the fiscal year ending June 30, 2025. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The GASB has issued the following statements that will become effective for the School District for fiscal year ending June 30, 2026:

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

In September 2024, the Government Accounting Standards Board issued GASB Statement No. 104, Disclosure of Certain Capital Assets. The objective of this Statement is to provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2025, \$1,903 of the District's bank balance of \$24,260,491 was exposed to custodial credit risk. Those balances exposed to custodial credit risk are on deposit with the New Jersey Cash Management Fund which is a qualified investment pool under N.J.S.A. 40A:5-15.1.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

NOTE 3. RECEIVABLES

Receivables at June 30, 2025, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
State Aid	\$ 3,296,303	\$ 14,076	\$ 3,310,379
Federal Aid	598,209	292,534	890,743
Other	453,465	534,635	988,100
Gross Receivables	4,347,977	841,245	5,189,222
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$ 4,347,977</u>	<u>\$ 841,245</u>	<u>\$ 5,189,222</u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 4. INTERFUND BALANCES AND ACTIVITY

There were no balances due to/from other funds at June 30, 2025.

Interfund transfers for the year ended June 30, 2025 consisted of the following:

\$ 808,150	Transfer from the Capital Projects Fund to the General Fund for cancelled projects and interest earnings.
706,286	Transfer from the General Fund to the Special Revenue Fund for Local Contribution - Regular Preschool Education Aid.
8,403	Transfer from the General Fund to the Food Service Fund to eliminate negative balances.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	<u>Balance</u> <u>6/30/2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>6/30/2025</u>
Governmental Activities:				
Capital Assets That are Not Being Depreciated:				
Land	\$ 68,800			\$ 68,800
Construction in Progress	27,538,723		(27,538,723)	-
Total Capital Assets Not Being Depreciated	<u>27,607,523</u>	<u>-</u>	<u>(27,538,723)</u>	<u>68,800</u>
Capital Assets That are Being Depreciated:				
Land Improvements	2,192,792			2,192,792
Building and Building Improvements	61,566,796	1,485,297	27,538,723	90,590,816
Machinery and Equipment	9,905,343	379,259		10,284,602
Right to Use Leased Assets	6,209,299	1,877,096		8,086,395
Totals at Historical Cost	<u>79,874,230</u>	<u>3,741,652</u>	<u>27,538,723</u>	<u>111,154,605</u>
Less Accumulated Depreciation/Amortization for:				
Land Improvements	(901,836)	(240,514)		(1,142,350)
Building and Improvements	(35,591,101)	(2,157,073)		(37,748,174)
Machinery and Equipment	(7,062,069)	(671,358)		(7,733,427)
Right to Use Leased Assets	(5,515,641)	(909,764)		(6,425,405)
Total Accumulated Depreciation/Amortization	<u>(49,070,647)</u>	<u>(3,978,709)</u>	<u>-</u>	<u>(53,049,356)</u>
Total Capital Assets Being Depreciated,				
Net of Accumulated Depreciation/Amortization	<u>30,803,583</u>	<u>(237,057)</u>	<u>27,538,723</u>	<u>58,105,249</u>
Governmental Activities Capital Assets, Net	<u>\$ 58,411,106</u>	<u>(237,057)</u>	<u>-</u>	<u>\$ 58,174,049</u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 5. CAPITAL ASSETS, (continued)

	Balance 6/30/2024	Additions	Retirements	Balance 6/30/2025
Business-Type Activities:				
Capital Assets That are Not Being Depreciated:				
Construction in Progress	\$ 3,723,824		(3,723,824)	\$ -
Total Capital Assets Not Being Depreciated	<u>3,723,824</u>	<u>-</u>	<u>(3,723,824)</u>	<u>-</u>
Capital Assets That are Being Depreciated:				
Buildings and Building Improvements	392,221		3,723,824	4,116,045
Equipment	<u>1,116,161</u>	<u>214,554</u>		<u>1,330,715</u>
Total Capital Assets Being Depreciated,	<u>1,508,382</u>	<u>214,554</u>	<u>3,723,824</u>	<u>5,446,760</u>
Less Accumulated Depreciation for :				
Buildings and Building Improvements	(150,886)	(38,212)		(189,098)
Equipment	<u>(531,075)</u>	<u>(95,463)</u>		<u>(626,538)</u>
Total Accumulated Depreciation	<u>(681,961)</u>	<u>(133,675)</u>	<u>-</u>	<u>(815,636)</u>
Total Capital Assets Being Depreciated,				
Net of Accumulated Depreciation	<u>826,421</u>	<u>80,879</u>	<u>3,723,824</u>	<u>4,631,124</u>
Business-Type Activities Capital Assets, Net	<u>\$ 4,550,245</u>	<u>80,879</u>	<u>-</u>	<u>\$ 4,631,124</u>

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as “unallocated depreciation”.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATIONS

Changes in long-term obligations for the fiscal year ended June 30, 2025 are as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
ESIP Bonds Payable	<u>\$ 10,105,000</u>	<u> </u>	<u>(345,000)</u>	<u>\$ 9,760,000</u>	<u>\$ 405,000</u>
Total Bonds Payable	<u>10,105,000</u>	<u>-</u>	<u>(345,000)</u>	<u>9,760,000</u>	<u>405,000</u>
Other Liabilities:					
Net Pension Liability PERS	20,433,323		(1,740,380)	18,692,943	
Obligations Under Capital Lease	483,848	1,418,503	(564,442)	1,337,909	491,491
Other Financing Agreements	362,935		(362,935)	-	
Compensated Absences Payable	1,238,397	688,933		1,927,330	
Lease Liability	<u>618,382</u>	<u>1,877,096</u>	<u>(618,382)</u>	<u>1,877,096</u>	<u>581,439</u>
Total Other Liabilities	<u>23,136,885</u>	<u>3,984,532</u>	<u>(3,286,139)</u>	<u>23,835,278</u>	<u>1,072,930</u>
	<u>\$33,241,885</u>	<u>3,984,532</u>	<u>(3,631,139)</u>	<u>\$33,595,278</u>	<u>\$1,477,930</u>

A. Bonds Payable:

The Board issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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

Outstanding bonds payable at June 30, 2025 consisted of the following:

<u>Issue</u>	<u>Amount Issued</u>	<u>Issue Date</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2025</u>
ESIP Refunding Bonds	\$ 11,275,000	5/12/2021	3.00% - 4.00%	5/1/2042	\$ 9,760,000

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATIONS, (continued)

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

<u>Year Ending June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 771,550	\$ 405,000	\$ 366,550
2027	785,350	435,000	350,350
2028	767,950	435,000	332,950
2029	780,550	465,000	315,550
2030	796,950	500,000	296,950
2031-2035	4,234,750	3,080,000	1,154,750
2036-2040	3,681,450	3,185,000	496,450
2041-2042	<u>1,312,000</u>	<u>1,255,000</u>	<u>57,000</u>
	<u>\$ 13,130,550</u>	<u>\$9,760,000</u>	<u>\$3,370,550</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2025 the Board has no authorized but not issued bonds.

C. Lease Purchase Agreements:

The District entered into lease purchase agreements for the acquisition of flat panels, chromebooks, Nutanix hyper-coverage and I-Pads totaling \$2,218,503. The acquisition of flat panels lease is for a term of five years payable through December 1, 2026 at an interest rate of 3.15%. The acquisition of chromebooks is for a term of four years payable through August 15, 2027 at an interest rate of 4.36%. The acquisition of Nutanix hyper-coverage is for a term of five years payable through August 15, 2028 at an interest rate of 4.23%. The acquisition of I-Pads is for a term of three years payable through July 15, 2026 at an interest rate of 0.00%.

The following is a schedule of future minimum lease payments for these agreements, and the present value of the net minimum lease payments at June 30, 2025:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 491,491	\$48,897	\$ 540,388
2027	507,507	32,176	539,683
2028	294,968	14,665	309,633
2029	<u>43,943</u>	<u>1,859</u>	<u>45,802</u>
	<u>\$1,337,909</u>	<u>\$97,597</u>	<u>\$1,435,506</u>

Total minimum lease payments	\$1,435,506
Less: Amount representing interest	<u>(97,597)</u>
Present value of lease payments	<u>\$1,337,909</u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATIONS, (continued)

D. Compensated Absences:

District employees are entitled to sick, vacation and personal leave in accordance with Board policy and negotiated agreements. Unused leave may accumulate and, in certain cases, is payable upon retirement, resignation or termination.

Effective for the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*, which requires recognition of a liability for leave that (a) has not been used and (b) has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more than likely than not to be used for time off or otherwise paid in cash or settled through non cash means. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In the government-wide financial statements, compensated absences are reported as a liability in the governmental fund statements.

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

At June 30, 2025, the District's compensated absences liability was \$1,927,330.

E. Net Pension Liability

For details on the net pension liability, refer to Note 7. The District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

F. Leases

The District has entered into a lease as a lessee of buildings for instructional space. An initial lease liability was recorded in the amount of \$5,014,219 in fiscal year 2019. In fiscal year 2023, the lease agreement was amended to record an additional amount of \$1,195,080. In fiscal year 2025, the lease agreement was amended to record an additional amount of \$1,877,096. For the year ended June 30, 2025, the value of the lease liability is \$1,877,096. The lease has an interest rate of 5.02%. The value of the right to use assets for the year ended June 30, 2025 was \$8,086,395, with accumulated amortization of \$6,425,405.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATIONS, (continued)

F. Leases, (continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025 were as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 581,439	\$ 80,973	\$ 662,412
2027	624,865	50,795	675,660
2028	670,792	18,380	689,172
	<u>\$1,877,096</u>	<u>\$ 150,148</u>	<u>\$2,027,244</u>
Total minimum lease payments			\$2,027,244
Less: Amount representing interest			<u>(150,148)</u>
Present value of lease payments			<u>\$1,877,096</u>

NOTE 7. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The TPAF is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Benefits Provided, (continued)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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.

Benefits Provided

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

The following represents the membership tiers for PERS:

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

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Benefits Provided, (continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

<u>Year</u>		
<u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/2025	\$1,871,930	\$124,497
6/30/2024	1,880,459	128,515
6/30/2025	1,877,856	99,658

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Contributions Requirements Fund Based Statements, (continued)

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year	Pension	Post-Retirement	NCGI	Long-Term
<u>Ending</u>	<u>Contribution</u>	<u>Medical</u>	<u>Premium</u>	<u>Disability</u>
		<u>Contributions</u>		<u>Insurance</u>
6/30/2025	\$ 19,125,910	\$ 5,657,834	\$ 236,919	\$ 6,272
6/30/2024	19,165,332	5,275,589	218,570	5,393
6/30/2023	18,535,708	4,936,842	257,162	4,705

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$4,276,648 during the year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2025, the District had a liability of \$18,692,943 for its' proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the District's proportion was 0.1375690335 percent, which was a decrease of 0.0035024626 percent from its proportion measured as of June 30, 2023.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

For the year ended June 30, 2025, the District recognized pension expense of \$180,543. At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference Between Expected and Actual Experience	\$ 374,454	\$ 49,766
Changes of Assumptions	23,223	212,683
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		866,741
Changes in Proportion and Differences Between the District's Contributions and Proportionate Share of Contributions	348,079	1,215,809
District Contributions Subsequent to the Measurement Date	<u>1,866,469</u>	
	<u><u>\$2,612,225</u></u>	<u><u>\$2,344,999</u></u>

The \$1,866,469 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, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2025	\$ (793,657)
2026	614,108
2027	(353,309)
2028	(203,963)
2029	5,308

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 5.08, 5.08, 5.04, 5.13, 5.16, and 5.21 for years 2024, 2023, 2022, 2021, 2020, and 2019, respectively.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective Deferred Outflows of Resources	\$ 1,079,580,780	\$ 1,080,204,730
Collective Deferred Inflows of Resources	1,611,322,898	1,780,216,457
Collective Net Pension Liability	13,588,045,796	14,484,374,047
District's Proportion	0.1375690335%	0.1410714961%

Actuarial Assumptions

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75 - 6.55%
	based on years of service
Investment Rate of Return	7.00%

Mortality Rates

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 based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) 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 real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1 - percentage-point higher than the current rate:

	June 30, 2024		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportionate share of the pension liability	24,890,055	18,692,943	13,419,235

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are 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 local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2025 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -
State's proportionate share associated with the District	<u>222,289,223</u>
	<u><u>\$ 222,289,223</u></u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2024. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2024, the proportion of the TPAF net pension liability associated with the District was 0.44974960730%.

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue of \$(810,877) from the actuarial report, employer pension expense and related revenue for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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:	2.75 - 6.55%
	based on years of service
Investment Rate of Return	7.00%

Mortality Rates

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 Health 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 a future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

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, 2024) 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 real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 100% 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

State Health Benefit State Local Education Retired Employees Plan

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: The Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011, will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total non-employer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits is the responsibility of the individual local education employers.

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

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued):

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</u>

Measurement Focus and Basis of Accounting

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

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

Total Nonemployer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is 0.00%. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State’s proportionate share of the net OPEB liability associated with the District as of June 30, 2024 is \$220,614,425. Since the OPEB liability associated with the District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. For the June 30, 2024, measurement date, the State’s proportionate share of the non-employer OPEB liability associated with the District was 0.3698442465%, which was an increase/(decrease) of 0.0042052276% from its proportion measured as of June 30, 2023.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued):

The actuarial assumptions and other inputs vary for each plan member depending on the pension plan the member is enrolled in. The actuarial valuation at July 1, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP*</u>	<u>PERS*</u>	<u>PFRS*</u>
Salary Increases:	2.75 – 5.65%	2.75 – 6.55%	3.25 – 16.25%

* Based on service years

Mortality Rates – Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. 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-2021. 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-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS) and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Experience Studies – The actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF, PERS, and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the plan upon retirement.

Health Care Trend Assumptions – For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%

Discount Rate – The discount rate used to measure the total OPEB liability was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued):

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2025 (measurement date June 30, 2024) is as follows:

Balance, June 30, 2024	\$	191,454,690
Changes for the Year:		
Service Costs		7,658,642
Interest Costs		7,262,104
Changes in Benefit Terms		
Difference between Expected and Actual Experience		3,090,376
Changes in Assumptions		16,504,893
Member Contributions		189,907
Gross Benefit Payments		<u>(5,546,187)</u>
Net Changes		<u>29,159,735</u>
Balance, June 30, 2025	\$	<u>220,614,425</u>

Differences between expected and actual experience reflect a decrease in liability for the measurement period from June 30, 2023 to June 30, 2024 due to combined effect of updates in census information and premium and claims experience.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2023 to June 30, 2024 due to the combined effect of the discount rate change and changes in the trend update.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using a discounted rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	Decrease <u>2.93%</u>	Discount Rate <u>3.93%</u>	Increase <u>4.93%</u>
District's proportionate share of the pension liability	258,386,740	220,614,425	190,237,644

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued):

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates

The State’s proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
District’s proportionate share of the pension liability	183,773,422	220,614,425	268,602,262

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense – For the fiscal year ended June 30, 2025, the District recognized \$3,193,908 in OPEB revenue and expense in the government-wide financial statements for the State’s proportionate share of the OPEB Plan’s OEPB expense associated with the District. This revenue and expense was based on the OPEB Plan’s June 30, 2024 measurement date.

Deferred Outflows and Inflows of Resources – In accordance with GASB No. 75, the District’s proportionate share of the OPEB liability is \$ -0-. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the District, however, at June 30, 2025, the State’s proportionate share of the total non-employer OPEB liability’s deferred outflows of resources and deferred inflows of resources associated with the District from the following sources are:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 22,592,114	\$ 41,199,565
Changes of Assumptions	<u>37,002,836</u>	<u>43,133,484</u>
Total	<u>\$ 59,594,950</u>	<u>\$ 84,333,049</u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued):

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability associated with the District will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	(7,825,451)
2026	(6,561,687)
2027	(3,116,593)
2028	819,095
2029	(5,687,190)
Thereafter	(1,366,274)

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable	AIG Valic
Mass Mutual	Lincoln Investments
Alpine Financial	Met Life
Vanguard	Aspire Financial

NOTE 10. RISK MANAGEMENT

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

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 10. RISK MANAGEMENT, (continued)

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

<u>Fiscal Year</u>	Interest Earnings/ District <u>Contributions</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2024-2025	\$ 42,763	\$ 119,285	\$ 115,380	\$ 1,268,089
2023-2024	45,530	110,262	78,014	1,221,421
2022-2023	19,856	101,095		1,143,643

NOTE 11. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the City of Hackensack Board of Education by inclusion of \$960,000 on the 1999 budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There existed a balance of \$6,196,815 in the capital reserve account at June 30, 2025.

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

The activity of the capital reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024	\$ 8,538,006
Deposits:	
Interest Earnings	<u>158,809</u>
	8,696,815
Decreased by:	
Budget Appropriations	<u>2,500,000</u>
Ending balance, June 30, 2025	<u>\$ 6,196,815</u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 12. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the District by way of a Board approved resolution in the amount of \$500,000 for the accumulation of funds for use as maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the general fund and its' activity is included in the general fund annual budget.

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

The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance, July 1, 2024	\$ 1,082,125
Deposits:	
Interest Earnings	<u>58,992</u>
Ending Balance, June 30, 2025	<u>\$ 1,141,117</u>

NOTE 13. EMERGENCY RESERVE

The emergency reserve is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in the reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1.

The activity of the emergency reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance, July 1, 2024	\$ 316,103
Deposits:	
Interest Earnings	<u>10,653</u>
Ending Balance, June 30, 2025	<u>\$ 326,756</u>

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 14. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$17,427,589 General Fund fund balance at June 30, 2025, \$2,672,121 is restricted as excess surplus in accordance with N.J.S.A. 18A:17F-7 (\$2,672,121 of the total restricted for excess surplus has been appropriated and included as anticipated revenue for the year ended June 30, 2026); \$6,196,815 is restricted for the Capital Reserve Account; \$1,141,117 is restricted for the Maintenance Reserve; \$326,756 is restricted for the Emergency Reserve; \$1,071,768 is restricted for Unemployment Compensation; \$1,594,795 is assigned to year-end encumbrances; \$4,441,422 is assigned and designated for subsequent years' expenditures; and \$(17,205) is unassigned.

Special Revenue Fund - Of the \$652,794 Special Revenue Fund fund balance at June 30, 2025, \$458,059 is restricted for Student Groups; and \$194,735 is restricted for Scholarships.

NOTE 15. DEFICIT FUND BALANCES

The District has a deficit fund balance of \$(17,205) in the General Fund as of June 30, 2025 as reported in the funds 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 budgetary 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, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable.

Due to the timing difference of recording the June state aid payment(s), the General 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 unassigned 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 deficit in the GAAP fund statements of \$(17,205) is less than the last state aid payment(s).

NOTE 16. CALCULATION OF EXCESS SURPLUS

In accordance with *N.J.S.A. 18A:7F-7*, as amended by P.L. 2004, c.73 (S1701) the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is \$2,672,121. Of this amount is \$-0- is a result of current year operations.

City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 17. INVENTORY

Inventory in the Food Service Fund at June 30, 2025 consisted of the following:

Food	\$ 17,529
Supplies	<u>7,518</u>
	<u>\$ 25,047</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 18. RIGHT TO USE LEASED ASSETS

The District has recorded a right to use leased asset agreement. The asset is for the lease of a building for use as instructional space. The original lease was initiated on June 28, 2013 for an initial term of five years. On December 18, 2018 the lease was amended for an additional five years. On March 27, 2023 the lease was amended for an additional two years. On August 25, 2025 the lease was amended for an additional three years through June 30, 2028. The right to use lease asset is amortized on a straight-line bases over the terms of the related lease.

	Balance <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2024</u>
Right to Use Assets:				
Leased Building	\$ 6,209,299	\$ 1,877,096		\$ 8,086,395
Total Right to Use Assets	<u>6,209,299</u>	<u>1,877,096</u>		<u>8,086,395</u>
Less Accumulated Amortization for:				
Leased Building	<u>(5,515,641)</u>	<u>(909,764)</u>		<u>(6,425,405)</u>
Total accumulated amortization	<u>(5,515,641)</u>	<u>(909,764)</u>		<u>(6,425,405)</u>
Right to Use Leased Asset, Net	<u>\$ 693,658</u>	<u>\$ 967,332</u>		<u>\$ 1,660,990</u>

<u>Lease Description</u>	<u>Role</u>	<u>Classification</u>	Net Asset <u>Balance</u>	Accumulated <u>Amortization</u>	Gross Asset <u>Balance</u>
Saint Francis of Assisi Church	Lessee	Building	\$ 1,660,990	\$ 6,425,405	\$ 8,086,395

**City of Hackensack School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 18. CONTINGENT LIABILITIES

Grant Programs - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation - The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its' size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District. Some of the more significant lawsuits are described briefly as follows:

Eric Boateng v. Hackensack Board of Education – Petitioner seeks reinstatement as principal to an elementary school, back pay and counsel fees. The Board has filed a motion to dismiss and is awaiting decision. The District is vigorously defending the matter. In the event of an unfavorable outcome, the District will need to reinstate petitioner as principal, pay back salary and likely pay counsel fees. The estimated range of loss is \$225,000 - \$250,000.

NOTE 19. SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 23, 2025, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

Exhibit C-1

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
General Fund:					
Revenues from Local Sources:					
Local Tax Levy	93,389,606		93,389,606	93,389,606	
Tuition From Other LEAs Within the State	3,420,000		3,420,000	3,400,024	(19,976)
Interest Earned on Capital Reserve Funds	5,000		5,000	158,809	153,809
Interest Earned on Maintenance Reserve	1,000		1,000	58,992	57,992
Interest Earned on Emergency Reserve	500		500	10,653	10,153
Other Restricted Miscellaneous Revenue				42,763	42,763
Unrestricted Miscellaneous Revenues	560,000		560,000	1,640,882	1,080,882
Total - Local Sources	97,376,106		97,376,106	98,701,729	1,325,623
Revenues from State Sources:					
Categorical Special Education Aid	6,029,717		6,029,717	6,029,717	
Equalization Aid	29,339,470		29,339,470	29,339,470	
Categorical Security Aid	2,121,557		2,121,557	2,121,557	
Categorical Transportation Aid	809,443		809,443	809,443	
Other State Aid				242,288	242,288
Menstrual Product Reimbursement				35,065	35,065
Extraordinary Aid	1,460,000		1,460,000	2,293,159	833,159
On-behalf TPAF Pension and Post Retirement					
Medical Contributions (non-budgeted)				5,657,834	5,657,834
On-behalf TPAF Pension (non-budgeted)				19,125,910	19,125,910
On-behalf TPAF NCGI Premium (non-budgeted)				236,919	236,919
On-behalf TPAF LTDI				6,272	6,272
Reimbursed TPAF Social Security Contributions (non-budgeted)				4,276,648	4,276,648
Total - State Sources	39,760,187		39,760,187	70,174,282	30,414,095
Revenues from Federal Sources:					
Special Education Medicaid Initiative	244,214		244,214	73,167	(171,047)
Medicaid Administrative Claiming (MAC)				97,906	97,906
Total - Federal Sources	244,214		244,214	171,073	(73,141)
TOTAL REVENUES	137,380,507		137,380,507	169,047,084	31,666,577
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool - Salaries of Teachers					
Kindergarten - Salaries of Teachers	1,786,110	(385,785)	1,400,325	1,400,324	1
Grades 1-5 - Salaries of Teachers	10,313,787	(921,984)	9,391,803	9,391,803	
Grades 6-8 - Salaries of Teachers	7,326,854	711,703	8,038,557	8,038,557	
Grades 9-12 - Salaries of Teachers	11,929,498	80,719	12,010,217	12,010,217	
Regular Programs - Home Instruction:					
Salaries of Teachers	183,760	6,018	189,778	189,777	1
Purchased Professional-Educational Services	50,000	(9,102)	40,898	34,677	6,221
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	986,312	52,639	1,038,951	1,038,796	155
Purchased Professional - Educational Services	1,870,512	1,800,062	3,670,574	4,700,069	(1,029,495)
Purchased Technical Services	553,538	(51,868)	501,670	408,532	93,138
Other Purchased Services (400-500 series)	1,632,203	(89,432)	1,542,771	1,562,242	(19,471)
General Supplies	2,216,439	(148,662)	2,067,777	1,867,054	200,723
Textbooks	334,960	(105,307)	229,653	209,917	19,736
Other Objects	60,200	(24,009)	36,191	36,191	
TOTAL REGULAR PROGRAMS - INSTRUCTION	39,244,173	914,992	40,159,165	40,888,156	(728,991)
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities - Mild or Moderate					
Salaries of Teachers	1,640,028	160,393	1,800,421	1,800,420	1
Other Salaries for Instruction	769,106	55,104	824,210	824,210	
General Supplies	4,220	(1,355)	2,865	2,846	19
Total Learning and/or Language Disabilities - Mild or Moderate	2,413,354	214,142	2,627,496	2,627,476	20
Emotional Regulation Impairment					
Salaries of Teachers	229,566	(3,150)	226,416	226,416	
Other Salaries for Instruction	279,729	(77,235)	202,494	202,493	1
General Supplies	785	(785)			
Total Emotional Regulation Impairment	510,080	(81,170)	428,910	428,909	1
Multiple Disabilities					
Salaries of Teachers	1,085,556	58,109	1,143,665	1,143,664	1
Other Salaries for Instruction	723,294	(18,782)	704,512	704,511	1
General Supplies	900	(175)	725	718	7
Total Multiple Disabilities	1,809,750	39,152	1,848,902	1,848,893	9
Resource Room/Resource Center:					

Exhibit C-1

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Salaries of Teachers	5,119,735	(40,091)	5,079,644	5,079,644	
Other Salaries for Instruction	1,374,859	(245,197)	1,129,662	1,128,951	711
General Supplies	6,442	(1,534)	4,908	4,754	154
Total Resource Room/Resource Center	6,501,036	(286,822)	6,214,214	6,213,349	865
Preschool Disabilities- Full-Time:					
Salaries of Teachers	1,166,120	223,371	1,389,491	1,389,455	36
Other Salaries for Instruction	679,939	(29,211)	650,728	650,727	1
General Supplies	25,750	(25,750)			
Total Preschool Disabilities - Full-Time	1,871,809	168,410	2,040,219	2,040,182	37
Home Instruction					
Salaries of Teachers	20,000	(20,000)			
Purchased Professional - Educational Services	25,000	21,309	46,309	29,816	16,493
Total Home Instruction	45,000	1,309	46,309	29,816	16,493
Extended School Year					
Other Purchased Services (400-500 Series)		4,764	4,764	4,764	
Total Extended School Year		4,764	4,764	4,764	
TOTAL SPECIAL EDUCATION - INSTRUCTION	13,151,029	59,785	13,210,814	13,193,389	17,425
Bilingual Education - Instruction					
Salaries of Teachers	2,943,652	(46,542)	2,897,110	2,896,889	221
Other Salaries for Instruction	126,596	4,326	130,922	130,914	8
Other Purchased Services (400-500 series)	1,000	(1,000)			
General Supplies	3,675	(1,094)	2,581	2,476	105
Total Bilingual Education - Instruction	3,074,923	(44,310)	3,030,613	3,030,279	334
School-Sponsored Cocurricular Activities - Instruction					
Salaries	150,000	(49,351)	100,649	100,649	
Purchased Services (300-500 series)	13,300	(4,526)	8,774	7,608	1,166
Supplies and Materials	99,456	(9,199)	90,257	83,246	7,011
Other Objects	1,000	16,000	17,000	16,096	904
Total School-Sponsored Cocurricular Activities - Instruction	263,756	(47,076)	216,680	207,599	9,081
School-Sponsored Athletics - Instruction					
Salaries	932,961	197,689	1,130,650	1,130,650	
Purchased Services (300-500 series)	195,199	(2,916)	192,283	178,579	13,704
Supplies and Materials	172,450	(50,440)	122,010	126,631	(4,621)
Other Objects	43,100		43,100	37,436	5,664
Total School-Sponsored Athletics - Instruction	1,343,710	144,333	1,488,043	1,473,296	14,747
Summer School - Instruction					
Salaries of Teachers	51,620	(51,620)			
Total Summer School Programs Instruction	51,620	(51,620)			
Instructional Alternative Ed Programs - Instruction					
Salaries of Teachers	304,400	(164,491)	139,909	139,909	
Total Instructional Alternative Ed Programs - Instruction	304,400	(164,491)	139,909	139,909	
TOTAL INSTRUCTION	57,433,611	811,613	58,245,224	58,932,628	(687,404)
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular		36,634	36,634		36,634
Tuition to Other LEAs Within the State - Special	1,154,999	(9,530)	1,145,469	1,144,637	832
Tuition to County Voc. School Dist. - Regular	680,974	19,660	700,634	700,633	1
Tuition to County Voc. School Dist. - Special	494,708	(111,415)	383,293	383,292	1
Tuition to CSSD & Regional Day Schools	2,042,492	(78,849)	1,963,643	1,963,642	1
Tuition to Private Schools for the Handicapped - Within State	8,054,596	(861,914)	7,192,682	6,873,505	319,177
Tuition - State Facilities	9,000		9,000	9,000	
Total Undistributed Expenditures - Instruction:	12,436,769	(1,005,414)	11,431,355	11,074,709	356,646
Undistributed Expend. - Attend. & Social Work					
Salaries		4,789	4,789	4,789	
Salaries of Drop-Out Prevention Officer/Coordinator	260,468	73,856	334,324	334,323	1
Salaries of Family Liaisons/Community Parent Involvement Specialist		124,605	124,605	124,604	1
Supplies and Materials		52,489	52,489	52,481	8
Total Undistributed Expend. - Attend. & Social Work	260,468	255,739	516,207	516,197	10
Undist. Expend. - Health Services					
Salaries	906,425	144,158	1,050,583	1,050,583	
Purchased Professional and Technical Services	75,685	(39,800)	35,885	25,885	10,000
Other Purchased Services (400-500 series)	83,200	(64,071)	19,129	19,129	
Supplies and Materials		20,660	20,660	20,658	2
Menstrual Product Reimbursement	34,471	594	35,065	35,065	
Total Undistributed Expenditures - Health Services	1,099,781	61,541	1,161,322	1,151,320	10,002
Undist. Expend. - Speech, OT, PT & Related Svcs.					
Salaries	1,599,011	533,831	2,132,842	2,132,841	1

Exhibit C-1

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Purchased Prof. Services-Educational Services	2,181,000	(587,599)	1,593,401	1,793,354	(199,953)
Supplies and Materials	8,550	(1,256)	7,294	7,286	8
Total Undist. Expend. - Speech, OT, PT, & Related Svcs	3,788,561	(55,024)	3,733,537	3,933,481	(199,944)
Undist. Expend. - Other Supp. Serv. Students-Extra Serv.					
Salaries	388,657	(67,693)	320,964	320,964	
Purchased Prof. Services-Educational Services	1,432,500	858,398	2,290,898	2,286,321	4,577
Supplies and Materials	8,850	(1,881)	6,969	6,047	922
Total Undist. Expend. - Other Supp. Serv. Students-Extra Svcs.	1,830,007	788,824	2,618,831	2,613,332	5,499
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,604,238	(92,387)	1,511,851	1,511,851	
Salaries of Secretarial and Clerical Assistants	161,185	170	161,355	161,355	
Other Purchased Professional and Technical Services	45,050	(15,077)	29,973	29,635	338
Supplies and Materials	3,232	2,482	5,714	5,482	232
Other Objects	3,000	(871)	2,129	2,129	
Total Undist. Expend. - Guidance	1,816,705	(105,683)	1,711,022	1,710,452	570
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	3,780,810	920,926	4,701,736	4,701,736	
Salaries of Secretarial and Clerical Assistants	326,878	(3,992)	322,886	322,886	
Purchased Prof. Services-Educational Services	156,000	(5,900)	150,100	120,300	29,800
Other Purchased Professional and Technical Services	90,000	(14,997)	75,003	75,003	
Residential Costs	5,000	(5,000)			
Supplies and Materials	61,201	29,101	90,302	89,443	859
Other Objects	6,039	5,097	11,136	2,114	9,022
Total Undist. Expend. - Child Study Teams	4,425,928	925,235	5,351,163	5,311,482	39,681
Undist. Expend. - Improvement of Instructional Services					
Salaries of Supervisors of Instruction	1,102,718	(378,858)	723,860	723,860	
Salaries of Other Professional Staff	495,827	(50,565)	445,262	445,262	
Salaries of Secretarial and Clerical Assistants	1,011,999	(427,321)	584,678	584,678	
Other Salaries		526,516	526,516	526,516	
Purchased Professional - Educational Services	98,300	13,200	111,500	109,000	2,500
Other Purch Services (400-500)	187,316	10,739	198,055	197,643	412
Supplies and Materials	107,500	(99,492)	8,008	8,008	
Other Objects	7,000	(6,981)	19		19
Total Undist. Expend. - Improvement of Inst. Services	3,010,660	(412,762)	2,597,898	2,594,967	2,931
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	668,600	(106,403)	562,197	562,197	
Purchased Professional and Technical Services	8,200	(8,200)			
Other Purch Services (400-500)	28,150	(3,018)	25,132	24,917	215
Supplies and Materials	51,020	(3,996)	47,024	46,023	1,001
Total Undist. Expend. - Educational Media Serv./Sch. Library	755,970	(121,617)	634,353	633,137	1,216
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	192,000	(33,902)	158,098	155,645	2,453
Other Purchased Services (400-500 series)	120,650	(66,310)	54,340	53,180	1,160
Supplies and Materials	8,000	5,338	13,338	13,338	
Total Undist. Expend. - Instructional Staff Training Serv.	320,650	(94,874)	225,776	222,163	3,613
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	491,022	(4,733)	486,289	486,289	
Legal Services	438,780	16,036	454,816	378,947	75,869
Audit Fees	135,587	25,001	160,588	80,145	80,443
Architectural/Engineering Services	10,000	(10,000)			
Other Purchased Professional Services	20,000	(20,000)			
Communications/Telephone	73,930	(59,222)	14,708	13,217	1,491
BOE Other Purchased Services	35,000	(12,092)	22,908	16,607	6,301
Misc. Purch Services (400-500 Series)	30,134	(10,209)	19,925	16,294	3,631
General Supplies	12,916	(7,121)	5,795	5,159	636
BOE In-House Training/Meeting Supplies	6,500	(1,881)	4,619	4,619	
Misc. Expenditures	7,000	15,872	22,872	22,771	101
BOE Membership Dues and Fees	35,000	2,218	37,218	35,721	1,497
Total Undist. Expend. - Supp. Serv. - General Administration	1,295,869	(66,131)	1,229,738	1,059,769	169,969
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	3,534,235	848,886	4,383,121	4,383,121	
Salaries of Secretarial and Clerical Assistants	643,742	(66,104)	577,638	577,638	
Other Purchased Services (400-500 series)	17,300	(5,988)	11,312	9,951	1,361
Supplies and Materials	62,815	(35,128)	27,687	22,059	5,628
Other Objects	11,350	(1,269)	10,081	5,466	4,615
Total Undist. Expend. - Support Serv. - School Administration	4,269,442	740,397	5,009,839	4,998,235	11,604

Exhibit C-1

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - Central Services					
Salaries	1,042,305	(23,836)	1,018,469	1,018,469	
Purchased Professional Services	7,835	485	8,320	8,320	
Purchased Technical Services	18,800	230	19,030	18,920	110
Misc. Pur Services (400-500 Series)	78,000	(19,135)	58,865	53,247	5,618
Supplies and Materials	17,500	(5,698)	11,802	10,225	1,577
Interest on Lease Purchase Agreement	15,000	(10,500)	4,500	4,107	393
Miscellaneous Expenditures	41,200	12,157	53,357	41,447	11,910
Total Undist. Expend. - Support Serv. - Central Services	1,220,640	(46,297)	1,174,343	1,154,735	19,608
Undist. Expend. - Admin Info. Technology					
Information Technology					
Salaries	961,535	170,450	1,131,985	1,131,985	
Purchased Professional Services	9,000	8,272	17,272	17,271	1
Other Purch Services (400-500 Series)	641,914	21,399	663,313	648,018	15,295
Supplies and Materials	37,342	(1,000)	36,342	34,905	1,437
Total Undist. Expend. - Support Serv. - Administrative					
Information Technology	1,649,791	199,121	1,848,912	1,832,179	16,733
Undist. Expend. - Required Maint. for School Facilities (261)					
Salaries	948,938	78,388	1,027,326	1,027,326	
Cleaning, Repair and Maintenance Services	3,424,705	(529,201)	2,895,504	2,552,831	342,673
General Supplies	901,744	(484,766)	416,978	400,194	16,784
Undist. Expend. - Required Maint. for School Facilities	5,275,387	(935,579)	4,339,808	3,980,351	359,457
Undist. Expend. - Oth. Oper. & Maint. of Plant (262)					
Salaries	2,938,776	318,803	3,257,579	3,257,579	
Salaries of Non-Instructional Aides	33,898	11,331	45,229	45,229	
Purchased Prof. And Tech. Services	23,987	(22,489)	1,498	1,498	
Cleaning, Repair and Maintenance Services	609,462	(410,831)	198,631	170,826	27,805
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt.	706,495	29,440	735,935	735,934	1
Lease Purchase of Land & Bldg. Other than Lease Purchase Agreements	725,350		725,350	725,350	
Other Purchased Property Services	175,000	(21,834)	153,166	148,413	4,753
Insurance	1,268,721	(148,480)	1,120,241	989,281	130,960
Miscellaneous Purchased Services	6,000	24,841	30,841	30,811	30
General Supplies	517,000	(157,052)	359,948	345,793	14,155
Energy (Natural Gas)	595,000	(236,312)	358,688	324,880	33,808
Energy (Energy and Electricity)	790,000	244,265	1,034,265	942,605	91,660
Other Objects	2,000	(700)	1,300	1,300	
Total Undist. Expend. - Other Oper. & Maint. Of Plant	8,391,689	(369,018)	8,022,671	7,719,499	303,172
Undist. Expend. - Care & Upkeep of Grounds (263)					
Salaries	191,268	6,375	197,643	197,643	
Cleaning, Repair and Maintenance Services	460,240	(349,015)	111,225	105,771	5,454
General Supplies	130,000	(122,182)	7,818	7,547	271
Total Undist. Expend. - Care & Upkeep of Grounds	781,508	(464,822)	316,686	310,961	5,725
Undist. Expend. - Security					
Purchased Professional and Technical Services	366,940	342,021	708,961	691,721	17,240
Cleaning, Repair and Maintenance Services	199,384	(22,649)	176,735	151,844	24,891
General Supplies	79,766	(12,472)	67,294	59,837	7,457
Total Undist. Expend. - Security	646,090	306,900	952,990	903,402	49,588
Undist. Expend. - Student Transportation Services (270)					
Salaries for Pupil Trans (Other than Bet. Home & Sch.)	150,000	54,592	204,592	204,592	
Other Purchased Prof. and Tech. Services	5,000	(2,800)	2,200	2,200	
Cleaning, Repair and Maintenance Services	25,000	(25,000)			
Contract Services - Aid in lieu Pymts - Charter School	367,330	136,216	503,546	360,035	143,511
Contract Services (Between Home & School)-Vendors	120,000	(86,000)	34,000	2,438	31,562
Contract Services (Other than Between Home & School)-Vendors	278,174	(46,100)	232,074	146,226	85,848
Contract Services (Spl. Ed. Students)-ESCs&CTSAs	3,416,498	800,000	4,216,498	4,166,393	50,105
Miscellaneous Purchased Services - Transportation	2,500	(2,250)	250	250	
Total Undist. Expend. - Student Transportation Services	4,364,502	828,658	5,193,160	4,882,134	311,026
UNALLOCATED BENEFITS					
Social Security Contributions	1,477,445	56,909	1,534,354	1,477,494	56,860
Other Retirement Contributions-PERS	1,979,760	(223,086)	1,756,674	1,750,444	6,230
Other Retirement Contributions-Regular	145,000	(6,384)	138,616	123,113	15,503
Workmen's Compensation	1,111,917	(241,495)	870,422	842,693	27,729
Health Benefits	17,141,827	(881,173)	16,260,654	15,974,764	285,890
Tuition Reimbursement	5,000		5,000	3,567	1,433
Other Employee Benefits	25,000	(16,472)	8,528	8,117	411
Unused Sick Payment to Terminated/Retired Staff	329,437	(8,688)	320,749	127,667	193,082
TOTAL UNALLOCATED BENEFITS	22,215,386	(1,320,389)	20,894,997	20,307,859	394,056

Exhibit C-1

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
On-behalf TPAF Pension and Post Retirement					
Medical Contributions (non-budgeted)				5,657,834	(5,657,834)
On-behalf TPAF Pension (non-budgeted)				19,125,910	(19,125,910)
On-behalf TPAF NCGI Premium (non-budgeted)				236,919	(236,919)
On-behalf TPAF LTDI				6,272	(6,272)
Reimbursed TPAF Social Security Contributions (non-budgeted)				4,276,648	(4,276,648)
TOTAL ON-BEHALF CONTRIBUTIONS				<u>29,303,583</u>	<u>(29,303,583)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>22,215,386</u>	<u>(1,320,389)</u>	<u>20,894,997</u>	<u>49,611,442</u>	<u>(28,909,527)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>79,855,803</u>	<u>(891,195)</u>	<u>78,964,608</u>	<u>106,213,947</u>	<u>(27,442,421)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>137,289,414</u>	<u>(79,582)</u>	<u>137,209,832</u>	<u>165,146,575</u>	<u>(28,129,825)</u>
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Undistributed Expenditures - Admin Info Tech.	322,053	(4,769)	317,284	241,190	76,094
Undistributed Expenditures - Security	160,000	31,987	191,987	179,738	12,249
Undistributed Expenditures - Care & Upkeep of Grounds		29,689	29,689	29,689	
Total Equipment	<u>482,053</u>	<u>56,907</u>	<u>538,960</u>	<u>450,617</u>	<u>88,343</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	27,110	226,679	253,789	184,996	68,793
Construction Services	1,516,073	2,339,193	3,855,266	1,482,767	2,372,499
Lease Purchase Agreements - Principal	1,250,000	(1,250,000)			
Bldgs. Other than Lease Purchase Agreements	1,250,000	(1,250,000)			
Assessment for Debt Service on SDA Funding	37,812		37,812	37,812	
Total Facilities Acquisition and Construction Services	<u>4,080,995</u>	<u>65,872</u>	<u>4,146,867</u>	<u>1,705,575</u>	<u>2,441,292</u>
Assets Acquired Under Capital Leases (non-budgeted)					
Various Equipment				215,506	(215,506)
Total Assets Acquired Under Capital Leases (non-budgeted)				<u>215,506</u>	<u>(215,506)</u>
TOTAL CAPITAL OUTLAY	<u>4,563,048</u>	<u>122,779</u>	<u>4,685,827</u>	<u>2,371,698</u>	<u>2,314,129</u>
Transfer of Funds to Charter Schools	<u>7,478,168</u>	<u>543,862</u>	<u>8,022,030</u>	<u>7,974,423</u>	<u>47,607</u>
TOTAL EXPENDITURES	<u>149,330,630</u>	<u>587,059</u>	<u>149,917,689</u>	<u>175,492,696</u>	<u>(25,768,089)</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(11,950,123)</u>	<u>(587,059)</u>	<u>(12,537,182)</u>	<u>(6,445,612)</u>	<u>6,091,570</u>
Other Financing Sources/(Uses):					
Capital Leases (non-budgeted)				215,506	(215,506)
Operating Transfers In:					
Transfer from Capital Projects				808,150	(808,150)
Operating Transfers Out:					
Transfers to Cover Deficit (Enterprise Fund)				(8,403)	8,403
Transfer to Special Revenue Fund - Preschool Ed Aid - Regular	(95,000)	(611,286)	(706,286)	(706,286)	
Transfer to Special Revenue Fund - Preschool Ed Aid - Inclusion	(611,286)	611,286			
Total Other Financing Sources/(Uses):	<u>(706,286)</u>		<u>(706,286)</u>	<u>308,967</u>	<u>(1,015,253)</u>
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(12,656,409)</u>	<u>(587,059)</u>	<u>(13,243,468)</u>	<u>(6,136,645)</u>	<u>5,076,317</u>
Fund Balance, July 1	<u>27,190,782</u>		<u>27,190,782</u>	<u>27,190,782</u>	
Fund Balance, June 30	<u>14,534,373</u>	<u>(587,059)</u>	<u>13,947,314</u>	<u>21,054,137</u>	<u>5,076,317</u>

Exhibit C-1

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	(2,588,875)		(2,588,875)	(2,588,875)	
Increase in Capital Reserve:					
Interest Deposit to Capital Reserve	5,000		5,000	158,809	(153,809)
Increase in Emergency Reserve:					
Interest Deposit to Emergency Reserve	500		500	10,653	(10,153)
Increase in Maintenance Reserve:					
Interest Deposit to Maintenance Reserve	1,000		1,000	58,992	(57,992)
Withdrawal from Capital Reserve - Excess Cost & Other Cap Projec	(2,500,000)		(2,500,000)	(2,500,000)	
Budgeted Fund Balance	<u>(7,574,034)</u>	<u>(587,059)</u>	<u>(8,161,093)</u>	<u>(1,276,224)</u>	<u>5,298,271</u>
	<u>(12,656,409)</u>	<u>(587,059)</u>	<u>(13,243,468)</u>	<u>(6,136,645)</u>	<u>5,076,317</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus - Designated for Subsequent					
Year's Expenditures				2,672,121	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,675,000	
Capital Reserve				4,521,815	
Maintenance Reserve				1,141,117	
Emergency Reserve				326,756	
Unemployment Compensation				1,071,768	
Assigned Fund Balance:					
Year-end Encumbrances				1,594,795	
Designated for Subsequent Year's Expenditures				4,441,422	
Unassigned Fund Balance				<u>3,609,343</u>	
Total Fund Balance per Governmental Funds (Budgetary)				21,054,137	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>3,626,548</u>	
Total Fund Balance per Governmental Funds (GAAP)				<u>17,427,589</u>	

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		15,037	15,037	316,096	301,059 note 1
State Sources	5,116,110	761,377	5,877,487	5,032,513	(844,974)
Federal Sources	2,790,336	2,173,230	4,963,566	3,974,082	(989,484)
Total Revenues	7,906,446	2,949,644	10,856,090	9,322,691	(1,533,399)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	3,108,560	(799,793)	2,308,767	1,690,683	618,084
Other Salaries for Instruction	176,408	128,000	304,408	437,096	(132,688)
Purchased Professional - Educational Services	4,000	-	4,000	1,900	2,100
Purchased Services	161,340	359,610	520,950	454,158	66,792
Other Purchased Services (400-500 series)	1,203,899	723,719	1,927,618	1,875,967	51,651
Instructional Supplies	125,603	213,888	339,491	218,781	120,710
Textbooks		4,705	4,705	4,705	-
Other Objects		9,693	9,693	4,860	4,833
Total Instruction	4,779,810	639,822	5,419,632	4,688,150	731,482
Support Services:					
Salaries		1,210,334	1,210,334	1,014,665	195,669
Salaries of Program Directors	107,469	-	107,469	106,946	523
Salaries of Other Professional Staff	153,180	-	153,180	170,552	(17,372)
Salaries of Secretarial and Clerical Assistants	56,689	4,300	60,989	58,497	2,492
Other Salaries	95,479	-	95,479	147,001	(51,522)
Salaries of Community Parent Involvement Specialists	106,845	-	106,845	-	106,845
Salaries of Master Teachers	285,123	-	285,123	101,198	183,925
Personal Services - Employee Benefits	781,151	513,447	1,294,598	924,936	369,662
Professional Technical Services		345,437	345,437	246,333	99,104
Purchased Education Services - Contracted Pre-K	1,474,700	-	1,474,700	1,929,530	(454,830)
Other Purchased Professional - Education Services	20,000	-	20,000	148,930	(128,930)
Other Purchased Services		110,416	110,416	61,975	48,441
Rentals	25,000	-	25,000	-	25,000
Contract services - Transportation (Between Home & School)	5,000	-	5,000	5,200	(200)
Contract services - Transportation (Field Trips)	4,000	-	4,000	2,050	1,950
Travel	2,000	32,189	34,189	28,032	6,157
Miscellaneous Purchased Services	2,000	-	2,000	3,860	(1,860)
Supplies and Materials	8,000	38,051	46,051	36,345	9,706
Other Objects		8,416	8,416	6,500	1,916
Scholarships Awarded		-	-	7,000	(7,000) note 1
Student Activity Disbursements		-	-	414,507	(414,507) note 1
Total Support Services	3,126,636	2,262,590	5,389,226	5,414,057	(24,831)

HACKENSACK BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services:					
Buildings		-	47,232	-	-
Noninstructional Equipment		47,232	47,232	32,952	14,280
Total Facilities Acquisition and Construction Services	-	47,232	47,232	32,952	14,280
Total Expenditures	7,906,446	2,949,644	10,856,090	10,135,159	720,931
Other Financing Sources (Uses):					
General Fund - Preschool Education Aid - Inclusion		-		706,286	(706,286)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	(106,182)	106,182
Fund Balance, July 1				\$ 559,810	
Fund Balance, June 30				<u>\$ 453,628</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 194,735	
Student Activities				<u>258,893</u>	
Total Fund Balance				<u>\$ 453,628</u>	

note 1 Not required to budget for student activity or scholarship funds

HACKENSACK BOARD OF EDUCATION
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2025

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	169,047,084	9,322,691
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			3,072,039
Current Year			(2,610)
 The last state aid payment is recognized for GAAP Statements in the current year, previously recognized for budgetary purposes		5,927,354	
 The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(3,626,548)	
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>171,347,890</u>	<u>12,392,120</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	175,492,696	10,135,159
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			
Prior Year			3,072,039
Current Year			(2,610)
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>175,492,696</u>	<u>13,204,588</u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

HACKENSACK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's	District's	District's	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	
2016	0.1572860273%	35,307,561	10,591,162	52.07%
2017	0.1525299174%	45,174,987	10,162,144	59.86%
2018	0.1477759118%	34,399,870	10,236,731	51.90%
2019	0.1465131011%	28,847,700	10,242,211	46.40%
2020	0.1450102927%	26,128,655	10,345,276	43.43%
2021	0.1432086134%	23,353,580	10,491,446	41.35%
2022	0.1459265070%	17,287,182	10,700,604	29.35%
2023	0.1487516706%	22,448,675	10,467,526	36.78%
2024	0.1410714961%	20,433,323	10,796,204	34.48%
2025	0.1375690335%	18,692,943	11,184,566	31.52%

HACKENSACK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
Last 10 Fiscal Years

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered- Employee Payroll		Contributions as a Percentage of PERS Covered- Employee Payroll
	Contractually Required Contribution		Contractually Required Contributions			District's PERS Covered- Employee Payroll		
2016	\$ 1,352,238		\$ (1,352,238)		\$ -	\$ 10,162,144		13.31%
2017	\$ 1,355,054		\$ (1,355,054)		\$ -	\$ 10,236,731		13.24%
2018	\$ 1,368,986		\$ (1,368,986)		\$ -	\$ 10,242,211		13.37%
2019	\$ 1,457,332		\$ (1,457,332)		\$ -	\$ 10,345,276		14.09%
2020	\$ 1,410,523		\$ (1,410,523)		\$ -	\$ 10,491,446		13.44%
2021	\$ 1,566,630		\$ (1,566,630)		\$ -	\$ 10,700,604		14.64%
2022	\$ 1,708,969		\$ (1,708,969)		\$ -	\$ 10,467,526		16.33%
2023	\$ 1,875,830		\$ (1,875,830)		\$ -	\$ 10,796,204		17.37%
2024	\$ 1,885,459		\$ (1,885,459)		\$ -	\$ 11,184,566		16.86%
2025	\$ 1,871,930		\$ (1,871,930)		\$ -	\$ 11,824,194		15.83%

HACKENSACK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
Last 10 Fiscal Years

Fiscal Year Ending June 30,	State's					District's		State's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability Associated with the District (Asset)		District's Covered Payroll - TPAF Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll			
2016	0.4294054446%	\$	-	\$	271,402,578	\$	44,861,914	0.00%	604.97%	28.71%
2017	0.4401533654%		-		346,252,662		45,628,720	0.00%	758.85%	22.33%
2018	0.4420921066%		-		298,074,439		47,008,379	0.00%	634.09%	25.41%
2019	0.4468454754%		-		284,273,493		47,937,259	0.00%	593.01%	26.49%
2020	0.4454781288%		-		273,394,132		47,951,474	0.00%	570.15%	26.95%
2021	0.4514311339%		-		297,261,970		49,337,420	0.00%	602.51%	24.60%
2022	0.4546037301%		-		218,551,601		51,336,609	0.00%	425.72%	35.52%
2023	0.4604641500%		-		237,573,977		51,896,738	0.00%	457.78%	32.29%
2024	0.4534108197%		-		231,387,645		52,186,846	0.00%	443.38%	34.68%
2025	0.4497496073%		-		222,289,223		54,656,630	0.00%	406.70%	37.99%

HACKENSACK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the School District's Contribution
Teacher's Pension and Annuity Fund (TPAF)
Last 10 Fiscal Years

This schedule is not applicable.

The School District is not required to make any contribution towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

HACKENSACK BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2025

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 7 of the Notes to the Financial Statements.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 7 of the Notes to the Financial Statements.

HACKENSACK BOARD OF EDUCATION
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
*Last 10 Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Costs	\$ 7,658,642	\$ 7,634,727	\$ 9,941,297	\$ 11,137,456	\$ 6,166,632	\$ 6,060,784	\$ 6,786,487	\$ 8,179,939
Interest on Total OPEB Liability	7,262,104	6,742,800	4,863,588	5,646,343	5,269,367	6,472,383	6,750,033	5,836,471
Changes of Benefit Terms				(231,673)				
Difference between Expected and Actual Expenditures	3,090,376	(1,749,385)	4,953,502	(36,449,772)	43,740,760	(27,290,290)	(11,082,850)	
Changes in Assumptions	16,504,893	385,893	(49,231,955)	214,739	44,140,571	2,182,968	(18,744,553)	(24,707,925)
Gross Benefit Payments	(5,546,187)	(5,256,123)	(4,817,528)	(4,447,737)	(4,206,872)	(4,494,315)	(4,367,763)	(4,258,398)
Contribution from the Member	189,907	172,794	154,549	144,349	127,510	133,224	150,957	156,805
Net Changes in total Share of OPEB Liability	29,159,735	7,930,706	(34,136,547)	(23,986,295)	95,237,968	(16,935,246)	(20,507,689)	(14,793,108)
Total OPEB Liability - Beginning	191,454,690	183,523,984	217,660,531	241,646,826	146,408,858	163,344,104	183,851,793	198,644,901
Total OPEB Liability - Ending	\$ 220,614,425	\$ 191,454,690	\$ 183,523,984	\$ 217,660,531	\$ 241,646,826	\$ 146,408,858	\$ 163,344,104	\$ 183,851,793
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	220,614,425	91,454,690	183,523,984	217,660,531	146,408,858	146,408,858	163,344,104	183,851,793
Total OPEB Liability - Ending	<u>\$ 220,614,425</u>	<u>\$ 91,454,690</u>	<u>\$ 183,523,984</u>	<u>\$ 217,660,531</u>	<u>\$ 146,408,858</u>	<u>\$ 146,408,858</u>	<u>\$ 163,344,104</u>	<u>\$ 183,851,793</u>
District's Covered Employee Payroll	<u>\$ 65,452,834</u>	<u>\$ 62,654,372</u>	<u>\$ 62,597,342</u>	<u>\$ 61,828,055</u>	<u>\$ 59,828,866</u>	<u>\$ 58,193,685</u>	<u>\$ 58,173,990</u>	<u>\$ 57,170,523</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

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

Change in benefit terms Decrease in liability due to employers adopting provisions of Chapter 44.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 8.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B Basic	Preschool	Title I, Part A	Title I, SIA	Title II, Part A	Totals 2025
REVENUES							
Local Sources	316,096						316,096
State Sources	5,032,513						5,032,513
Federal Sources	949,013	1,479,179	55,404	1,301,123	63,390	125,973	3,974,082
Total Revenues	6,297,622	1,479,179	55,404	1,301,123	63,390	125,973	9,322,691
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,293,863			396,820			1,690,683
Other Salaries for Instruction	437,096						437,096
Purchased Professional - Educational Services	1,900						1,900
Purchased Services	316,989			87,503	49,666		454,158
Other Purchased Services (400-500 series)	16,109	1,449,599	55,404	351,668	3,187		1,875,967
Instructional Supplies	126,284			84,160	8,337		218,781
Textbooks	4,705						4,705
Other Objects	1,893			2,967			4,860
Total Instruction	2,198,839	1,449,599	55,404	923,118	61,190	-	4,688,150
Support Services:							
Salaries	727,195			219,851		67,619	1,014,665
Salaries of Program Directors	106,946						106,946
Salaries of Other Professional Staff	170,552						170,552
Salaries of Secretarial and Clerical Assistants	58,497						58,497
Other Salaries	147,001						147,001
Salaries of Master Teachers	101,198						101,198
Personal Services - Employee Benefits	826,155			94,147		4,634	924,936
Professional Technical Services	107,533	29,580		53,920	2,200	53,100	246,333
Purchased Education Services - Contracted Pre-K	1,929,530						1,929,530
Other Purchased Professional - Education Services	148,930						148,930
Other Purchased Services	58,229			3,126		620	61,975
Contract services - Transportation (Between Home & School)	5,200						5,200
Contract services - Transportation (Field Trips)	2,050						2,050
Travel	28,032						28,032
Miscellaneous Purchased Services	3,860						3,860
Supplies and Materials	29,384			6,961			36,345
Other Objects	6,500						6,500
Scholarships Awarded	7,000						7,000
Student Activities	414,507						414,507
Total Support Services	4,878,299	29,580	-	378,005	2,200	125,973	5,414,057

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B Basic	Title I, Part A	Title I, SIA	Title II, Part A	Totals 2025
Facilities Acquisition and Construction Services:						
Noninstructional Equipment	32,952					32,952
Total Facilities Acquisition and Construction Services	32,952	-	-	-	-	32,952
Total Expenditures	7,110,090	1,479,179	55,404	1,301,123	63,390	10,135,159
Other Financing Sources (Uses):						
General Fund - Preschool Education Aid - Inclusion	706,286					706,286
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(106,182)	-	-	-	-	(106,182)
Fund Balance, July 1	559,810					559,810
Fund Balance, June 30	453,628	-	-	-	-	453,628

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1b)	Title III, Part A	Title III, Immigrant	Title IV	AP International Baccalaureate Course Expansion	AP African American Studies	Total Carried Forward
REVENUES							
Local Sources	316,096						316,096
State Sources	5,032,513						5,032,513
Federal Sources	564,794	153,900	31,627	136,464	50,684	11,544	949,013
Total Revenues	5,913,403	153,900	31,627	136,464	50,684	11,544	6,297,622
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,266,655	19,709	7,499				1,293,863
Other Salaries for Instruction	437,096						437,096
Purchased Professional - Educational Services	1,900						1,900
Purchased Services	226,418	6,291		84,280			316,989
Other Purchased Services (400-500 series)	15,759	350					16,109
Instructional Supplies	66,695	49,534	3,628			6,427	126,284
Textbooks	4,705						4,705
Other Objects	-					1,893	1,893
Total Instruction	2,019,228	75,884	11,127	84,280	-	8,320	2,198,839
Support Services:							
Salaries	688,680	6,524		6,364	25,280	347	727,195
Salaries of Program Directors	106,946						106,946
Salaries of Other Professional Staff	170,552						170,552
Salaries of Secretarial and Clerical Assistants	58,497						58,497
Other Salaries	147,001						147,001
Salaries of Master Teachers	101,198						101,198
Personal Services - Employee Benefits	824,089	105			1,934	27	826,155
Professional Technical Services	24,047	16,750	15,000	45,820	5,916		107,533
Purchased Education Services - Contracted Pre-K	1,929,530						1,929,530
Other Purchased Professional - Education Services	148,930						148,930
Other Purchased Services	31,735	12,590			11,054	2,850	58,229
Contract services - Transportation (Between Home & School)	5,200						5,200
Contract services - Transportation (Field Trips)	2,050						2,050
Travel	5,976	22,056					28,032
Miscellaneous Purchased Services	3,860						3,860
Supplies and Materials	18,887	4,997	5,500				29,384
Other Objects	-				6,500		6,500
Scholarships Awarded	7,000						7,000
Student Activities	414,507						414,507
Total Support Services	4,688,685	63,022	20,500	52,184	50,684	3,224	4,878,299

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1b)	Title III, Part A	Title III, Immigrant	Title IV	AP International Baccalaureate Course Expansion	AP African American Studies	Total Carried Forward
Facilities Acquisition and Construction Services:							
Noninstructional Equipment	17,958	14,994					32,952
Total Facilities Acquisition and Construction Services	17,958	14,994	-	-	-	-	32,952
Total Expenditures	6,725,871	153,900	31,627	136,464	50,684	11,544	7,110,090
Other Financing Sources (Uses):							
General Fund - Preschool Education Aid - Inclusion	706,286						706,286
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(106,182)	-	-	-	-	-	(106,182)
Fund Balance, July 1	559,810						559,810
Fund Balance, June 30	453,628	-	-	-	-	-	453,628

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1c)	ARP- ESSER III	ARP- Accelerated Learning Coach and Educator Support	NJ High Impact Tutoring	School Based Mental Health Services	Mental Health Screening in Schools	Total Carried Forward
REVENUES							
Local Sources	316,096						316,096
State Sources	4,990,976					41,537	5,032,513
Federal Sources	-	1,534	3,699	134,550	425,011		564,794
Total Revenues	5,307,072	1,534	3,699	134,550	425,011	41,537	5,913,403
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,249,069			17,586			1,266,655
Other Salaries for Instruction	437,096						437,096
Purchased Professional - Educational Services	1,900						1,900
Purchased Services	96,405			116,513	13,500		226,418
Other Purchased Services (400-500 series)	12,639					3,120	15,759
Instructional Supplies	50,541				16,154		66,695
Textbooks	4,705						4,705
Other Objects	-						-
Total Instruction	1,852,355	-	-	134,099	29,654	3,120	2,019,228
Support Services:							
Salaries	313,065				351,868	23,747	688,680
Salaries of Program Directors	106,946						106,946
Salaries of Other Professional Staff	170,552						170,552
Salaries of Secretarial and Clerical Assistants	58,497						58,497
Other Salaries	147,001						147,001
Salaries of Master Teachers	101,198			451	19,503	945	101,198
Personal Services - Employee Benefits	803,190						824,089
Professional Technical Services	24,047						24,047
Purchased Education Services - Contracted Pre-K	1,929,530						1,929,530
Other Purchased Professional - Education Services	148,930						148,930
Other Purchased Services	-				18,010	13,725	31,735
Contract services - Transportation (Between Home & School)	5,200						5,200
Contract services - Transportation (Field Trips)	2,050						2,050
Travel	-				5,976		5,976
Miscellaneous Purchased Services	3,860						3,860
Supplies and Materials	13,654	1,534	3,699				18,887
Other Objects	-						-
Scholarships Awarded	7,000						7,000
Student Activities	414,507						414,507
Total Support Services	4,249,227	1,534	3,699	451	395,357	38,417	4,688,685

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1c)	ARP- ESSER III	ARP- Accelerated Learning Coach and Educator Support	NJ High Impact Tutoring	School Based Mental Health Services	Mental Health Screening in Schools	Total Carried Forward
Facilities Acquisition and Construction Services:							
Noninstructional Equipment	17,958						17,958
Total Facilities Acquisition and Construction Services	17,958		-	-	-	-	17,958
Total Expenditures	6,119,540	1,534	3,699	134,550	425,011	41,537	6,725,871
Other Financing Sources (Uses):							
General Fund - Preschool Education Aid - Inclusion	706,286						706,286
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(106,182)	-	-	-	-	-	(106,182)
Fund Balance, July 1	559,810						559,810
Fund Balance, June 30	453,628	-	-	-	-	-	453,628

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1d)	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Nursing Services	N.J. Nonpublic Security Aid	N.J. Nonpublic Technology Initiative	Nonpublic Teacher STEM	Total Carried Forward
REVENUES							
Local Sources	316,096						316,096
State Sources	4,849,303	4,705	11,960	17,958	4,508	102,542	4,990,976
Federal Sources	-						-
Total Revenues	5,165,399	4,705	11,960	17,958	4,508	102,542	136,968
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,146,527						1,249,069
Other Salaries for Instruction	437,096					102,542	437,096
Purchased Professional - Educational Services	1,900						1,900
Purchased Services	84,445		11,960				96,405
Other Purchased Services (400-500 series)	12,639						12,639
Instructional Supplies	46,033				4,508		50,541
Textbooks	-	4,705					4,705
Other Objects	-						-
Total Instruction	1,728,640	4,705	11,960	-	4,508	102,542	1,852,355
Support Services:							
Salaries	313,065						313,065
Salaries of Program Directors	106,946						106,946
Salaries of Other Professional Staff	170,552						170,552
Salaries of Secretarial and Clerical Assistants	58,497						58,497
Other Salaries	147,001						147,001
Salaries of Master Teachers	101,198						101,198
Personal Services - Employee Benefits	803,190						803,190
Professional Technical Services	24,047						24,047
Purchased Education Services - Contracted Pre-K	1,929,530						1,929,530
Other Purchased Professional - Education Services	148,930						148,930
Other Purchased Services	-						-
Contract services - Transportation (Between Home & School)	5,200						5,200
Contract services - Transportation (Field Trips)	2,050						2,050
Travel	-						-
Miscellaneous Purchased Services	3,860						3,860
Supplies and Materials	13,654						13,654
Other Objects	-						-
Scholarships Awarded	7,000						7,000
Student Activities	414,507						414,507
Total Support Services	4,249,227	-	-	-	-	-	4,249,227

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1d)	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Nursing Services	N.J. Nonpublic Security Aid	N.J. Nonpublic Technology Initiative	Nonpublic Teacher STEM	Total Carried Forward
Facilities Acquisition and Construction Services:							
Noninstructional Equipment	-	-	-	17,958	-	-	17,958
Total Facilities Acquisition and Construction Services	-	-	-	17,958	-	-	17,958
Total Expenditures	5,977,867	4,705	11,960	17,958	4,508	102,542	6,119,540
Other Financing Sources (Uses):							
General Fund - Preschool Education Aid - Inclusion	706,286	-	-	-	-	-	706,286
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(106,182)	-	-	-	-	-	(106,182)
Fund Balance, July 1	559,810	-	-	-	-	-	559,810
Fund Balance, June 30	453,628	-	-	-	-	-	453,628

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1e)	N.J. Nonpublic Auxiliary Services Chapter 192		N.J. Nonpublic Handicapped Services, Chapter 193			Total Carried Forward
		Compensatory Education	English as a Second Language	Supplemental Instruction	Examination & Classification	Corrective Speech	
REVENUES							
Local Sources	316,096						316,096
State Sources	4,741,471	58,087	11,478	12,390	10,997	14,880	4,849,303
Federal Sources	-						-
Total Revenues	5,057,567	58,087	11,478	12,390	10,997	14,880	5,165,399
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,146,527						1,146,527
Other Salaries for Instruction	437,096						437,096
Purchased Professional - Educational Services	1,900						1,900
Purchased Services	-	58,087	11,478			14,880	84,445
Other Purchased Services (400-500 series)	12,639						12,639
Instructional Supplies	46,033						46,033
Textbooks	-						-
Other Objects	-						-
Total Instruction	1,644,195	58,087	11,478	-	-	14,880	1,728,640
Support Services:							
Salaries	313,065						313,065
Salaries of Program Directors	106,946						106,946
Salaries of Other Professional Staff	170,552						170,552
Salaries of Secretarial and Clerical Assistants	58,497						58,497
Other Salaries	147,001						147,001
Salaries of Master Teachers	101,198						101,198
Personal Services - Employee Benefits	803,190						803,190
Professional Technical Services	660						660
Purchased Education Services - Contracted Pre-K	1,929,530			12,390	10,997		1,929,530
Other Purchased Professional - Education Services	148,930						148,930
Other Purchased Services	-						-
Contract services - Transportation (Between Home & School)	5,200						5,200
Contract services - Transportation (Field Trips)	2,050						2,050
Travel	-						-
Miscellaneous Purchased Services	3,860						3,860
Supplies and Materials	13,654						13,654
Other Objects	-						-
Scholarships Awarded	7,000						7,000
Student Activities	414,507						414,507
Total Support Services	4,225,840	-	-	12,390	10,997	-	4,249,227

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1e)	N.J. Nonpublic Auxiliary Services Chapter 192		N.J. Nonpublic Handicapped Services, Chapter 193			Total Carried Forward
		Compensatory Education	English as a Second Language	Supplemental Instruction	Examination & Classification	Corrective Speech	
Facilities Acquisition and Construction Services:							
Noninstructional Equipment	-						-
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-
Total Expenditures	5,870,035	58,087	11,478	12,390	10,997	14,880	5,977,867
Other Financing Sources (Uses):	706,286						706,286
General Fund - Preschool Education Aid - Inclusion							
Excess (Deficiency) of Revenues Over (Under)	(106,182)	-	-	-	-	-	(106,182)
Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1	559,810						559,810
Fund Balance, June 30	453,628	-	-	-	-	-	453,628

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1f)	Preschool Education Aid	Friendly Family	School Based Youth Service	Climate Awareness Education	Fairmount Student Activity	Total Carried Forward
REVENUES							
Local Sources	313,525	-	47,117	327,975	771	1,800	316,096
State Sources	-	4,366,379	-	-	-	-	4,741,471
Federal Sources	-	-	-	-	-	-	-
Total Revenues	313,525	4,366,379	47,117	327,975	771	1,800	4,744,042
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	1,112,154	34,373	-	-	-	1,146,527
Other Salaries for Instruction	-	437,096	-	-	-	-	437,096
Purchased Professional - Educational Services	-	1,900	-	-	-	-	1,900
Purchased Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	12,639	-	-	-	-	12,639
Instructional Supplies	-	41,129	4,133	-	771	-	46,033
Textbooks	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-
Total Instruction	-	1,604,918	38,506	-	771	-	1,644,195
Support Services:							
Salaries	-	-	6,100	306,965	-	-	313,065
Salaries of Program Directors	-	106,946	-	-	-	-	106,946
Salaries of Other Professional Staff	-	170,552	-	-	-	-	170,552
Salaries of Secretarial and Clerical Assistants	-	58,497	-	-	-	-	58,497
Other Salaries	-	147,001	-	-	-	-	147,001
Salaries of Master Teachers	-	101,198	-	-	-	-	101,198
Personal Services - Employee Benefits	-	781,151	2,511	19,528	-	-	803,190
Professional Technical Services	-	-	-	660	-	-	660
Purchased Education Services - Contracted Pre-K	-	1,929,530	-	-	-	-	1,929,530
Other Purchased Professional - Education Services	-	148,930	-	-	-	-	148,930
Other Purchased Services	-	-	-	-	-	-	-
Contract services - Transportation (Between Home & School)	-	5,200	-	-	-	-	5,200
Contract services - Transportation (Field Trips)	-	2,050	-	-	-	-	2,050
Travel	-	-	-	-	-	-	-
Miscellaneous Purchased Services	-	3,860	-	-	-	-	3,860
Supplies and Materials	-	12,832	-	822	-	-	13,654
Other Objects	-	-	-	-	-	-	-
Scholarships Awarded	7,000	-	-	-	-	-	7,000
Student Activities	407,916	-	-	-	-	6,591	414,507
Total Support Services	414,916	3,467,747	8,611	327,975	-	6,591	4,225,840

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1f)	Preschool Education Aid	Friendly Family	School Based Youth Service	Climate Awareness Education	Fairmount Student Activity	Total Carried Forward
Facilities Acquisition and Construction Services:							
Noninstructional Equipment	-						-
Total Facilities Acquisition and Construction Services	-		-			-	-
Total Expenditures	414,916	5,072,665	47,117	327,975	771	6,591	5,870,035
Other Financing Sources (Uses):							
General Fund - Preschool Education Aid - Inclusion	-	706,286					706,286
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(101,391)	-	-	-	-	(4,791)	(106,182)
Fund Balance, July 1	551,661					8,149	559,810
Fund Balance, June 30	450,270	-	-	-	-	3,358	453,628

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1g)	Athletic Department Scholarship Account	Jackson Avenue Student Activity	Parker Student Activity	Parker Donation Account	Hillers Student Activity	Total Carried Forward
REVENUES							
Local Sources	295,713	1,575	4,674	6,668		4,895	313,525
State Sources	-						-
Federal Sources	-						-
Total Revenues	295,713	1,575	4,674	6,668	-	4,895	17,812
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-						-
Other Salaries for Instruction	-						-
Purchased Professional - Educational Services	-						-
Purchased Services	-						-
Other Purchased Services (400-500 series)	-						-
Instructional Supplies	-						-
Textbooks	-						-
Other Objects	-						-
Total Instruction	-	-	-	-	-	-	-
Support Services:							
Salaries	-						-
Salaries of Program Directors	-						-
Salaries of Other Professional Staff	-						-
Salaries of Secretarial and Clerical Assistants	-						-
Other Salaries	-						-
Salaries of Master Teachers	-						-
Personal Services - Employee Benefits	-						-
Professional Technical Services	-						-
Purchased Education Services - Contracted Pre-K	-						-
Other Purchased Professional - Education Services	-						-
Other Purchased Services	-						-
Contract services - Transportation (Between Home & School)	-						-
Contract services - Transportation (Field Trips)	-						-
Travel	-						-
Miscellaneous Purchased Services	-						-
Supplies and Materials	-						-
Other Objects	-						-
Scholarships Awarded	7,000						7,000
Student Activities	384,047	500	6,076	12,110		5,183	407,916
Total Support Services	391,047	500	6,076	12,110	-	5,183	414,916

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1g)	Athletic Department Scholarship Account	Jackson Avenue Student Activity	Parker Student Activity	Parker Donation Account	Hillers Student Activity	Total Carried Forward
Facilities Acquisition and Construction Services:							
Noninstructional Equipment	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-
Total Expenditures	391,047	500	6,076	12,110	-	5,183	414,916
Other Financing Sources (Uses):							
General Fund – Preschool Education Aid – Inclusion	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(95,334)	1,075	(1,402)	(5,442)	-	(288)	(101,391)
Fund Balance, July 1	531,073		6,138	11,736	1,470	1,244	551,661
Fund Balance, June 30	435,739	1,075	4,736	6,294	1,470	956	450,270

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Middle School Student Activity	High School Varsity H	High School Student Activity	High School Athletic Account	Scholarship Accounts	Total Carried Forward
REVENUES						
Local Sources	52,702	1,682	187,731	52,979	619	295,713
State Sources						-
Federal Sources						-
Total Revenues	52,702	1,682	187,731	52,979	619	295,713
EXPENDITURES:						
Instruction:						
Salaries of Teachers						-
Other Salaries for Instruction						-
Purchased Professional - Educational Services						-
Purchased Services						-
Other Purchased Services (400-500 series)						-
Instructional Supplies						-
Textbooks						-
Other Objects						-
Total Instruction	-	-	-	-	-	-
Support Services:						
Salaries						-
Salaries of Program Directors						-
Salaries of Other Professional Staff						-
Salaries of Secretarial and Clerical Assistants						-
Other Salaries						-
Salaries of Master Teachers						-
Personal Services - Employee Benefits						-
Professional Technical Services						-
Purchased Education Services - Contracted Pre-K						-
Other Purchased Professional - Education Services						-
Other Purchased Services						-
Contract services - Transportation (Between Home & School)						-
Contract services - Transportation (Field Trips)						-
Travel						-
Miscellaneous Purchased Services						-
Supplies and Materials						-
Other Objects						-
Scholarships Awarded					7,000	7,000
Student Activities	45,812	1,000	250,158	87,077		384,047
Total Support Services	45,812	1,000	250,158	87,077	7,000	391,047

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Middle School Student Activity	High School Varsity H	High School Student Activity	High School Athletic Account	Scholarship Accounts	Total Carried Forward
Facilities Acquisition and Construction Services:						-
Noninstructional Equipment						-
	-	-			-	-
Total Facilities Acquisition and Construction Services						
Total Expenditures	45,812	1,000	250,158	87,077	7,000	391,047
Other Financing Sources (Uses):						-
General Fund - Preschool Education Aid - Inclusion						
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	6,890	682	(62,427)	(34,098)	(6,381)	(95,334)
Fund Balance, July 1	36,854	418	239,589	53,096	201,116	531,073
Fund Balance, June 30	43,744	1,100	177,162	18,998	194,735	435,739

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
Fiscal Year Ended June 30, 2025

	District Wide Total		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:			
Instruction:			
Salaries of Teachers	1,501,463	1,112,154	389,309
Other Salaries for Instruction	304,408	437,096	(132,688)
Purchased Professional - Educational Services	4,000	1,900	2,100
Other Purchased Services (400-500 Series)	12,000	12,639	(639)
Instructional Supplies	92,766	41,129	51,637
Total Instruction	<u>1,914,637</u>	<u>1,604,918</u>	<u>309,719</u>
Support Services:			
Salaries of Program Directors	107,469	106,946	523
Salaries of Other Professional Staff	153,180	170,552	(17,372)
Salaries of Secretarial and Clerical Assistants	60,989	58,497	2,492
Other Salaries	95,479	147,001	(51,522)
Salaries of Community Parent Involvement Specialists	106,845		106,845
Salaries of Master Teachers	285,123	101,198	183,925
Personal Services - Employee Benefits	781,151	781,151	
Purchased Education Services - Contracted Pre-K	1,550,304	1,929,530	(379,226)
Other Purchased Professional - Education Services	20,000	148,930	(128,930)
Rentals	25,000		25,000
Contract services - Transportation (Between Home & School)	5,000	5,200	(200)
Contract services - Transportation (Field Trips)	4,000	2,050	1,950
Travel	2,000		2,000
Miscellaneous Purchased Services	2,000	3,860	(1,860)
Supplies and Materials	2,933	12,832	(9,899)
Total Support Services	<u>3,201,473</u>	<u>3,467,747</u>	<u>(266,274)</u>
Total Expenditures	<u><u>5,116,110</u></u>	<u><u>5,072,665</u></u>	<u><u>43,445</u></u>

HACKENSACK BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
Fiscal Year Ended June 30, 2025

Summary of Location Totals

Total revised 2024-25 Preschool Education Aid	4,294,824
Add: Actual Preschool Education Aid Carryover (June 30, 2024)	1,472,663
Add: Budgeted Transfer from the General Fund 2024-25	<u>706,286</u>
Total Preschool Education Aid Funds Available for 2024-25 Budget	6,473,773
Less: 2024-25 Budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>5,116,110</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	1,357,663
 Add: June 30, 2025 Unexpended Preschool Education Aid	 <u>43,445</u>
2024-25 Carryover - Preschool Education Aid/Preschool	<u><u>1,401,108</u></u>
 2024-25 Preschool Education Aid Carryover Budgeted for Preschool Programs 2025-26	 <u><u>1,472,663</u></u>

CAPITAL PROJECTS FUND

HACKENSACK BOARD OF EDUCATION
Capital Projects Fund
Summary Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budgetary Basis
Fiscal Year Ended June 30, 2025

Revenues and Other Financing Sources

State Sources - SCC Grant	-
Bond proceeds and transfers	-
Other Sources (Capital Lease Proceeds)	1,202,997
Transfers from Capital Reserve	
Transfers from Capital Outlay	
Interest on Investments	55,008
	1,258,005

Expenditures and Other Financing Uses

Purchased professional and technical services	-
Land and improvements	-
Construction services	50,645
General supplies	-
Equipment purchases	1,113,941
	1,164,586

Excess (deficiency) of revenues over (under) expenditures 93,419

Other Financing Sources (Uses)

Transfers out:	
General Fund	(808,150)

Fund balance - beginning 809,558

Fund balance - ending 94,827

HACKENSACK BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Energy Savings Improvement Program
Fiscal Year Ended June 30, 2025

	<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	11,275,000		11,275,000	11,275,000
Other Sources (Capital Lease Proceeds)				
Premium on Energy Savings Bond Proceeds	1,986,791		1,986,791	1,986,791
Investment Earnings	354,706		354,706	354,706
Local Sources - Rebates	57,429		57,429	57,429
State Sources - NJ Clean Energy Program	89,931		89,931	89,931
Federal Sources - School and Small Business Grant	661,205		661,205	661,205
Transfers from Capital Outlay			-	-
	<u>14,425,062</u>	<u>-</u>	<u>14,425,062</u>	<u>14,425,062</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	278,486		278,486	500,000
Land and improvements			-	-
Construction services	12,775,855	50,645	12,826,500	12,578,732
General supplies			-	779,396
Equipment purchases			-	-
Other Purchase Services - Cost of Issuance	152,836		152,836	152,836
Interest on ESIP Bonds	414,098		414,098	414,098
	<u>13,621,275</u>	<u>50,645</u>	<u>13,671,920</u>	<u>14,425,062</u>
Other Financing Sources (Uses)				
Transfer out		(753,142)	(753,142)	
	<u>-</u>	<u>(753,142)</u>	<u>(753,142)</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>803,787</u>	<u>(803,787)</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project number	N/A			
Grant date	N/A			
Bond authorization date	5/12/2021			
Bonds authorized	11,275,000			
Bonds issued	11,275,000			
Original authorization cost	11,275,000			
Additional authorized cost	3,150,062			
Revised authorized cost	14,425,062			
Percentage increase over original authorized cost	0.28			
Percentage completion	95%			
Original target completion date				
Revised target completion date				

HACKENSACK BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Acquisition of Interactive Flat Panels
Fiscal Year Ended June 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	Revised Authorized <u>Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Other Sources (Capital Lease Proceeds)	800,000		800,000	800,000
Investment Earnings	710		710	710
Transfers from Capital Outlay			-	-
	<u>800,710</u>	<u>-</u>	<u>800,710</u>	<u>800,710</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services			-	
General supplies			-	
Equipment purchases	794,939		794,939	800,710
	<u>794,939</u>	<u>-</u>	<u>794,939</u>	<u>800,710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,771</u>	<u>-</u>	<u>5,771</u>	<u>-</u>
Additional project information:				
Project number	N/A			
Grant date	N/A			
Bond authorization date				
Bonds authorized				
Bonds issued				
Original authorization cost	800,000			
Additional authorized cost	710			
Revised authorized cost	800,710			
Percentage increase over original authorized cost	0.00			
Percentage completion	99%			
Original target completion date				
Revised target completion date				

HACKENSACK BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Acquisition of Chromebooks
Fiscal Year Ended June 30, 2025

	<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			-	-
Other Sources (Capital Lease Proceeds)		991,690	991,690	991,690
Investment Earnings			-	
Transfers from Capital Outlay			-	-
	<u>-</u>	<u>991,690</u>	<u>991,690</u>	<u>991,690</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services			-	
General supplies			-	
Equipment purchases		976,005	976,005	991,690
	<u>-</u>	<u>976,005</u>	<u>976,005</u>	<u>991,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>15,685</u>	<u>15,685</u>	<u>-</u>
Additional project information:				
Project number	N/A			
Grant date	N/A			
Bond authorization date				
Bonds authorized				
Bonds issued				
Original authorization cost	800,000			
Additional authorized cost	710			
Revised authorized cost	800,710			
Percentage increase over original authorized cost	0.00			
Percentage completion	122%			
Original target completion date				
Revised target completion date				

HACKENSACK BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Acquisition of Nutanix Hyper-Coverage
Fiscal Year Ended June 30, 2025

	<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			-	-
Other Sources (Capital Lease Proceeds)		211,307	211,307	211,307
Investment Earnings			-	
Transfers from Capital Outlay			-	-
	<u>-</u>	<u>211,307</u>	<u>211,307</u>	<u>211,307</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	
Construction services			-	
General supplies			-	
Equipment purchases		137,936	137,936	211,307
	<u>-</u>	<u>137,936</u>	<u>137,936</u>	<u>211,307</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>73,371</u>	<u>73,371</u>	<u>-</u>
Additional project information:				
Project number	N/A			
Grant date	N/A			
Bond authorization date				
Bonds authorized				
Bonds issued				
Original authorization cost	211,307			
Additional authorized cost				
Revised authorized cost	211,307			
Percentage increase over original authorized cost	-			
Percentage completion	65%			
Original target completion date				
Revised target completion date				

HACKENSACK BOARD OF EDUCATION
Capital Projects Fund
Summary Statement of Project Expenditures
Fiscal Year Ended June 30, 2025

Project Title/Issue	Date	Appropriations	Expenditures to Date		Operating Transfer to Capital Reserve	Unexpended Balance June 30, 2025
			Prior Years	Current Year		
Energy Savings Improvement Project	May 12, 2021	14,425,062	13,621,275	50,645	753,142	-
Acquisition of Interactive Flat Panels	Aug. 24, 2022	800,710	794,939	-		5,771
Acquisition of Chromebooks	Aug. 23, 2024	991,690	-	976,005		15,685
Acquisition of Nutanix Hyper-Coverage	Aug. 23, 2024	211,307	-	137,936		73,371
		16,428,769	14,416,214	1,164,586	753,142	94,827

PROPRIETARY FUNDS

HACKENSACK BOARD OF EDUCATION
Combining Statement of Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2025

	Food Service Program	Totals
ASSETS		
Current assets:		
Cash and cash equivalents	563,134	563,134
Accounts receivable:		
State	14,076	14,076
Federal	292,534	292,534
Other	534,635	534,635
Inventories	25,047	25,047
Total current assets	<u>1,429,426</u>	<u>1,429,426</u>
Noncurrent assets:		
Capital assets:		
Building and Building Improvements	4,116,045	4,116,045
Machinery and Equipment	1,330,715	1,330,715
Less accumulated depreciation	<u>(815,636)</u>	<u>(815,636)</u>
Total capital assets (net of accumulated depreciation)	<u>4,631,124</u>	<u>4,631,124</u>
Total assets	<u><u>6,060,550</u></u>	<u><u>6,060,550</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable	312,777	312,777
Unearned revenue	<u>9,906</u>	<u>9,906</u>
Total current liabilities	<u>322,683</u>	<u>322,683</u>
Deferred Inflows of Resources		
Deferred commodities revenue	<u>2,990</u>	<u>2,990</u>
Total deferred inflows of resources	<u>2,990</u>	<u>2,990</u>
NET POSITION		
Net investment in capital assets	4,631,124	4,631,124
Unrestricted	<u>1,103,753</u>	<u>1,103,753</u>
Total net position	<u><u>5,734,877</u></u>	<u><u>5,734,877</u></u>

HACKENSACK BOARD OF EDUCATION
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2025

	Food Service Program	Totals
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	286,738	286,738
Daily sales - non-reimbursable programs	242,792	242,792
Special functions	58,320	58,320
Total operating revenues	<u>587,850</u>	<u>587,850</u>
Operating expenses:		
Cost of sales - reimbursable programs	1,426,110	1,426,110
Cost of sales - non-reimbursable programs	86,620	86,620
Salaries	1,849,062	1,849,062
Benefits	443,189	443,189
Supplies and materials	146,994	146,994
Purchased property services	168,639	168,639
Other expenses	101,699	101,699
Depreciation	133,675	133,675
Total operating expenses	<u>4,355,988</u>	<u>4,355,988</u>
Operating income (loss)	<u>(3,768,138)</u>	<u>(3,768,138)</u>
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	107,013	107,013
State school breakfast program	35,071	35,071
Breakfast after the bell	30,919	30,919
P-EBT administrative cost	1,556	1,556
Federal sources:		
National school lunch program	2,354,810	2,354,810
National breakfast program	1,238,118	1,238,118
Afterschool snack program	84,865	84,865
P-EBT administrative cost	1,556	1,556
Local food for schools cooperative agreement program	14,661	14,661
Food distribution program	316,171	316,171
Total nonoperating revenues (expenses)	<u>4,184,740</u>	<u>4,184,740</u>
Income (loss) before contributions & transfers	416,602	416,602
Other financing sources/(uses)		
Transfers in	8,403	8,403
Change in net position	<u>425,005</u>	<u>425,005</u>
Total net position—beginning	<u>5,309,872</u>	<u>5,309,872</u>
Total net position—ending	<u><u>5,734,877</u></u>	<u><u>5,734,877</u></u>

HACKENSACK BOARD OF EDUCATION
Combining Statement of Cash Flows
Enterprise Funds
Fiscal Year Ended June 30, 2025

	Food Service Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	413,674	413,674
Payments to suppliers	<u>(3,803,465)</u>	<u>(3,803,465)</u>
Net cash provided by (used for) operating activities	<u>(3,389,791)</u>	<u>(3,389,791)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	172,516	172,516
Federal Sources	3,644,538	3,644,538
Board Contributions	<u>8,403</u>	<u>8,403</u>
Net cash provided by (used for) non-capital financing activities	<u>3,825,457</u>	<u>3,825,457</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	<u>(214,554)</u>	<u>(214,554)</u>
Net cash provided by (used for) capital and related financing activities	<u>(214,554)</u>	<u>(214,554)</u>
Net increase (decrease) in cash and cash equivalents	221,112	221,112
Balances—beginning of year	342,022	342,022
Balances—end of year	<u>563,134</u>	<u>563,134</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(3,768,138)	(3,768,138)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
(Increase) decrease in accounts receivable	(152,968)	(152,968)
Depreciation and net amortization	133,675	133,675
Food Distribution Program	316,171	316,171
(Increase) decrease in inventories	23,572	23,572
Increase (decrease) in accounts payable	58,100	58,100
Increase (decrease) in unearned revenue	<u>(203)</u>	<u>(203)</u>
Total adjustments	<u>378,347</u>	<u>378,347</u>
Net cash provided by (used for) operating activities	<u>(3,389,791)</u>	<u>(3,389,791)</u>

LONG-TERM DEBT

HACKENSACK BOARD OF EDUCATION
General Long-Term Debt Account Group
Schedule of Serial Bonds
June 30, 2025

Issue	Date of Issue	Amount of Issue	Principal Payment		Interest Rate	Balance, June 30, 2024	Retired	Balance, June 30, 2025
			Date	Amount				
Energy Savings Incentive Program (ESIP) Refunding Bonds	May 12, 2021	11,275,000	05/01/26	405,000	4.00%	10,105,000	345,000	9,760,000
			05/01/27	435,000	4.00%			
			05/01/28	435,000	4.00%			
			05/01/29	465,000	4.00%			
			05/01/30	500,000	4.00%			
			05/01/31	535,000	4.00%			
			05/01/32	575,000	4.00%			
			05/01/33	615,000	4.00%			
			05/01/34	655,000	4.00%			
			05/01/35	700,000	4.00%			
			05/01/36	745,000	4.00%			
			05/01/37	795,000	4.00%			
			05/01/38	515,000	4.00%			
			05/01/39	550,000	3.00%			
			05/01/40	580,000	3.00%			
			05/01/41	610,000	3.00%			
			05/01/42	645,000	3.00%			
						\$ 10,105,000	345,000	9,760,000

HACKENSACK BOARD OF EDUCATION
General Long-Term Debt Account Group
Schedule of Obligations Under Lease-Purchase Agreements
June 30, 2025

<u>Issue</u>	<u>Date of Lease</u>	<u>Amount of Lease</u>	<u>Principal Payment</u> <u>Date</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
<u>Capital Financing Agreements</u>								
Interactive Flat Panels	Aug. 24, 2022	800,000	12/1/25 161,231 12/1/26 166,310	3.150% \$	483,848		156,307	327,541
Chromebook Lease	Aug. 24, 2022	1,445,265		0.909%	362,935		362,935	
Chromebook Lease	Aug. 23, 2024	991,690	8/15/25 232,802 8/15/26 242,247 8/15/27 252,809	4.360% 4.360% 4.360%		991,690	263,832	727,858
Nutanix Hyper-Coverage	Aug. 23, 2023	211,307	8/15/25 38,956 8/15/26 40,448 8/15/27 42,159 8/15/28 43,943	4.230% 4.230% 4.230% 4.230%		211,307	45,801	165,506
I-Pads	May 1, 2024	215,506	7/15/25 58,502 7/15/26 58,502			215,506	98,502	117,004
					\$ 846,783	1,418,503	927,377	1,337,909

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

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J-2	Changes in Net Position
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J-5	General Fund Other Local Revenue by Source

Revenue Capacity

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Debt Capacity

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Demographic and Economic Information

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STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

Hackensack Board of Education
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
			(restated)							
Governmental activities										
Invested in capital assets	\$ 18,092,071	\$ 17,223,376	\$ 17,704,621	\$ 23,002,316	\$ 23,194,990	\$ 25,156,982	\$ 28,524,036	\$ 36,846,303	\$ 46,463,829	\$ 45,612,624
Restricted	10,816,135	12,657,948	15,616,934	8,518,737	11,523,490	10,918,345	14,041,254	10,362,360	11,208,946	17,993,249
Unrestricted	(30,453,813)	(33,999,979)	(35,568,264)	(32,987,323)	(26,565,637)	(19,455,481)	(15,449,581)	(8,759,653)	(13,043,033)	(24,222,276)
Total governmental activities net position	\$ (1,545,607)	\$ (4,118,655)	\$ (2,246,709)	\$ (1,466,270)	\$ 8,152,843	\$ 16,619,846	\$ 27,115,709	\$ 38,449,010	\$ 44,629,742	\$ 39,383,597
Business-type activities										
Invested in capital assets	\$ 291,668	\$ 326,094	\$ 326,579	\$ 382,705	\$ 571,561	\$ 522,703	\$ 644,847	\$ 1,848,647	\$ 4,550,245	\$ 4,631,124
Unrestricted	575,117	733,272	980,188	1,086,974	613,193	3,416,546	4,325,111	3,441,023	759,627	1,103,753
Total business-type activities net position	\$ 866,785	\$ 1,059,366	\$ 1,306,767	\$ 1,469,679	\$ 1,184,754	\$ 3,939,249	\$ 4,969,958	\$ 5,289,670	\$ 5,309,872	\$ 5,734,877
District-wide										
Invested in capital assets	\$ 18,383,739	\$ 17,549,470	\$ 18,031,200	\$ 23,385,021	\$ 23,766,551	\$ 25,679,685	\$ 29,168,883	\$ 38,694,950	\$ 51,014,074	\$ 50,243,748
Restricted	10,816,135	12,657,948	15,616,934	8,518,737	11,523,490	10,918,345	14,041,254	10,362,360	11,208,946	17,993,249
Unrestricted	(29,878,696)	(33,266,707)	(34,588,076)	(31,900,349)	(25,952,444)	(16,038,935)	(11,124,470)	(5,318,630)	(12,283,406)	(23,118,523)
Total district net position	\$ (678,822)	\$ (3,059,289)	\$ (939,942)	\$ 3,409	\$ 9,337,597	\$ 20,559,095	\$ 32,085,667	\$ 43,738,680	\$ 49,939,614	\$ 45,118,474

Source: ACFR Schedule A-1

Hackensack Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Instruction										
Regular	\$ 45,499,116	\$ 48,403,666	\$ 47,378,571	\$ 61,409,161	\$ 58,774,895	\$ 66,549,132	\$ 60,077,285	\$ 60,923,251	\$ 66,130,344	\$ 39,938,032
Special education	15,010,597	17,289,908	16,621,434	27,386,726	27,125,449	28,951,522	26,598,436	27,974,763	28,940,320	17,944,013
Other special education	3,224,878	3,449,483	3,210,306	3,738,828	3,589,091	3,747,029	3,729,509	3,742,134	4,587,740	3,035,662
Other instruction	1,970,847	2,227,997	2,269,278	2,267,830	1,768,094	1,858,461	1,806,271	2,091,248	2,112,273	1,823,242
Support Services:										
Tuition	6,044,410	6,678,148	7,000,963							11,074,709
Student & instruction related services	17,791,998	19,302,967	17,540,603	21,465,340	20,689,562	23,316,910	22,052,393	23,943,312	26,605,532	24,107,624
General administrative services	1,065,390	1,177,771	1,330,245	1,774,589	1,123,138	1,827,057	1,327,663	1,465,301	1,316,758	1,060,633
School administrative services	5,356,535	6,175,303	6,182,749	7,551,630	7,524,095	7,361,203	6,586,164	6,850,925	7,284,794	5,007,055
Central services	2,377,684	2,489,029	2,475,056	2,563,278	3,190,296	3,392,599	2,817,535	3,265,515	3,393,212	1,156,546
Administrative information tech.										1,834,192
Plant operations and maintenance	9,758,225	10,227,734	9,730,533	11,594,792	12,201,920	12,303,949	12,678,112	13,983,109	14,627,509	11,707,929
Pupil transportation	2,794,002	3,087,134	2,505,866	3,023,372	2,943,653	1,622,672	3,537,667	4,623,733	5,021,659	4,882,498
Unallocated Benefits	12,469,212	15,852,579	22,686,341							31,495,037
Charter Schools	2,637,660	3,185,751	3,287,937							7,974,423
Interest on long-term debt	127,381	114,440	82,095	57,839	28,078	78,081	352,369	322,624	348,431	67,082
Unallocated depreciation	1,115,703	1,142,749	1,143,311							3,068,945
Amortization	(33,956)	(33,956)	(33,956)							823,675
Capital Outlay - nondepreciable	37,814	1,128,571	836,338							5,051,665
Total governmental activities expenses	127,247,496	141,899,274	144,247,670	142,833,385	138,958,271	151,008,615	141,563,404	149,185,915	160,368,372	172,052,962
Business-type activities:										
Food service	2,422,862	2,400,207	2,427,100	2,737,472	2,484,552	2,610,116	3,815,723	3,780,798	4,125,942	4,355,988
Total business-type activities expense	2,422,862	2,400,207	2,427,100	2,737,472	2,484,552	2,610,116	3,815,723	3,780,798	4,125,942	4,355,988
Total district expenses	\$ 129,670,358	\$ 144,299,481	\$ 146,674,770	\$ 145,570,857	\$ 141,442,823	\$ 153,618,731	\$ 145,379,127	\$ 152,966,713	\$ 164,494,314	\$ 176,408,950
Program Revenues										
Governmental activities:										
Charges for services				7,089,863	7,183,378	5,900,740	5,257,746	4,307,218	3,535,177	414,507
Operating grants and contributions	4,368,622	3,852,009	4,537,785	40,793,399	38,377,215	52,107,989	39,174,595	35,544,467	36,871,479	64,588,708
Capital grants and contributions	4,254	4,285	2,875	27,500	13,058	143,431	132,919	3,503,316	6,176,163	3,055,268
Total governmental activities program revenues	4,372,876	3,856,294	4,540,660	47,910,762	45,573,651	58,152,160	44,565,260	43,355,001	46,582,819	68,058,483

Hackensack Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities:										
Charges for services	335,273	437,568	427,223	471,145	303,497	16,181	88,688	587,637	571,455	587,850
Food service	2,187,382	2,155,209	2,241,332	2,429,239	1,896,130	5,334,755	4,757,744	3,512,873	3,574,689	4,184,740
Operating grants and contributions								3,574,689		
Capital grants and contributions	2,522,655	2,592,777	2,668,555	2,900,384	2,199,627	5,350,936	4,846,432	7,675,199	4,146,144	4,772,590
Total business type activities program revenues	<u>\$ 6,895,531</u>	<u>\$ 6,449,071</u>	<u>\$ 7,209,215</u>	<u>\$ 50,811,146</u>	<u>\$ 47,773,278</u>	<u>\$ 63,503,096</u>	<u>\$ 49,411,692</u>	<u>\$ 51,030,200</u>	<u>\$ 50,728,963</u>	<u>\$ 72,831,073</u>
Total district program revenues										
Net (Expense)/Revenue										
Governmental activities	\$ (122,874,620)	\$ (138,042,980)	\$ (139,707,010)	\$ (94,922,623)	\$ (93,384,620)	\$ (92,856,455)	\$ (96,998,144)	\$ (105,830,914)	\$ (113,785,753)	\$ (103,994,479)
Business-type activities	99,793	192,570	241,455	162,912	(284,925)	2,740,820	1,030,709	3,894,401	20,202	416,602
Total district-wide net expense	<u>\$ (122,774,827)</u>	<u>\$ (137,850,410)</u>	<u>\$ (139,465,555)</u>	<u>\$ (94,759,711)</u>	<u>\$ (93,669,545)</u>	<u>\$ (90,115,635)</u>	<u>\$ (95,967,435)</u>	<u>\$ (101,936,513)</u>	<u>\$ (113,765,551)</u>	<u>\$ (103,577,877)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 74,857,383	\$ 79,062,039	\$ 81,256,564	\$ 82,865,444	\$ 84,522,752	\$ 85,283,457	\$ 86,136,292	\$ 87,403,788	\$ 89,151,864	\$ 93,389,606
Taxes levied for debt service	725,525	696,645	664,813	635,813	623,263	15,654,463	20,925,184	28,081,548	28,793,069	3,400,024
Unrestricted grants and contributions	38,124,112	47,401,576	51,319,112	11,552,967	14,254,090					
Tuition received	7,943,156	8,129,712	7,651,040							
Investment earnings	10,786	16,446	33,630	210,977	210,699	59,378	51,680	904,747	1,426,214	1,101,792
Miscellaneous income	198,585	161,514	973,876	437,861	328,663	608,440	380,851	774,132	595,338	822,552
Other restricted miscellaneous revenue										
Transfers	(5,504)					(13,675)				(8,403)
Total governmental activities	<u>121,854,043</u>	<u>135,467,932</u>	<u>141,899,035</u>	<u>95,703,062</u>	<u>99,939,467</u>	<u>101,592,063</u>	<u>107,494,007</u>	<u>117,164,215</u>	<u>119,966,485</u>	<u>98,748,334</u>
Business-type activities:										
Investment earnings	153	11	5,946			13,675				8,403
Miscellaneous Income										
Transfers	5,504		5,946			13,675				8,403
Total business-type activities	<u>5,657</u>	<u>11</u>	<u>5,946</u>	<u></u>	<u></u>	<u>13,675</u>	<u></u>	<u></u>	<u></u>	<u>8,403</u>
Total district-wide	<u>\$ 121,859,700</u>	<u>\$ 135,467,943</u>	<u>\$ 141,904,981</u>	<u>\$ 95,703,062</u>	<u>\$ 99,939,467</u>	<u>\$ 101,605,738</u>	<u>\$ 107,494,007</u>	<u>\$ 117,164,215</u>	<u>\$ 119,966,485</u>	<u>\$ 98,756,737</u>
Change in Net Position										
Governmental activities	\$ (1,020,577)	\$ (2,575,048)	\$ 2,192,025	\$ 780,439	\$ 6,554,847	\$ 8,735,608	\$ 10,495,863	\$ 11,333,301	\$ 6,180,732	\$ (5,246,145)
Business-type activities	105,450	192,581	247,401	162,912	(284,925)	2,754,495	1,030,709	3,894,401	20,202	425,005
Total district	<u>\$ (915,127)</u>	<u>\$ (2,382,467)</u>	<u>\$ 2,439,426</u>	<u>\$ 943,351</u>	<u>\$ 6,269,922</u>	<u>\$ 11,490,103</u>	<u>\$ 11,526,572</u>	<u>\$ 15,227,702</u>	<u>\$ 6,200,934</u>	<u>\$ (4,821,140)</u>

Source: ACFR Schedule A-2

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	10,200,658	11,020,459	13,418,250	13,184,269	12,160,056	18,024,782	20,192,032	15,731,707	16,291,922	11,408,577
Committed										
Assigned	615,459	1,637,489	2,198,684	1,170,127	3,323,113	5,807,549	8,214,794	5,523,895	1,879,145	
Unassigned	1,089,606	935,090	793,394	(261,120)	(508,601)	1,582,140	473,514	8,806,870	5,629,202	6,036,217
Total general fund	\$ 11,905,723	\$ 13,593,038	\$ 16,410,328	\$ 14,093,276	\$ 14,974,568	\$ 25,414,471	\$ 28,880,340	\$ 27,713,194	\$ 21,263,428	\$ 17,427,589
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund						332,960	469,408	492,111	559,810	453,628
Capital projects fund				158,040		9,193,222	5,743,199	2,501,514	809,558	94,827
Debt service fund					1	1	1			
Assigned, reported in:										
Debt service fund	18									
Total all other governmental funds	\$ 18	\$ -	\$ -	\$ 158,040	\$ 1	\$ 9,526,183	\$ 6,212,608	\$ 2,993,625	\$ 1,369,368	\$ 548,455

Source: ACFR Schedule B-1

Hackensack Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	\$ 75,582,908	\$ 79,758,684	\$ 81,921,377	\$ 83,501,257	\$ 85,146,015	\$ 85,283,457	\$ 86,136,292	\$ 87,403,788	\$ 89,151,864	\$ 93,389,606
Tuition	7,943,156	8,129,712	7,651,040	6,989,382	7,083,222	5,713,794	5,040,477	4,003,944	3,212,743	3,400,024
Transportation	10,786	16,446	33,630	210,977	210,699	59,378	51,680	904,747	1,426,214	1,101,792
Interest earnings	198,585	161,514	973,876	538,342	428,819	795,386	788,159	1,125,084	929,971	2,341,645
Miscellaneous									30,326	
Other Restricted Miscellaneous										42,763
State sources	25,595,547	27,118,735	31,428,514	37,373,225	42,912,755	49,201,328	60,898,634	69,503,426	71,529,396	77,553,164
Federal sources	3,853,908	3,097,730	3,456,224	3,445,154	3,421,997	5,404,278	4,637,069	8,000,227	12,952,746	7,169,021
Total revenue	113,184,890	118,282,821	125,464,661	132,058,337	139,203,507	146,457,621	157,552,311	170,941,216	179,233,260	184,998,015
Expenditures										
Instruction										
Regular Instruction	33,726,562	33,224,664	34,661,348	54,798,763	55,407,509	59,902,853	64,129,873	66,899,758	73,184,836	40,888,156
Special education instruction	10,450,990	10,962,493	11,313,451	25,412,935	26,255,293	27,018,176	28,294,207	30,349,075	31,274,063	17,920,633
Other special instruction	2,234,337	2,193,068	2,176,804	3,290,741	3,375,233	3,321,597	4,044,096	4,220,313	5,195,143	3,030,279
Other instruction	1,510,947	1,599,235	1,725,248	2,110,886	1,713,625	1,753,382	1,881,155	2,202,091	2,135,822	1,820,804
Support Services:										
Instruction	6,044,410	6,678,148	7,000,963							11,074,709
Attendance and social work services	10,000	10,025	12,500							516,197
Health Services	966,533	967,420	927,182							1,151,320
Student & instruction related services	12,227,179	12,395,976	11,999,909							22,416,090
General administrative services	872,452	929,077	1,091,233							1,059,769
School Administrative services	3,705,997	3,906,676	4,195,262							4,998,235
Central Services	1,706,302	1,682,347	1,794,776							1,154,735
Administrative information tech.										1,832,179
Plant operations and maintenance	8,065,046	7,958,977	7,981,821							12,289,788
Pupil transportation	2,768,977	3,063,355	2,483,988							4,882,134
Unallocated employee benefits	13,556,417	14,129,465	15,227,477							20,307,859
On-behalf contributions	10,994,683	12,463,706	14,511,019							29,303,583
Charter Schools	2,637,660	3,185,751	3,287,937							7,974,423
Capital outlay	663,011	1,472,478	2,391,640							6,591,552
Debt service:										
Principal	595,000	585,000	580,000							618,382
Interest and other charges	130,525	111,663	84,813							31,043
Cost of Issuance										
Total expenditures	112,867,028	117,519,524	123,447,371	135,026,293	135,374,740	145,864,487	158,845,282	177,322,425	187,307,283	189,861,870
Excess (Deficiency) of revenues over (under) expenditures	317,862	763,297	2,017,290	(2,967,956)	3,828,767	593,134	(1,292,971)	(6,381,209)	(8,074,023)	(4,863,855)

Hackensack Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Other Financing sources (uses)										
Transfers in	388,929	377,450	411,499	411,499	413,376	789,652	582,814	767,283	714,707	1,514,436
Transfers out	(394,433)	(377,450)	(411,499)	(411,499)	(413,376)	(803,327)	(582,814)	(767,283)	(714,707)	(1,522,839)
ESIP Bond Proceeds						11,275,000				
Premium on Issuance of ESIP Bonds						1,986,791				
Capital Financing Agreement Proceeds		924,000	800,000		616,116	1,027,407	1,445,265	800,000		215,506
Other Financing Agreement Proceeds										
Leases Issued										
Total other financing sources (uses)	(5,504)	924,000	800,000	-	616,116	14,275,523	1,445,265	1,195,080	-	207,103
Net change in fund balances	\$ 312,358	\$ 1,687,297	\$ 2,817,290	\$ (2,967,956)	\$ 4,444,883	\$ 14,868,657	\$ 152,294	\$ (4,386,129)	\$ (8,074,023)	\$ (4,656,752)
Debt service as a percentage of noncapital expenditures	0.6%	0.6%	0.5%	1.1%	1.2%	0.7%	1.3%	1.6%	1.5%	0.4%

NOTE: Capital Projects Fund is not included as these expenditures vary substantially from year to year. The financial data presented would not be as meaningful for comparative purposes if these were included.

Source: ACFR Schedule B-2 and C-2

Hackensack Board of Education
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Rentals	Refunds	E-Rate	Misc.	Total
2016	56,293	4,943,156	141,642			10,356	5,151,447
2017	52,652	8,129,712	122,978	647			8,305,989
2018	126,613	7,651,040	62,300	11,535		807,058	8,658,546
2019	210,247	6,989,382	100,481			437,861	7,737,971
2020	208,636	7,083,222	100,156	121,652		207,011	7,720,677
2021	58,761	5,713,794	90,489	94,644	56,465	366,842	6,380,995
2022	38,488	5,040,477	50,040	159,606	54,304	116,901	5,459,816
2023	623,021	4,003,944	139,732	209,226	299,981	125,193	5,401,097
2024	1,365,980	3,212,743	118,465	236,352	132,374	138,473	5,204,387
2025	1,046,784	3,400,024	127,320	187,079	147,918	402,998	5,312,123

Source: District Records

Hackensack Board of Education
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Year Ended Dec. 31,	Residential				Commercial		Industrial		Apartment		Total Assessed Value		Less: Tax- Exempt Property		Public Utilities ^a		Net Valuation Taxable		Total Direct School Tax Rate ^b		Estimated Actual (County Equalized Value)		% of Net Assessed to Estimated Full Cash Valuations
	Vacant Land	Residential	Commercial	Industrial	Apartment																		
2016	\$ 42,509,300	\$ 1,883,698,300	\$ 1,926,523,500	\$ 315,236,600	\$ 994,241,400	\$ 5,162,209,100	\$ -	\$ -	\$ -	\$ -	\$ 5,162,209,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,162,209,100	\$ 5,162,209,100	1.491	\$	\$ 5,162,209,100	100.00%	
2017	\$ 57,910,900	\$ 1,941,114,800	\$ 1,913,353,700	\$ 322,384,000	\$ 1,025,760,400	\$ 5,260,523,800	\$ -	\$ -	\$ -	\$ -	\$ 5,260,523,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,260,523,800	\$ 5,260,523,800	1.537	\$	\$ 5,260,523,800	100.01%	
2018	\$ 67,181,700	\$ 1,972,039,200	\$ 1,953,822,500	\$ 326,749,900	\$ 1,068,679,400	\$ 5,388,472,700	\$ -	\$ -	\$ -	\$ -	\$ 5,388,472,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,388,472,700	\$ 5,556,091,429	1.536	\$	\$ 5,556,091,429	968.99%	
2019	\$ 61,899,700	\$ 2,014,583,100	\$ 1,974,594,400	\$ 323,042,200	\$ 1,169,973,000	\$ 5,544,092,400	\$ -	\$ -	\$ -	\$ -	\$ 5,544,092,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,544,092,400	\$ 5,741,485,756	1.521	\$	\$ 5,741,485,756	96.56%	
2020	\$ 68,958,300	\$ 2,056,633,000	\$ 1,961,591,500	\$ 333,360,200	\$ 1,225,258,500	\$ 5,645,801,500	\$ -	\$ -	\$ -	\$ -	\$ 5,645,801,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,645,801,500	\$ 5,794,104,130	1.51	\$	\$ 5,794,104,130	97.44%	
2021	\$ 73,784,300	\$ 2,103,579,500	\$ 1,917,220,650	\$ 326,401,500	\$ 1,155,682,200	\$ 5,576,668,150	\$ -	\$ -	\$ -	\$ -	\$ 5,576,668,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,576,668,150	\$ 5,968,392,164	1.537	\$	\$ 5,968,392,164	93.44%	
2022	\$ 65,174,700	\$ 2,512,702,100	\$ 2,272,606,600	\$ 450,618,700	\$ 1,537,240,800	\$ 6,838,342,900	\$ -	\$ -	\$ -	\$ -	\$ 6,838,342,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,838,342,900	\$ 6,538,713,040	1.269	\$	\$ 6,538,713,040	104.58%	
2023	\$ 42,272,300	\$ 2,571,153,300	\$ 2,195,701,900	\$ 484,790,700	\$ 1,522,091,100	\$ 6,816,009,300	\$ -	\$ -	\$ -	\$ -	\$ 6,816,009,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,816,009,300	\$ 7,137,002,994	1.296	\$	\$ 7,137,002,994	95.50%	
2024	\$ 51,843,400	\$ 2,572,770,400	\$ 2,087,632,300	\$ 503,816,800	\$ 1,432,328,200	\$ 6,648,391,100	\$ -	\$ -	\$ -	\$ -	\$ 6,648,391,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,648,391,100	\$ 7,586,709,528	1.373	\$	\$ 7,586,709,528	87.63%	
2025	\$ 44,324,900	\$ 2,578,312,600	\$ 2,067,721,600	\$ 495,753,000	\$ 1,354,409,700	\$ 6,540,521,800	\$ -	\$ -	\$ -	\$ -	\$ 6,540,521,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,540,521,800	\$ 8,302,764,183	1.458	\$	\$ 8,302,764,183	78.78%	

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies^b Tax rates are per \$100

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

Fiscal Year Ended June 30,	Hackensack Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	General Obligation			City of Hackensack	Bergen County	
	Basic Rate ^a	Debt Service ^b	Total Direct			
2016	1.541	0.010	1.551	1.640	0.256	3.447
2017	1.526	0.014	1.540	1.640	0.248	3.428
2018	1.523	0.013	1.536	1.629	0.243	3.408
2019	1.509	0.012	1.521	1.585	0.251	3.357
2020	1.510	0.000	1.510	1.552	0.247	3.309
2021	1.537	0.000	1.537	1.565	0.256	3.358
2022	1.269	0.000	1.269	1.306	0.227	2.802
2023	1.296	0.000	1.296	1.339	0.244	2.879
2024	1.373	0.000	1.373	1.422	0.261	3.056
2025	1.458	0.000	1.458	1.459	0.292	3.209

Source: District Records and Municipal Tax Collector

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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

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

Taxpayer	2025			2017		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Riverside Square LTD	\$ 146,000,000	1	2.23%	\$ 146,048,800	1	2.78%
20 Prospect Ave (HUMC)	\$ 143,500,000	2	2.19%	\$ 138,000,000	2	2.62%
Continental Plaza - 401, 411, & 433 Hackesack Ave	\$ 85,000,000	3	1.30%			
300 Prospect - Prospect Place	\$ 80,000,000	4	1.22%			
240 Prospect - JP Summit Apts	\$ 75,000,000	5	1.15%			
Hackensack VF, LLC (Vornado)	\$ 75,000,000	6	1.15%	\$ 76,590,500	4	1.46%
Bloomngdale's Inc.	\$ 62,000,000	7	0.95%	\$ 47,969,600	6	0.91%
185 Prospect Ave. Co.	\$ 60,000,000	8	0.92%			
Sebring Excelsior Two	\$ 55,000,000	9	0.84%			
Sebring Excelsior One	\$ 53,000,000	10	0.81%			
GSG Res Prospect Towers				\$ 85,427,000	3	1.62%
JD CP Investors LLC				\$ 75,000,000	5	1.43%
Pierre Towers LLC				\$ 47,510,200	7	0.90%
DASA Company, LLC				\$ 46,663,500	8	0.89%
Court Plaza Associates				\$ 44,500,000	9	0.85%
Equity One Riverfront				\$ 44,084,100	10	0.84%
Total	<u>\$ 834,500,000</u>		<u>12.76%</u>	<u>\$ 751,793,700</u>		<u>14.29%</u>

Net Assessed Valuation: \$ 6,540,521,800

\$ 5,260,523,800

Source: Municipal Tax Assessor.

Exhibit J-9

**Hackensack Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$75,582,908	\$75,582,908	100.00%	\$ -
2017	\$79,758,684	\$79,758,684	100.00%	\$ -
2018	\$81,921,377	\$81,921,377	100.00%	\$ -
2019	\$83,501,257	\$83,501,257	100.00%	\$ -
2020	\$85,146,015	\$85,146,015	100.00%	\$ -
2021	\$85,283,457	\$85,277,183	99.99%	\$ 6,274
2022	\$86,136,292	\$86,130,018	99.99%	\$ 6,274
2023	\$87,403,778	\$87,397,504	99.99%	\$ 6,274
2024	\$89,151,864	\$89,145,590	99.99%	\$ 6,274
2025	\$93,389,606	\$93,383,332	99.99%	\$ 6,274

Source: Municipal Tax Collector

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

Fiscal Year Ended June 30,	Governmental Activities					Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds/Loans ^b	Certificates of Participation	Capital and		Right to Use Leased Assets			
			Financing Agreements	Other				
2016	2,340,000	-	-	-	-	2,340,000	3.26%	\$ 76,367
2017	1,755,000	-	688,809	-	-	2,443,809	3.22%	\$ 78,611
2018	1,175,000	-	1,262,399	-	-	2,437,399	3.39%	\$ 82,731
2019	595,000	-	1,627,369	-	-	2,222,369	3.91%	\$ 86,871
2020	-	-	1,280,301	-	-	1,280,301	6.89%	\$ 88,256
2021	11,275,000	-	1,403,207	-	-	12,678,207	0.74%	\$ 94,342
2022	11,275,000	-	1,915,353	654,968	-	13,845,321	0.70%	\$ 96,434
2023	10,830,000	-	1,616,375	1,195,080	-	13,641,455	0.75%	\$ 102,229
2024	10,105,000	-	846,783	618,382	-	11,570,165	Not Available	Not Available
2025	9,760,000	-	1,337,909	1,877,096	-	12,975,005	Not Available	Not Available

Source: District ACFR Schedules I-1, I-2

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

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

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

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds/Loans	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2016	\$ 2,340,000	-	2,340,000	0.05%	\$ 31
2017	\$ 1,755,000	-	1,755,000	0.03%	\$ 22
2018	\$ 1,175,000	-	1,175,000	0.02%	\$ 14
2019	\$ 595,000	-	595,000	0.01%	\$ 7
2020		-	-	0.00%	\$ -
2021	\$ 11,275,000	-	11,275,000	0.20%	\$ 120
2022	\$ 11,275,000	-	11,275,000	0.16%	\$ 117
2023	\$ 10,830,000	-	10,830,000	0.16%	\$ 106
2024	\$ 10,105,000	-	10,105,000	Not Available	Not Available
2025	\$ 9,760,000	-	9,760,000	Not Available	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-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

**Hackensack Board of Education
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2025**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2025			\$ 9,760,000
Net overlapping debt of School District:			
City of Hackensack	100.000%	\$ 146,458,282	
County of Bergen - City's Share	3.515%	36,655,746	
Bergen County Utility Authority - City's Share	9.614%	7,081,246	
Subtotal, overlapping debt			<u>\$ 190,195,274</u>
Total direct and overlapping debt			<u><u>\$ 199,955,274</u></u>

Sources: City of Hackensack Administrator / Bergen County Treasurer's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Hackensack. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**Hackensack Board of Education
Legal Debt Margin Information
Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized valuation basis									
2024		\$ 7,642,676,346							
2023		\$ 7,568,298,135							
2022		\$ 6,210,098,163							
[A]		\$ 21,421,072,644							
Average equalized valuation of taxable property		[A/3]		\$ 7,140,357,548					
Debt limit (4 % of average equalization value)		[B]		285,614,302		a			
Net bonded school debt		[C]		9,760,000					
Legal debt margin		[B-C]		\$ 275,854,302					

**Hackensack Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2016	44,268	\$ 3,380,614,356	76,367	4.70%
2017	44,519	\$ 3,499,683,109	78,611	4.40%
2018	44,358	\$ 3,683,101,389	82,731	3.90%
2019	44,189	\$ 3,853,423,818	86,871	3.40%
2020	43,981	\$ 3,881,587,136	88,256	10.50%
2021	45,646	\$ 4,306,334,932	94,342	7.20%
2022	45,633	\$ 4,400,572,722	96,434	3.70%
2023	45,736	\$ 4,675,545,544	102,229	4.30%
2024	46,630	Not Available	Not Available	4.50%
2025	Not Available	Not Available	Not Available	Not Available

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development

^c Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

Hackensack Board of Education
Principal Employers
Current Year and Ten Years Ago **

	2025			2015		
	Employer	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)
						Percentage of Total Employment

THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED
TO RELEASE INFORMATION NEED TO COMPLETE THIS SCHEDULE DUE TO
PRIVACY CONCERNS

Source: City of Hackensack

** Data was only provided for years noted

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

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Regular	526	427	438	444	327	302	380	389	476	481
Special education	105	128	163	101	110	108	108	108	91	97
Other special education	-	-	-	70	60	113	60	53	50	106
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	60	86	40	86	133	84	92	85	82	87
General administrative services	3	4	5	18	6	7	7	7	9	8
School administrative services	36	38	39	49	41	35	42	43	45	28
Business administrative services	14	14	18	12	15	20	21	23	40	38
Plant operations and maintenance	51	62	56	76	58	55	55	52	63	54
Pupil transportation	-	-	-	1	1	1	-	-	4	4
Total	795	759	759	857	751	725	765	760	860	903

Source: District Personnel Records

**Hackensack Board of Education
Operating Statistics
Last Ten Fiscal Years**

Fiscal Year	Pupil/Teacher Ratio						Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b					
						Elementary	Middle School	High School		
2016	5,690	111,483,996	19,593	3.20%	631	1:8	1:09	1:11	5,444	96.15%
2017	5,657	115,350,383	20,391	4.07%	555	1:10	1:10	1:11	5,451	96.56%
2018	5,678	120,390,918	21,203	3.98%	601	1:8	1:10	1:12	5,403	95.24%
2019	5,770	128,730,340	22,310	5.22%	545	1:11	1:10	1:10	5,451	95.15%
2020	5,626	131,461,821	23,367	4.74%	437	Not Provided	Not Provided	Not Provided	5,448	96.99%
2021	5,491	136,753,780	24,905	6.58%	431	Not Provided	Not Provided	Not Provided	5,006	91.47%
2022	5,817	148,527,507	25,533	2.52%	488	Not Provided	Not Provided	Not Provided	4,915	91.99%
2023	5,316	160,187,537	30,133	18.01%	492	Not Provided	Not Provided	Not Provided	4,829	93.04%
2024	5,344	171,870,220	32,161	6.73%	617	Not Provided	Not Provided	Not Provided	5,331	98.67%
2025	5,261	182,620,893	34,712	7.93%	684	Not Provided	Not Provided	Not Provided	5,033	94.00%

Sources: District records, ASSA and Schedules J-4

Note: Enrollment based on annual October district count for all students attending school facilities

- ^a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4
- ^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).

**Hackensack Board of Education
School Building Information
Last Ten Fiscal Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>District Buildings</u>										
<u>Elementary</u>										
Nellie K. Parker School										
Square Feet	80,280	80,280	80,280	80,280	80,280	80,280	80,280	80,280	80,280	80,280
Capacity (students)	539	539	539	539	539	539	539	539	539	539
Enrollment	585	575	542	495	533	458	548	571	571	510
Fairmount School										
Square Feet	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Capacity (students)	611	611	611	611	611	611	611	611	611	611
Enrollment	581	557	560	603	617	546	577	521	521	552
Fanny M. Hillers School										
Square Feet	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Capacity (students)	526	526	526	526	526	526	526	526	526	526
Enrollment	583	575	532	519	571	435	482	452	452	451
Jackson Avenue School										
Square Feet	60,800	60,800	60,800	60,800	60,800	60,800	60,800	60,800	60,800	60,800
Capacity (students)	434	434	434	434	434	434	434	434	434	434
Enrollment	430	424	413	424	443	415	439	395	395	357
ECDC										
Square Feet	40,309	40,309	40,309	40,309	40,309	40,309	40,309	40,309	40,309	40,309
Capacity (students)	490	490	490	490	490	490	490	490	490	490
Enrollment	309	276	265	277	290	210	233	231	231	158
<u>Middle School</u>										
Middle School										
Square Feet	141,932	141,932	141,932	141,932	141,932	141,932	141,932	141,932	141,932	141,932
Capacity (students)	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161
Enrollment	1,401	1,415	1,465	1,509	1,571	1,570	1,535	1,430	1,430	1,381
<u>High School</u>										
Hackensack High School										
Square Feet	267,349	267,349	267,349	267,349	267,349	267,349	267,349	267,349	267,349	267,349
Capacity (students)	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064
Enrollment	1,813	1,835	1,901	1,943	1,909	1,810	1,953	1,744	1,744	1,717
<u>Other</u>										
Administration Building										
Square Feet	7,516	7,516	7,516	7,516	7,516	7,516	7,516	7,516	7,516	7,516

Number of Schools at June 30, 2025

Elementary = 5
Middle School = 1
High School = 1
Other = 1

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

Hackensack Board of Education
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Fiscal Years
Unaudited

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

School Facilities	Project # (s)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Hackensack High School	N/A	1,439,615	1,293,103	1,458,523	1,135,347	782,478	632,489	455,351	345,441	311,184	289,651
Middle School	N/A	764,272	686,414	774,310	769,623	530,422	578,160	241,740	183,389	165,203	153,772
Nellie K. Parker School	N/A	432,290	388,253	437,668	344,901	237,705	144,363	136,734	103,730	93,443	86,977
Fairmount School	N/A	328,471	294,943	332,785	247,059	170,273	111,491	103,896	78,818	71,002	66,088
Fanny M. Hillers School	N/A	430,782	386,823	436,440	351,984	242,587	146,529	136,257	103,368	93,117	86,673
Jackson Avenue School	N/A	327,394	294,228	331,694	270,195	186,217	111,492	103,555	78,559	70,769	65,872
ECDC	N/A	217,055	194,841	219,906	190,158	131,056	91,984	68,655	52,083	46,918	43,672
Administration Building	N/A	40,472	36,466	41,003	39,280	27,072	15,963	12,801	9,712	8,748	8,143
Total School Facilities		3,980,351	3,575,071	4,032,329	3,348,547	2,307,810	1,832,471	1,258,989	955,100	860,384	800,848
Other Facilities											
Grand Total		\$ 3,980,351	\$ 3,575,071	\$ 4,032,329	\$ 3,348,547	\$ 2,307,810	\$ 1,832,471	\$ 1,258,989	\$ 955,100	\$ 860,384	\$ 800,848

**Hackensack Board of Education
Insurance Schedule
For the Fiscal Year Ended June 30, 2025
Unaudited**

Company	Type of Coverage	Coverage	Deductible
NJ School Board Association Insurance Group/North Jersey Educational Insurance Fund	Property - Real and Personal Property Extra Expense Valuable Papers and Records Demolition and Increased Cost of Construction Loss of Rents Loss of Business Income/Tuition Limited Builders Risk Fire Department Service Charge Arson Reward Pollutant Cleanup and Removal Sublimits: Special Flood Hazard Area Flood Zones Accounts Receivable All Flood Zones Earthquake Terrorism	\$ 500,000,000 \$ 50,000,000 \$ 10,000,000 \$ 25,000,000 \$ 9,000,000 \$ 10,000,000 \$ 10,000 \$ 10,000 \$ 250,000 \$ 25,000,000 \$ 250,000 \$ 75,000,000 \$ 50,000,000 \$ 1,000,000	\$ 5,000 \$ 5,000 \$ 5,000 N/A 5,000 5,000 N/A N/A N/A \$ 1,000,000 N/A \$ 10,000 N/A N/A
	Electronic Data Processing - Data Processing Equipment	\$ 2,500,000	1,000
	Equipment - Combined Single Limit per Accident for Property Damage and Business Income	\$ 100,000,000	\$ 5,000
	Crime - Public Employee Dishonesty with Faithful Performance Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency Forgery or Alteration Computer Fraud	\$ 500,000 \$ 100,000 \$ 100,000 \$ 50,000 \$ 50,000	\$ 100,000 \$ 500 \$ 500 \$ 500 \$ 500
	Comprehensive General Liability - Bodily Injury and Property Damage Products and Completed Operations Sexual Abuse Personal Injury and Advertising Injury Employee Benefits Liability Terrorism	\$ 31,000,000 \$ 31,000,000 \$ 15,000,000 \$ 31,000,000 \$ 31,000,000 \$ 1,000,000	N/A N/A N/A N/A \$ 1,000 N/A
	Automobile - Bodily Injury and Property Damage	\$ 31,000,000	N/A
	Public Employees' Faithful Performance Blanket Position Bond - Board Secretary	550,000	

Source: District Records

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC

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**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**

Honorable President and
Members of the Board of Education
City of Hackensack School District
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the 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 City of Hackensack School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2025.

Internal Control Over Financial Reporting

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



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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 City of Hackensack Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey which are described in the accompanying schedule of findings and questioned costs as item 2025-001.

We noted certain matters that were required to be reported to the Board of Education of the City of Hackensack School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated December 23, 2025.

Purpose of this Report

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

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 23, 2025





WIELKOTZ & COMPANY ^{LLC}
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY STATE OF
NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and
Members of the Board of Education
City of Hackensack School District
County of Bergen, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the City of Hackensack School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the City of Hackensack Board of Education's major federal and state programs for the year ended June 30, 2025. The City of Hackensack Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Hackensack Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

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.



Our responsibilities under those standards and the Uniform Guidance and N.J. OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Hackensack Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of City of Hackensack Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Hackensack Board of Education's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Hackensack Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. OMB Circular 15-08, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Hackensack Board of Education's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Hackensack Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



- Obtain an understanding of City of Hackensack Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of City of Hackensack Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs at items 2025-002 through 2025-006. Our opinion on each major federal and state program is not modified with respect to these matters.

The City of Hackensack Board of Education's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City of Hackensack Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

Report on 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 and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Honorable President and
Members of the Board of Education

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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as items 2025-002 through 2025-006 that we consider to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 23, 2025



**HACKENSACK
BOARD OF EDUCATION**
Schedule of Expenditures of Federal Awards
Year ended June 30, 2025

										Balance at June 30, 2025	
Federal Assistance Listing Number	Federal FAIN Number	Grant or State Number	Grant Period	Award Amount	Balance at June 30, 2024	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	(Accounts Receivable)	Deferred Revenue/ Interfund Payable Due to Grantor
U.S. Department of Agriculture											
Passed-through State Department of Agriculture:											
Enterprise Fund:											
10.555	25INJ304NI099	N/A	7/1/24-6/30/25	310,196			310,196	307,206			2,990
10.555	24INJ304NI099	N/A	7/1/23-6/30/24	309,136	8,965			8,965			
10.553	25INJ304NI099	N/A	7/1/24-6/30/25	1,238,118			1,141,142	1,238,118		(96,976)	
10.553	24INJ304NI099	N/A	7/1/23-6/30/24	982,528	(80,692)						
10.555	25INJ304NI099	N/A	7/1/24-6/30/25	2,354,810			2,165,275	2,354,810		(189,535)	
10.555	24INJ304NI099	N/A	7/1/23-6/30/24	1,947,060	(158,158)						
10.555	25INJ304NI099	N/A	7/1/24-6/30/25	84,865			78,842	84,865		(6,023)	
10.555	24INJ304NI099	N/A	7/1/23-6/30/24	72,198	(4,212)		4,212				
10.185	USDA-AMS-10185	N/A	8/30/24-2/11/25	14,661			14,661	14,661			
10.649	2022225900941	N/A	7/1/24-6/30/25	1,556			3,954,734	4,010,181		(292,534)	2,990
Total Enterprise Fund											
U.S. Department of Health and Human Services											
Passed-through State Department of Health and Human Services											
General Fund:											
93.778	2105NJ5MAP	N/A	7/1/24-6/30/25	97,906			97,906	97,906			
93.778	2105NJ5MAP	N/A	7/1/24-6/30/25	73,167			73,167	73,167			
Total General Fund											
U.S. Department of Education											
Passed-through State Department of Education:											
Special Revenue Fund:											
84.027A	H027A240100	IDEA-1860-25	7/1/24-9/30/25	1,497,181			1,310,081	1,479,179		(169,098)	
84.027A	H027A230100	IDEA-1860-24	7/1/23-9/30/24	1,550,215	(408,461)		408,461				
84.173A	H173A240114	IDEA-1860-25	7/1/24-9/30/25	55,661			1,718,542	1,534,583		(55,404)	
Total Special Revenue Fund											
84.010	S010A240030	ESEA-1860-25	7/1/24-9/30/25	1,668,469			1,132,805	1,301,123		(168,318)	
84.010	S010A230030	ESEA-1860-24	7/1/23-9/30/24	1,602,223	(389,845)		389,845				
84.010	S010A240030	ESEA-1860-25	7/1/24-9/30/25	50,000			62,669	63,390		(721)	
84.010	S010A230030	ESEA-1860-24	7/1/23-9/30/24	87,200	(59,832)		59,832				
Total Title I, Part A											
84.367A	S367A240029	ESEA-1860-25	7/1/24-9/30/25	190,509			1,645,151	1,364,513		(169,039)	
84.367A	S367A230029	ESEA-1860-24	7/1/23-9/30/24	201,676	(47,681)		114,431	125,973		(11,542)	
Total Title II, Part A											
84.365A	S365A240030	ESEA-1860-25	7/1/24-9/30/25	169,106			76,167	153,900		(77,733)	
84.365A	S365A230030	ESEA-1860-24	7/1/23-9/30/24	148,156	(31,431)		31,431				
84.365A	S365A220030	ESEA-1860-23	7/1/22-9/30/23	150,893	7,499		20,500	31,627		(11,127)	7,499
84.365A	S365A240030	ESEA-1860-25	7/1/24-9/30/25	38,081			43,516				
84.365A	S365A230030	ESEA-1860-24	7/1/23-9/30/24	44,529	(67,448)		171,614	185,527		(88,560)	7,499
Total Title III, Part A											
84.424	S424A240031	ESEA-1860-25	7/1/24-9/30/25	119,472			131,027	136,464		(5,437)	
84.424	S424A230031	ESEA-1860-24	7/1/23-9/30/24	97,893	(5,481)		5,481				
84.424	AP International Baccalaureate Course Expansion	24E00667	4/1/24-8/29/25	65,419			50,684	50,684		(5,437)	
Total Title IV Student Support & Academic Achievement											
84.287	AP African American Studies Grant	24E00709	4/1/24-5/31/25	12,305			3,891	11,544		(7,653)	

**HACKENSACK
BOARD OF EDUCATION**
Schedule of Expenditures of Federal Awards
Year ended June 30, 2025

Federal Assistance Listing Number	Federal Grantor/Pass-through Grantor/Program Title	Federal FAIN Number	Grant or State Number	Grant Period	Award Amount	Balance at June 30, 2024	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2025		
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor
84.425D	Coronavirus Aid, Relief, and Economic Security (CARES) Act: CARES Emergency Relief Grant	S425D200027		3/13/20-9/30/22	1,044,970	2							2
84.425D	Coronavirus Response and Relief Supplemental Appropriations Act: ESSER II - Learning Acceleration	S425D210027		3/13/20-9/30/23	257,536	3							3
84.425U	American Rescue Plan: ARP - ESSER III	S425U210027		3/13/20-9/30/24	9,019,032	(4,622,941)		4,624,475	1,534				
84.425U	Accelerated Learning Coach and Educator Support	S425U210027		3/13/20-9/30/24	550,973	(157,988)		161,687	3,699				
84.425U	Evidence Based Comprehensive Beyond the School Day	S425U210027		3/13/20-9/30/24	40,000	(1)		1					
84.425W	ARP - Homeless Children and Youth II	S425U210027		3/13/20-9/30/24	59,139	(4,930)		8,006		(3,076)			
84.425V	Governor's Emergency Education & Relief (GEER): NJ High Impact Tutoring	S425V230031		7/1/24-6/30/25	82,037	455		74,537	76,922		(2,385)		
84.425V	NJ High Impact Tutoring	S425V230031		10/11/23-8/31/24	306,000	(4,785,400)		4,868,706	57,628		(57,173)		5
21.027	COVID ARP SLFRF - Additional or Compensatory Education and Related Services (ACSERS)	SLFRFDOEISES		7/1/23-6/30/24	605,017	(252,248)		302,508					50,260
84.184	School Based Mental Health Services Grant Program	25000111		1/1/25-12/31/25	375,000			152,340	183,355		(31,015)		
84.184	School Based Mental Health Services Grant Program	24E00629		12/1/23-12/31/24	387,635	(13,784)		255,439	241,656	1			
84.184	Mental Health Training Grant	23E00464		6/5/23-11/30/23	292,531	(5,371)				5,371			
						(19,155)		407,779	425,011	5,372	(31,015)		
21.019	CARES Act - Bergen County Pass Thru	N/A		3/1/20-12/31/21	291,659	4,387							4,387
21.019	Coronavirus Relief Fund	N/A		3/1/20-9/30/21	545,032	242							242
						4,629							4,629
17.259	Project ACES	AA-26795-15-55-A-34		7/1/13-6/30/14	108,000	(414)					(414)		
17.259	Project ACES	AA-26795-15-55-A-34		7/1/12-6/30/13	57,600	(2,799)					(2,799)		
						(3,213)					(3,213)		
						(6,034,135)		9,467,495	3,974,082	2,296	(600,819)		62,393
					\$ (6,268,232)			13,593,302	8,155,336	2,296	(893,353)	2,990	62,393

Total Special Revenue Fund

Total Federal Financial Assistance

See accompanying notes to schedules of expenditures of federal and state awards.

**HACKENSACK
BOARD OF EDUCATION**
Schedule of Expenditures of State Awards and Other Local Awards
Year ended June 30, 2025

BALANCE at JUNE 30, 2024										BALANCE at JUNE 30, 2025			MEMO	
State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Deferred Revenue (Assets Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures Pass through Funds	Adjustments	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:														
General Fund:														
Equalization Aid	495-034-5120-078	7/1/24-6/30/25	29,339,470			26,561,390	29,339,470					*	2,778,080	28,808,278
Security Aid	495-034-5120-084	7/1/24-6/30/25	2,121,557			1,920,672	2,121,557					*	200,885	2,121,557
Special Education Aid	495-034-5120-089	7/1/24-6/30/25	6,029,717			5,488,778	6,029,717					*	570,939	5,019,157
Transportation Aid	495-034-5120-014	7/1/24-6/30/25	809,443			732,799	809,443					*	76,644	682,382
Extraordinary Aid	100-034-5120-473	7/1/24-6/30/25	2,293,159			2,387,059	2,293,159			(2,293,159)		*		2,293,159
NYE Homeless Tuition Reimbursement	495-034-5120-065	7/1/24-6/30/25	24,228			24,228	24,228			(242,288)		*		242,288
NYE Homeless Tuition Reimbursement	495-034-5120-065	7/1/24-6/30/25	35,065			263,714	35,065			(35,065)		*		263,714
Reimbursed TPAF Social Security	495-034-5094-003	7/1/24-6/30/25	4,276,648			4,062,016	4,276,648			(214,632)		*		35,065
Reimbursed TPAF Social Security	495-034-5094-003	7/1/24-6/30/25	4,051,133			4,062,016	4,051,133			(214,632)		*		4,276,648
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	7/1/24-6/30/25	5,657,834	(402,815)		5,657,834	5,657,834					*		4,051,133
On Behalf TPAF Pension Contributions	495-034-5094-002	7/1/24-6/30/25	19,125,910			19,125,910	19,125,910					*		5,657,834
On Behalf TPAF - NCGI Premium	495-034-5094-004	7/1/24-6/30/25	236,919			236,919	236,919					*		19,125,910
On Behalf TPAF - LTDI	495-034-5094-004	7/1/24-6/30/25	6,272			6,272	6,272					*		236,919
Total General Fund				(3,053,588)		66,816,178	70,174,282		(2,785,144)			*	3,626,548	75,207,375
Special Revenue Fund:														
State Department of Education														
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/24-6/30/25	4,705			4,705	4,705					*		4,705
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/24-6/30/25	5,781		12	11,960	11,960		12			*		5,769
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/24-6/30/25	4,508			4,508	4,508					*		4,508
N.J. Nonpublic Technology Initiative	100-034-5120-373	7/1/24-6/30/25	4,900		20	18,860	17,958		20			*		4,880
N.J. Nonpublic Technology Initiative	100-034-5120-373	7/1/24-6/30/25	18,860			18,860	17,958					902		17,958
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/24-6/30/25	21,994			21,994	10,997					10,997		10,997
N.J. Nonpublic Handicapped Services: Examination and Classification	100-034-5120-066	7/1/24-6/30/25	34,645		22,136	17,856	14,880		22,136			*		12,509
N.J. Nonpublic Handicapped Services: Examination and Classification	100-034-5120-066	7/1/24-6/30/25	17,856			17,856	14,880					2,976		14,880
N.J. Nonpublic Handicapped Services: Corrective Speech	100-034-5120-066	7/1/24-6/30/25	28,830		15,810	14,868	12,390		15,810			*		13,020
N.J. Nonpublic Handicapped Services: Corrective Speech	100-034-5120-066	7/1/24-6/30/25	12,390		2,974	14,868	12,390					2,478		12,390
N.J. Nonpublic Handicapped Services: Supplemental Instruction	100-034-5120-066	7/1/24-6/30/25	69,704			69,704	58,087		2,974			*		9,416
N.J. Nonpublic Handicapped Services: Supplemental Instruction	100-034-5120-067	7/1/24-6/30/25	107,890		65,992	13,950	11,478		65,992			11,617		58,087
N.J. Nonpublic Handicapped Services: English as a Second Language	100-034-5120-067	7/1/24-6/30/25	5,112		5,494				5,494			2,472		41,898
N.J. Nonpublic Handicapped Services: English as a Second Language	100-034-5120-067	7/1/24-6/30/25	4,294,824			3,865,342	4,251,379							1,478
N.J. Nonpublic Handicapped Services: English as a Second Language	100-034-5120-067	7/1/24-6/30/25	3,881,217	1,084,541		388,122	115,000			(429,482)	43,445		(429,482)	4,251,379
N.J. Nonpublic Handicapped Services: Preschool Education Aid	495-034-5120-086	7/1/24-6/30/25	68,398			27,021	14,516			(14,516)	1,357,663	*		3,883,665
N.J. Nonpublic Handicapped Services: Preschool Education Aid	495-034-5120-086	7/1/24-6/30/25	68,398			27,021	27,021					*		14,516
N.J. Nonpublic Handicapped Services: Mental Health Screening in Schools	25000118	1/1/25-12/31/25										*		43,746
N.J. Nonpublic Handicapped Services: Mental Health Screening in Schools	24E00649	2/1/24-12/31/24										*		
Nonpublic Teacher STEM	100-034-5068-051	7/1/24-6/30/25	110,387	(17,409)		27,845	67,161			(67,161)		*		67,161
Nonpublic Teacher STEM	100-034-5068-051	7/1/23-6/30/24	83,792				35,381					*		83,792
Funding for Optimal Comprehensive Universal Screeners (FOCUS)														
NY School Development Authority	N/A	2022-23	14,000									*		
Emergent and Capital Maintenance Needs	N/A	2021-22	132,338	132,338							132,338	*		132,338
Emergent and Capital Maintenance Needs	N/A	2021-22	134,114	134,114							134,114	*		134,114
Alyssa's Law School Security Grant	22-034-5120-588-001	2021-22	313,241	13,371								13,371	*	308,817
State Department of Children and Families														
Friendly Family	25-016-1620-100-007	7/1/24-6/30/25	50,323			50,323	47,117					*		47,117
Friendly Family	24-016-1620-100-007	7/1/23-6/30/24	51,891		3,418							3,206		48,473
Friendly Family	22-016-1620-100-007	7/1/22-6/30/23	45,257		6,134							3,418		47,481
Friendly Family	22-016-1620-100-007	7/1/21-6/30/22	53,648		1,108							6,134		39,123
School Based Youth Service Program	25-016-6130-100-013	7/1/24-6/30/25	332,007			332,007	327,975					1,108	*	51,731
School Based Youth Service Program	24-016-6130-100-013	7/1/23-6/30/24	342,355		12,218							4,032	*	327,975
School Based Youth Service Program	23-016-6130-100-013	7/1/22-6/30/23	312,855		8,331							12,218	*	330,137
School Based Youth Service Program	22-016-6130-100-013	7/1/21-6/30/22	353,940		912							8,331	*	308,497
Total Special Revenue Fund				1,346,955	144,559	4,869,065	5,032,513	24,945	11,248	(511,159)	1,667,560	84,172	(429,482)	10,642,609

**HACKENSACK
BOARD OF EDUCATION**

Schedule of Expenditures of State Awards and Other Local Awards

Year ended June 30, 2025

					Balance at June 30, 2024				Balance at June 30, 2025				MEMO			
	Grant or State Project Number	State Grant/Program Title	Grant Period	Award Amount	Deferred Revenue (Assets Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures Pass through Funds	Adjustments	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
Enterprise Fund:	100-010-3350-023	National School Breakfast Program	7/1/24 -6/30/25	12,558			11,603	12,558			(955)	*	*	*	12,558	
	100-010-3350-023	National School Breakfast Program (NJIE)	7/1/24-6/30/25	22,513			20,504	22,513			(2,009)	*	*	*	22,513	
	100-010-3350-023	National School Breakfast Program	7/1/23 -6/30/24	26,930		(2,410)	2,410	26,930				*	*	*	26,930	
	100-010-3350-023	National School Breakfast After the Bell	7/1/24 -6/30/25	30,919			28,341	30,919			(2,578)	*	*	*	30,919	
	100-010-3350-023	National School Breakfast After the Bell	7/1/23 -6/30/24	26,451		(2,269)	2,269	26,451				*	*	*	26,451	
	100-010-3350-023	National School Lunch Program (State Share)	7/1/24 -6/30/25	62,426			57,469	62,426			(4,957)	*	*	*	62,426	
	100-010-3350-023	National School Lunch Program (NJIE)	7/1/24 -6/30/25	44,587			41,010	44,587			(3,577)	*	*	*	44,587	
	100-010-3350-023	National School Lunch Program (State Share)	7/1/23 -6/30/24	88,803		(7,354)	7,354	88,803				*	*	*	88,803	
	2022225900941	P-EBT Administrative Cost	7/1/24-6/30/25	1,556			1,556	1,556				*	*	*	1,556	
						(12,033)		172,516	174,559		(14,076)	*	*	*	316,743	
Total State Financial Assistance					(1,718,666)	144,559	71,857,759	75,381,354	24,945	112,438	(3,310,579)	1,667,560	84,172	3,197,066	86,166,727	
Less: On-Behalf TPAF Pension System Contributions																
	495-034-5094-001	On Behalf TPAF- Post Retirement Medical	7/1/24-6/30/25	5,657,834				5,657,834								
	495-034-5094-002	On Behalf TPAF Pension Contributions	7/1/24-6/30/25	19,125,910				19,125,910								
	495-034-5094-004	On Behalf TPAF NCGI Premium	7/1/24-6/30/25	236,919				236,919								
		On Behalf TPAF - LTIDI		6,272				6,272								
								25,026,935								
								50,354,419								
Total State Financial Assistance for Major Program Determination																
Local Sources:																
Special Revenue Fund:																
	N/A	Sustainable Jersey for Schools Grant - Fairmount Elementary School	2025	10,000			5,000	5,000				5,000	*	*		
	N/A	Sustainable Jersey for Schools Grant - Hillers Elementary School	2025	10,000			5,000	5,000				5,000	*	*		
	N/A	Opportunity Labs Grant	2025	10,000			10,000	10,000				10,000	*	*		
	N/A	Miscellaneous Grant	2025	10,000			5,000	5,000				5,000	*	*		
	N/A	US EPA Environmental Education Grant	7/1/24-6/30/25	5,000									*	*		
	N/A	New Jersey Schools Insurance Group Safety Grant Program	7/1/24-6/30/25	10,945									*	*		
	N/A	New Jersey Schools Insurance Group Safety Grant Program	7/1/23-6/30/24	11,625								11,625	*	*		
	N/A	New Jersey Schools Insurance Group Safety Grant Program	7/1/22-6/30/23	11,625			11,625					4,229	*	*		
	N/A	Climate Awareness Education Grant Program	7/1/24-6/30/25	5,000				771	5,000				*	*	771	
	N/A	It Gets Better Project	7/1/24-6/30/25	37					37				*	*		
							46,625	771	5,037		(14,076)	50,891	*	*	771	
Total Local Sources																
							46,625	771	5,037		(3,310,579)	50,891	*	*	10,771	
Total State and Local Financial Assistance					\$	(1,718,666)	144,559	71,904,384	75,382,125	29,982	112,438	(3,310,579)	1,718,451	84,172	3,197,066	86,177,498

See accompanying notes to schedules of expenditures of federal and state awards.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, City of Hackensack School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal and State Awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,300,806 for the general fund and \$3,069,429 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 171,073	\$72,475,088	\$72,646,161
Special Revenue Fund	6,997,948	5,078,076	12,076,024
Food Service Fund	<u>4,010,181</u>	<u>174,559</u>	<u>4,184,740</u>
Total Awards and Financial Assistance	<u>\$ 11,179,202</u>	<u>\$77,727,723</u>	<u>\$88,906,925</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as 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, 2025.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$25,026,935 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

The City of Hackensack School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$ 1,364,513
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	125,973
Title III: <i>English Language Acquisition State Grants</i>	185,527
Title IV: <i>Student Support and Academic Enrichment</i>	<u>136,464</u>
Total	<u>\$ 1,812,477</u>

**CITY OF HACKENSACK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

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

Federal Awards

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

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. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

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

**CITY OF HACKENSACK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)**

Section I - Summary of Auditor's Results, (continued)

Federal Awards, (continued)

Identification of major programs:

<u>Assistance Listing Number(s)</u>		<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.184</u>	(B)	<u>24E00629/2500011</u>	<u>School Based Mental Health Services</u>
			<u>Child Nutrition Cluster:</u>
			<u>National School Lunch Program/National</u>
			<u>School Breakfast Program/After School Snack</u>
<u>10.553/10.555</u>	(A)	<u>251NJ304N1099</u>	<u>Program/Food Distribution Program</u>

Note: (A) - Tested as Major Type A Program.

Note: (B) - Tested as Major Type B Program.

State Awards

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

Dollar threshold used to distinguish between type A and type B programs: \$1,510,633

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? X yes none reported

2. Material weakness(es) identified? yes X no

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08? X yes no

**CITY OF HACKENSACK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)**

Section I - Summary of Auditor's Results, (continued)

State Awards, (continued)

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089/ 495-034-5120-084/ 495-034-5120-078 (A)	State Aid Public Cluster: Special Education Categorical Aid/Security Aid/Equalization Aid

Note: (A) - Tested as Major Type A Program.

Section II – Financial Statement Findings

Finding 2025-001

Several accounts reflected on the monthly Board Secretary's reports were not reconciled as the financial activity for several of the accounts reflected the bank statement activity and not the actual financial transactions of the District. In addition, several invalid reconciling items were noted.

Criteria or specific requirement:

In accordance with N.J.S.A. 18A:17-9, the Board Secretary shall prepare the monthly reconciliation of bank account statements and take any steps necessary to bring the cash record balance and reconciled bank balance into agreement prior to the completion of the secretary's monthly report.

Condition:

Bank reconciliations were not provided for numerous accounts including the scholarship and student activity accounts. Reconciliations provided for the general fund, payroll and payroll agency account did not agree to general ledger balances and included unknown reconciling items.

Context:

Several accounts reflected on the monthly Board Secretary's reports did not accurately reflect the transactions of the District, nor were formal reconciliations prepared in certain instances.

**CITY OF HACKENSACK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)**

Section II – Financial Statement Findings (continued)

Finding 2025-001, (continued)

Effect:

Financial statements and transactions could be misstated without accurate and timely completion of the monthly Board Secretary's report.

Cause:

Bank reconciliations were not provided for numerous accounts including the scholarship and student activity accounts. Reconciliations provided for the general fund, payroll and payroll agency account did not agree to general ledger balances and included unknown reconciling items.

Recommendation:

Bank reconciliations should be prepared monthly for all accounts and be made available for review. All financial transactions of the District should be included in the preparation of bank reconciliations.

Management's Response:

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

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS

NONE

**CITY OF HACKENSACK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)**

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

STATE AWARDS

Finding 2025-002

Information on the state program:

State Aid – Public Cluster, NJCFS Numbers 495-034-5120-(078/084/089) Grant Period 7/1/24-6/30/25.

Criteria or specific requirement:

In accordance with N.J.S.A. 18A:17-9, the Board Secretary shall prepare the monthly reconciliation of bank account statements and take any steps necessary to bring the cash record balance and reconciled bank balance into agreement prior to the completion of the secretary's monthly report.

Condition:

Bank reconciliations were not provided for numerous accounts including the scholarship and student activity accounts. Reconciliations provided for the general fund, payroll and payroll agency account did not agree to general ledger balances and included unknown reconciling items.

Questioned Costs:

None

Context:

Several accounts reflected on the monthly Board Secretary's reports did not accurately reflect the transactions of the District, nor were formal reconciliations prepared in certain instances.

Effect:

Financial statements and transactions could be misstated without accurate and timely completion of the monthly Treasurer's report.

Cause:

Bank reconciliations were not provided for numerous accounts including the scholarship and student activity accounts. Reconciliations provided for the general fund, payroll and payroll agency account did not agree to general ledger balances and included unknown reconciling items.

Recommendation:

Bank reconciliations should be prepared monthly for all accounts and be made available for review. All financial transactions of the District should be included in the preparation of bank reconciliations.

Management's response:

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

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

STATE AWARDS (continued)

Finding 2025-003

Information on the Federal Program:

State Aid Grant Cluster, NJCFS Number 495-034-5120-(078/084/089), Grant Period 7/1/24-6/30/25.

Criteria or specific requirement:

In accordance with N.J.A.C. 6A-13.3i, each board of education shall maintain a report of current month and year-to-date transfers between general fund appropriation accounts in a Commissioner-prescribed format or in a format developed locally and approved by the executive county superintendent. These reports must document all budgetary transfers made during the month and ensure transparency, oversight, and compliance with budgeting regulations.

Condition:

The district could not provide monthly transfer reports in the Commissioner-prescribed format or in a format that was developed locally and approved by the executive county superintendent.

Questioned Costs:

None

Context:

Line-item transfers must be made whenever the line item is in danger of going into a deficit condition. A board of education may by resolution, designate the chief school administrator to approve transfers between meetings of the board. Transfers approved by the chief school administrator shall be reported to the board, ratified, and duly recorded in the minutes at a subsequent meeting of the board but not less than monthly.

Effect:

By not maintain monthly transfer reports in the Commissioner-prescribed format or in a format that was developed locally, the district is not in compliance with N.J.A.C. 6A-13.3i which reduces transparency, weakens financial oversight, and increases the risk of errors or unauthorized budget transfers going undetected.

Cause:

The district did not maintain monthly transfer reports in the Commissioner-prescribed format or in a format that was developed locally and approved by the executive county superintendent.

Recommendation:

The district should establish and implement procedures to ensure monthly transfer reports are prepared consistently in the Commissioner-prescribed format or in a format that was developed locally and approved by the executive county superintendent. Responsibilities should be clearly assigned, and supervisory review should be put in place to ensure ongoing compliance.

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

STATE AWARDS (continued)

Finding 2025-003, (continued)

Management Response:

The district will ensure that monthly transfer reports are prepared on a monthly basis and approved by the board. The reports will be maintained in an orderly manner to provide an audit trail.

Finding 2025-004

Information on the Federal Program:

State Aid Grant Cluster, NJCFS Number 495-034-5120-(078/084/089), Grant Period 7/1/24-6/30/25.

Criteria or specific requirement:

Minutes must be kept of all meetings, which must include the authorization for advertising for bids, with summary of the bids received and subsequent award of the same. In addition, bid packages should contain all required documentation under N.J.S.A. 18A:18A-1 (Public School Contracts Law).

Condition:

The district did not summarize bids received in the minutes. In addition, required disclosures are not maintained as part of the bid packages.

Questioned Costs:

Unknown

Context:

The district is awarding bids without summarizing bids received in the minutes of the Board. Completed bid packages are also missing required documentation.

Effect:

Incomplete bid packages expose the District to the risk of noncompliance with state procurement law, potential challenges to bid awards, and questioned costs. Missing documents also reduce transparency and weaken auditability of the procurement process.

Cause:

The district did not summarize bids received in the minutes of the Board. In addition, required documentation was not requested as part of the completed bid package.

Recommendation:

The district should implement standardized procedures, including the use of a required-documents checklist, to ensure all bid packages contain the necessary forms and supporting materials. Staff involved in procurement should receive training to ensure complete and compliant bid files are prepared and retained.

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

STATE AWARDS (continued)

Finding 2025-004, (continued)

Management Response:

The district will provide a summary of bids received in the minutes of the Board. In addition, the district will review and update current policies to ensure that all bid packages contain the proper documentation to be in compliance with state statutes.

Finding 2025-005

Information on the state program:

State Aid – Public Cluster, NJCFS Numbers 495-034-5120-(078/084/089) Grant Period 7/1/24-6/30/25.

Criteria or specific requirement:

The school district must complete the Application for State School Aid (ASSA) in accordance with the instructions provided by the Office of School Finance. The district must complete a set of workpapers that document the compilation of data and provide an audit trail for testing the enrollments reported on the ASSA. In addition, the district must have on file written procedures that provide a description of the count process. The workpapers and internal procedures must be maintained on file for seven years.

Condition:

The student data listing ASSA workpaper provided by the district was not in agreement with what was reported on the *2025-2026 Application for State School Aid - Data Listing*. In addition, students reported as Resident Low Income, Resident Low Income Limited English Proficient and Resident Limited English Proficient not Low Income could not be verified to supporting documents.

Questioned Costs:

None

Context:

The district submitted the 2025/2026 ASSA but was unable to provide the related supporting documents that document the compilation of data which provide an audit trail for testing enrollments reported on the ASSA.

Effect:

By not maintaining appropriate supporting documentation in accordance with the instructions provided by the Office of School Finance, the enrollments reported as Resident Low Income, Resident Low Income Limited English Proficient and Resident Limited English Proficient not Low Income on the district's ASSA are unable to be verified.

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

STATE AWARDS (continued)

Finding 2025-005, (continued)

Cause:

The district did not maintain related supporting documentation that document the compilation of data and provide an audit trail for testing the enrollment categories reported on the ASSA.

Recommendation:

The district should maintain workpapers that reflect an accurate listing of the students claimed in each of the categories on the Application for State School Aid. In addition, the district should maintain supporting documentation that provides an audit trail for testing for each child claimed.

Management's response:

The district will ensure that the detailed district workpapers are in agreement with the counts submitted for ASSA. In addition, the district will maintain supporting documentation that provide an audit trail for testing the enrollment categories reported on the ASSA.

Finding 2025-006

Information on the state program:

State Aid – Public Cluster, NJCFS Numbers 495-034-5120-(078/084/089) Grant Period 7/1/24-6/30/25.

Criteria or specific requirement:

The district is required to complete the October 2024 District Report of Transported Resident Students (DRTRS) through a web-based system. The October 2024 DRTRS Summary Report generated by the web-based system must agree to the October 2024 County Summary Report, which is a compilation of district data by county/district. Supporting documentation should be made available to support the category eligibility of students reported on the district DRTRS.

Condition:

Students reported as Regular-Public Schools (Col. 1), Regular-Special Education (Col. 4) and Special Needs (Col. 6) on the October 2024 DRTRS Summary Report could not be verified to supporting documentation.

Questioned Costs:

None

Context:

The district submitted the October 2024 DRTRS but was unable to provide the related supporting documents that provide an audit trail for testing counts reported on the DRTRS.

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

STATE AWARDS (continued)

Finding 2025-006, (continued)

Effect:

By not maintaining appropriate supporting documentation in accordance with the instructions provided by the New Jersey Department of Education, the students reported as Regular-Public Schools (Col. 1), Regular-Special Education (Col. 4) and Special Needs (Col. 6) on the district's DRTRS were unable to be verified.

Cause:

The district did not maintain related supporting documentation that document the compilation of data and provide an audit trail for testing the counts reported on the DRTRS.

Recommendation:

The district should maintain supporting documentation that provides an audit trail for testing for each child reported on the DRTRS.

Management's response:

The district will maintain supporting documentation that provide an audit trail for testing each child reported on the DRTRS.

**CITY OF HACKENSACK SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

STATUS OF PRIOR YEAR FINDINGS

Finding 2024-001

Condition:

With respect to the monthly financial reports of the Treasurer Designee:

- The June 2024 Board Treasurer's report was not submitted to the County Superintendent by August 1 as required by N.J.S.A. 18A:17-36.
- Several accounts reflected on the monthly Treasurer's reports were not reconciled as the financial activity for several of these accounts reflected the bank statement activity and not the actual financial transactions of the District. In addition several invalid reconciling items were noted.

Current Status:

Unresolved, see finding 2025-001 and 2025-002.

Finding 2024-002

Condition:

Purchase of various goods and services were made which were not procured in accordance with the procedures specified in the Public School Contracts Law and State procurement guidelines.

Current Status:

Unresolved, see finding 2025-003.

Finding 2024-003

Condition:

With respect to the monthly financial reports of the Treasurer Designee:

- The June 2024 Board Treasurer's report was not submitted to the County Superintendent by August 1 as required by N.J.S.A. 18A:17-36.
- Several accounts reflected on the monthly Treasurer's reports were not reconciled as the financial activity for several of these accounts reflected the bank statement activity and not the actual financial transactions of the District. In addition several invalid reconciling items were noted.

Current Status:

Unresolved, see finding 2025-001 and 2025-002.

**CITY OF HACKENSACK
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Status of Prior Year Findings, (continued)

Finding 2024-004

Condition:

Documentation to support pupil counts on the DRTRS did not agree to the number of students reported on the DRTRS.

Current Status:

Unresolved, see finding 2025-006.

NONE