

**BLOOMFIELD TOWNSHIP
SCHOOL DISTRICT**

**Bloomfield Township School District
Board of Education
Bloomfield, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016**

**Comprehensive Annual
Financial Report**

of the

**Bloomfield Township School District
Board of Education**

Bloomfield, New Jersey

For the Fiscal Year Ended June 30, 2016

Prepared by

**Bloomfield Township School District
Board of Education**

Finance Department

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION



BLOOMFIELD TOWNSHIP BOARD OF EDUCATION
Office of the Business Administrator
 155 Broad Street
 Bloomfield, New Jersey 07003
www.bloomfield.k12.nj.us

SALVATORE GONCALVES
 Superintendent of Schools

NICHOLAS J. DOTOLI, Ed. M.
 Esq.
 Director of Human Resources
 General Counsel

JILL FISCHMAN
 President, Board of Education

October 28, 2016

The Honorable President and Members of
 the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Bloomfield Township School District (the "District") for the fiscal year ended June 30, 2016. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the 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 comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Bloomfield School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in codification section 2100. All funds of the District are included in this report. The Bloomfield Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational and special education for handicapped youngsters. The District also offers a limited pre-school program.

The Honorable President and Members of
 the Board of Education
 Bloomfield Township School District
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2) ECONOMIC CONDITION AND OUTLOOK: The Township of Bloomfield continues to explore various opportunities to rejuvenate the Bloomfield “shopping center” of town. The Bloomfield “renewal” project has been centered on the construction of the New Jersey Transit Terminal at the Grove Street/Franklin Avenue junction. This development, it is hoped, will rekindle interest in the residential real estate as well as local small businesses. With the renewal of the center of town and the rejuvenation of the “south end” of town it is anticipated there will be a reverse in the trend of reduced ratables.

3) MAJOR INITIATIVES: In 2015-2016, the Superintendent, Board of Education, and District Administrators collaborated to identify a list of District goals for the year. Various Administrators chaired committees charged with examining aspects of the initiative, including:

- Calculation of the fiscal impact to the current budget; impact on successive years;
- Identification of classroom space; facilities issues;
- Determination of staffing needs;
- Revisions to existing curriculums

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at a year-end are either canceled or are included as re-appropriations of fund balance in the subsequent fiscal year. Those amounts to be re-appropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2016.

The Honorable President and Members of
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Bloomfield Township School District
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6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Boards (GASB). The accounting system of the district is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statement", Note 1.

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. 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 government units from 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.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. Workers' compensation insurance coverage is provided, in conjunction with a group of other school districts, through a joint insurance fund.

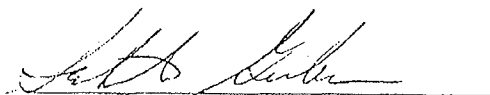
9) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia, LLP was appointed by the Board of Education for this purpose. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Bloomfield Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby, contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

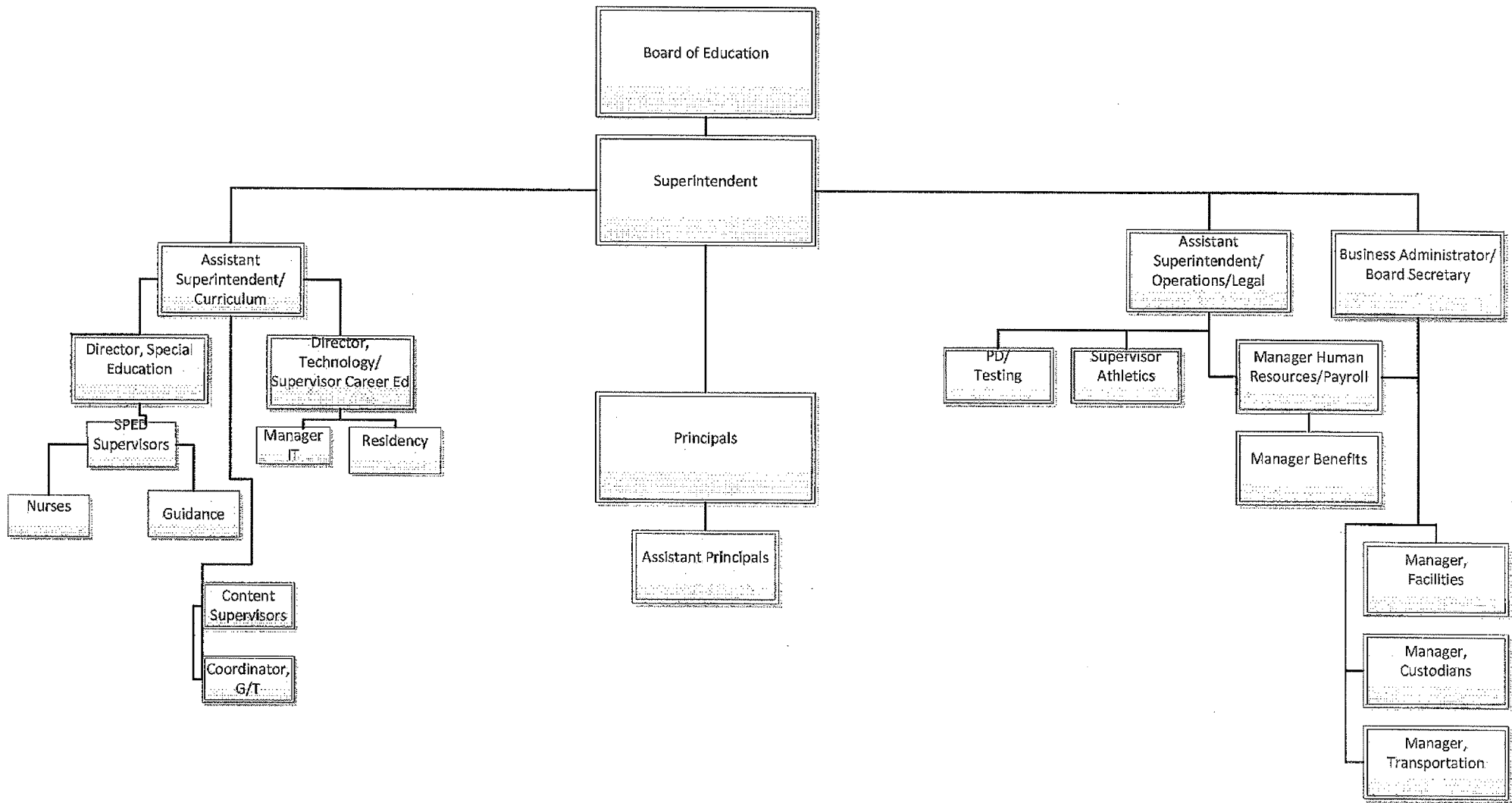
Respectfully submitted,



Mark Resnick
Interim School Business Administrator/
Board Secretary



Salvatore Goncalves
Superintendent of Schools



**BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2016**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Jill Fischman, President	2016
Catherine Bumpus, Vice President	2016
Daniel A. Anderson	2018
Shane Berger	2016
Dianna Fuller	2016
Michael Heller	2017
Ruth Hidalgo	2018
Ellen Rogers	2017
Emily M. Smith	2017

<u>Other Officials</u>	<u>Title</u>
Salvatore Goncalves	Superintendent of Schools
Patricia Wilson	School Business Administrator/Board Secretary
Nicholas J. Dotoli, Ed.M. Esq.	Director of Human Resources; General Counsel
Kerry Keane	Treasurer

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

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Official Depository

Provident Bank
11 Broad Street
Bloomfield, NJ 07003

FINANCIAL SECTION



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 Newton, NJ 07860
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Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Township of Bloomfield School District (the "District") in the County of Essex, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise of the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Township of Bloomfield School District, in the County of Essex, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension schedules in Exhibits L-1 through L-6 and the related notes and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state 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 New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
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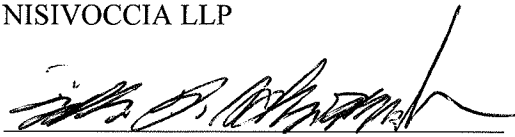
The accompanying other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

October 28, 2016
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**Bloomfield Township School District
Management's Discussion and Analysis
Unaudited**

This section of the Bloomfield Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2016. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Financial Highlights

- The District's financial status improved by \$7,771,299 on a District-wide basis.
- Net position from the District's governmental activities increased \$7,683,148.
- Net position from the District's business-type activities increased \$88,151.
- Overall revenue was \$121.80 million.
- Overall expenditures were \$114.03 million.
- Actual General Fund budgetary basis revenue (Net of on-behalf TPAF contributions) was \$1,073,637 higher than expected, primarily due to tuition, miscellaneous revenues and extraordinary special education costs aid.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services, summer arts program and innovation summer institute.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the fiscal year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

**Figure A-1
Organization of Bloomfield Township School District's Financial Report**

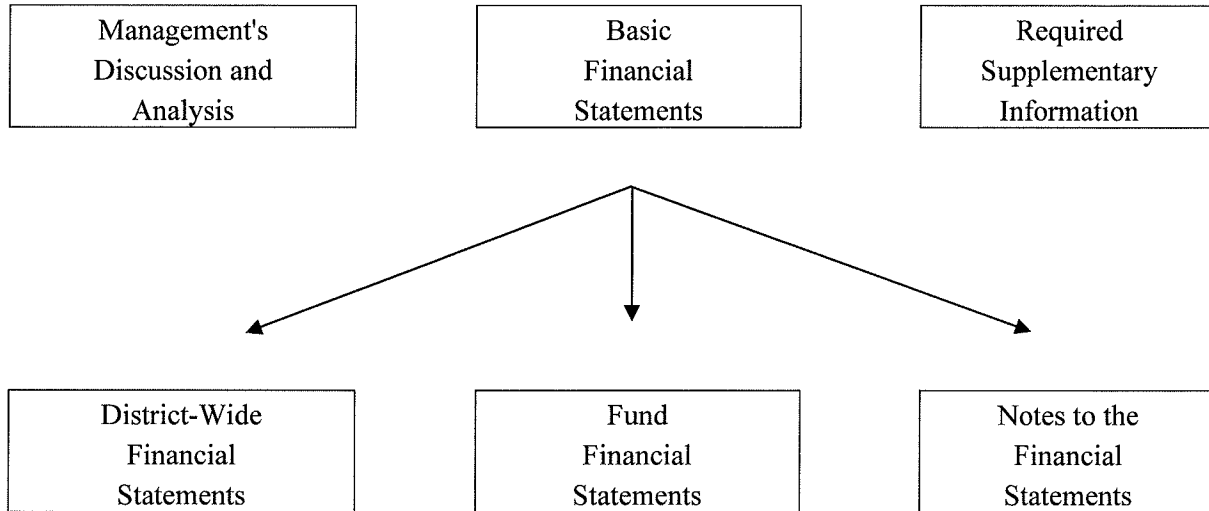


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Figure A-2

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 special education and building maintenance	Activities the District operates similar to private businesses: food services, summer arts program and innovation summer institute	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement 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 resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the fiscal year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the fiscal year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the fiscal year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the fiscal year, regardless of when cash is received or paid	All additions and deductions during the fiscal year, regardless of when cash is received or paid

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

District-wide Statements

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

The two District-wide statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets, deferred inflows and outflows, and liabilities – is one way to measure the District's financial health or *position*.

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

In the District-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service, summer arts and innovation summer institute programs are included here.

Fund Financial Statements

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at fiscal year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Fund Financial Statements

- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Notes to the basic 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. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides one perspective of the District as a whole. Figure A-3 provides a summary of the District's net position as of June 30, 2016 and 2015. The District's *combined* net position was \$60,366,066 on June 30, 2016, \$7,771,299 or 14.78% more than it was the fiscal year before. The net position of the governmental activities increased by \$7,683,148 and the net position of the business-type activities increased by \$88,151.

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	Change 2015/16
Assets:							
Current and							
Other Assets	\$ 17,683,848	\$ 15,091,951	\$ 494,659	\$ 612,347	\$ 18,178,507	\$ 15,704,298	15.75%
Capital Assets, Net	94,203,604	91,743,118	310,354	77,280	94,513,958	91,820,398	2.93%
Total Assets	<u>111,887,452</u>	<u>106,835,069</u>	<u>805,013</u>	<u>689,627</u>	<u>112,692,465</u>	<u>107,524,696</u>	4.81%
Deferred Outflows of Resources	<u>4,860,516</u>	<u>1,647,180</u>			<u>4,860,516</u>	<u>1,647,180</u>	195.08%
Liabilities:							
Other Liabilities	3,128,398	3,182,076	46,710	19,475	3,175,108	3,201,551	-0.83%
Long-Term Liabilities	52,508,230	52,155,018			52,508,230	52,155,018	0.68%
Total Liabilities	<u>55,636,628</u>	<u>55,337,094</u>	<u>46,710</u>	<u>19,475</u>	<u>55,683,338</u>	<u>55,356,569</u>	0.59%
Deferred Inflows of Resources	<u>1,503,577</u>	<u>1,220,540</u>			<u>1,503,577</u>	<u>1,220,540</u>	23.19%
Net Position:							
Net Investment in Capital Assets	68,198,454	63,776,016	310,354	77,280	68,508,808	63,853,296	7.29%
Restricted	13,829,780	9,042,935			13,829,780	9,042,935	52.93%
Unrestricted (Deficit)	<u>(22,420,471)</u>	<u>(20,894,336)</u>	<u>447,949</u>	<u>592,872</u>	<u>(21,972,522)</u>	<u>(20,301,464)</u>	-8.23%
Total Net Position	<u>\$ 59,607,763</u>	<u>\$ 51,924,615</u>	<u>\$ 758,303</u>	<u>\$ 670,152</u>	<u>\$ 60,366,066</u>	<u>\$ 52,594,767</u>	14.78%

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Figure A-4 represents the *Changes in Net Position*. Net investment in capital assets increased \$4,655,512 primarily due to \$4,978,602 in capital assets additions and the retirement of \$2,230,000 of serial bonds payable and \$469,612 of capital leases payable, offset by \$2,285,042 of depreciation expense, amortized deferred amount on refunding of \$71,430, and a new capital lease of \$666,230. Restricted net position increased \$4,786,845 as a result of net increases in excess surplus of \$2,329,519 and capital reserve of \$2,496,837, offset by a decrease in debt service of \$39,511. Unrestricted net position (deficit) decreased \$1,671,058 primarily due to decreases in governmental fund total fund balance for capital projects of \$1,590,305 and business-type activities unrestricted net position of \$144,923, changes in proportion in pensions of \$1,133,980 and the change in net pension liability of \$2,481,853, offset by increases in assigned fund balance for year-end encumbrances of \$46,536 and unassigned fund balance of \$281,574, decreases in governmental fund compensated absences of \$10,395 and accrued interest of \$29,626, amortized bond issuance premiums of \$84,864, changes in pension assumptions of \$1,825,374, the difference between expected and actual experience in pensions of \$548,874, and the net amount of investment gains in pensions of \$852,760.

Total revenue increased 4.05% to \$121,797,825 and total expenses increased 5.40% to \$114,026,526. It is important to note here that depreciation of the District's capital assets is computed into the expense total. The depreciation factored into the District's governmental and business-type net position for 2015/16 is \$2,265,524 and \$19,518, respectively.

**Figure A-4
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	Change 2015/16
Revenue:							
Program Revenue:							
Charges for Services	\$ 398,934	\$ 237,697	\$ 904,305	\$ 854,682	\$ 1,303,239	\$ 1,092,379	19.30%
Grants and Contributions:							
Operating	28,520,372	24,917,818	1,545,278	1,367,499	30,065,650	26,285,317	14.38%
General Revenue:							
Property Taxes	72,842,824	71,772,393			72,842,824	71,772,393	1.49%
Unrestricted State/ Federal Aid	17,059,883	17,111,512			17,059,883	17,111,512	-0.30%
Other	526,229	790,438			526,229	790,438	-33.43%
Total Revenue	119,348,242	114,829,858	2,449,583	2,222,181	121,797,825	117,052,039	4.05%
Expenses:							
Instruction	62,349,029	58,625,600			62,349,029	58,625,600	6.35%
Pupil and Instruction Services	18,561,409	17,734,300			18,561,409	17,734,300	4.66%
Administration and Business	12,662,571	11,966,454			12,662,571	11,966,454	5.82%
Maintenance and Operations	10,083,293	9,415,752			10,083,293	9,415,752	7.09%
Transportation	4,623,420	4,956,834			4,623,420	4,956,834	-6.73%
Other	3,385,372	3,503,464	2,361,432	1,984,835	5,746,804	5,488,299	4.71%
Total Expenses	111,665,094	106,202,404	2,361,432	1,984,835	114,026,526	108,187,239	5.40%
Increase/(Decrease) in Net Position	\$ 7,683,148	\$ 8,627,454	\$ 88,151	\$ 237,346	\$ 7,771,299	\$ 8,864,800	-12.34%

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Revenue Sources. The District's total revenue for the 2015/16 school year was \$121,797,825 (See Figure A-5). Property taxes and state formula aid accounted for most of the District's revenue, \$93,697,635 of the total, or 76.93 percent. Another 21.50 percent came from state and federal aid for specific programs and the remainder from charges for services and miscellaneous sources.

**Figure A-5
Sources of Revenue for Fiscal Year 2016**

Sources of Income:	<u>Amount</u>	<u>Percentage</u>
State Formula Aid	\$ 20,854,811	17.12%
Property Taxes	72,842,824	59.81%
Federal and State Categorical Grants	26,182,973	21.50%
Charges for Services	1,303,239	1.07%
Other	613,978	0.50%
	<u>\$ 121,797,825</u>	<u>100.00%</u>

The total cost of all programs and services was \$114,026,526. The District's expenses are predominantly related to instructing, caring for pupil and instruction services and transporting students (75.01 percent) (See Figure A-6). The District's administrative and business activities accounted for 11.11 percent of total costs.

**Figure A-6
Expenses for Fiscal Year 2016**

Expense Category:	<u>Amount</u>	<u>Percentage</u>
Instruction	\$ 62,349,029	54.68%
Pupil and Instruction Services	18,561,409	16.28%
Administration and Business	12,662,571	11.11%
Maintenance and Operations	10,083,293	8.84%
Transportation	4,623,420	4.05%
Other	5,746,804	5.04%
	<u>\$ 114,026,526</u>	<u>100.00%</u>

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Governmental Activities

As discussed elsewhere in this commentary, the district-wide financial position of the District improved significantly from the prior fiscal year. However, maintaining existing programs with current regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources.

Careful management of expenses remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Figure A-7 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

**Figure A-7
Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2015/2016	2014/2015	2015/2016	2014/2015
Instruction	\$ 62,349,029	\$ 58,625,600	\$42,469,975	\$41,370,967
Pupil and Instruction Services	18,561,409	17,734,300	14,380,922	14,078,932
Administration and Business	12,662,571	11,966,454	10,212,721	9,978,685
Maintenance and Operations	10,083,293	9,415,752	8,770,485	8,240,086
Transportation	4,623,420	4,956,834	3,718,549	4,075,417
Other	3,385,372	3,503,464	3,193,136	3,302,802
	<u>\$ 111,665,094</u>	<u>\$ 106,202,404</u>	<u>\$ 82,745,788</u>	<u>\$ 81,046,889</u>

- The cost of all governmental activities this fiscal year was \$111.665 million.
- The federal and state governments subsidized certain programs with operating grants and contributions (\$28.52 million).
- Most of the District's costs, however, were financed by District taxpayers (\$72.843 million).
- A portion of governmental activities was financed with unrestricted state and federal grants and contributions (\$17.06 million).
- The remainder of funding came from charges for services and miscellaneous revenues (\$.925 million).

Business-Type Activities

Net position from the District's business-type activity increased by \$88,151, primarily because of an increase in federal and state subsidy revenues in the current year. (Refer to Figure A-4).

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Financial Analysis of the District's Funds

Although the financial position of the District improved significantly, difficult economic times have had a direct impact upon the District's revenue sources and planned expenditures. Ratables in the municipality remain more or less stable, thus generating concern for the local tax levy in the future. With the planned renewal of the center of town and the rejuvenation of the "south end" of town it is anticipated there will be a reverse in the trend of reduced ratables.

To maintain a stable financial position, the District must continue to practice sound fiscal management and carefully monitor expenditures.

General Fund Budgetary Highlights

Over the course of the fiscal year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- The preparation of the 2015/2016 budget was difficult as a result of rising costs and a lower than normal fund balance position for the District. This resulted in the need for line item transfers during the fiscal year.

Capital Asset and Long-Term Liabilities Administration

Figure A-8

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	
Sites (Land)	\$ 15,902,555	\$ 15,902,555			\$ 15,902,555	\$ 15,902,555	0.00%
Buildings and Building Improvements	70,664,105	70,183,092			70,664,105	70,183,092	0.69%
Land Improvements	3,898,728	3,890,230			3,898,728	3,890,230	0.22%
Machinery and Equipment	3,738,216	1,767,241	\$ 310,354	\$ 77,280	4,048,570	1,844,521	119.49%
Total Capital Assets, Net of Depreciation	<u>\$ 94,203,604</u>	<u>\$ 91,743,118</u>	<u>\$ 310,354</u>	<u>\$ 77,280</u>	<u>\$ 94,513,958</u>	<u>\$ 91,820,398</u>	<u>2.93%</u>

The District's capital assets (net of depreciation) increased \$2,693,560, or 2.93%, during the fiscal year. (More detailed information about the District's capital assets is presented in Note 7 to the Basic Financial Statements). During the 2015/2016 school year, District additions totaled \$4,978,602 which were offset by \$2,285,042 in depreciation.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Long-Term Liabilities

The District's long-term liabilities increased by \$353,212, or .68%, during the fiscal year. At fiscal year-end, the District had \$26,245,000 of general obligation bonds outstanding, \$23,091,870 in net pension liability, \$1,103,232 in unamortized bond issuance premiums, \$688,740 in capital leases payable and \$1,379,388 in compensated absences payable. (More detailed information about the District's long-term liabilities is presented in Note 8 to the Basic Financial Statements).

**Figure A-9
Outstanding Long-Term Liabilities**

	Total School District		Total Percentage Change
	2015/16	2014/15	2015/16
General Obligation Bonds, Net (Financed with Property Taxes)	\$ 26,245,000	\$ 28,475,000	-7.83%
Net Pension Liability	23,091,870	20,610,017	12.04%
Other Long-Term Liabilities	3,171,360	3,070,001	3.30%
	<u>\$ 52,508,230</u>	<u>\$ 52,155,018</u>	<u>0.68%</u>

- Principal payments of \$2,230,000 on the District's general obligation bonds were made during the fiscal year.
- The District's net pension liability increased by \$2,481,853.
- Unamortized bond issuance premiums decreased by \$84,864.
- Compensated absences payable decreased by the net amount of \$10,395.
- During the fiscal year ended June 30, 2016, the District paid down \$469,612 of capital leases payable and issued a capital lease of \$666,230 for technology equipment.
- The District's other long-term liabilities as of June 30, 2016 are comprised of unamortized bond issuance premiums, compensated absences payable and capital leases payable.

For the Future

The Bloomfield Township School District is proud of its community support and student involvement in the public schools. Major concerns are the increased reliance on local property taxes, potential reductions in State aid and a 2% annual tax revenue cap increase.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Bloomfield Township School District Board of Education, 155 Broad Street, Bloomfield, New Jersey 07003. Please visit our website at <http://www.bloomfield.k12.nj.us>.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 6,279,265	\$ 359,184	\$ 6,638,449
Interfund Receivable	19,530	545	20,075
Receivables from State Government	969,413	3,901	973,314
Receivables from Federal Government	1,267,193	94,893	1,362,086
Other Receivables	111,927		111,927
Inventory		36,136	36,136
Restricted Assets - Cash and Cash Equivalents:			
Capital Reserve Account	9,036,520		9,036,520
Capital Assets, Net:			
Sites (Land)	15,902,555		15,902,555
Depreciable Buildings and Building Improvements, Land Improvements and Machinery and Equipment	78,301,049	310,354	78,611,403
Total Assets	<u>111,887,452</u>	<u>805,013</u>	<u>112,692,465</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	928,590		928,590
Changes in Assumptions - Pensions	2,470,805		2,470,805
Changes in Proportion - Pensions	1,412		1,412
Difference Between Expected and Actual Experience - Pensions	548,874		548,874
Investment Losses - Pensions	2,134		2,134
District Contribution Subsequent to the Measurement Date - Pensions	908,701		908,701
Total Deferred Outflows of Resources	<u>4,860,516</u>		<u>4,860,516</u>
LIABILITIES			
Current Liabilities:			
Payable to State Government	29,593	5	29,598
Payable to Federal Government	13,759	953	14,712
Accounts Payable	2,712,089	7,800	2,719,889
Accrued Interest Payable	372,732		372,732
Unearned Revenue	225	37,952	38,177
Noncurrent Liabilities:			
Due Within One Year	2,806,491		2,806,491
Due Beyond One Year	49,701,739		49,701,739
Total Liabilities	<u>55,636,628</u>	<u>46,710</u>	<u>55,683,338</u>
DEFERRED INFLOWS OF RESOURCES			
Changes in Proportion - Pensions	1,133,663		1,133,663
Investment Gains - Pensions	369,914		369,914
Total Deferred Inflows of Resources	<u>1,503,577</u>		<u>1,503,577</u>
NET POSITION			
Net Investment in Capital Assets	68,198,454	310,354	68,508,808
Restricted for:			
Capital Projects	9,036,520		9,036,520
Debt Service	74,907		74,907
Excess Surplus	4,718,353		4,718,353
Unrestricted (Deficit)	(22,420,471)	447,949	(21,972,522)
Total Net Position	<u>\$ 59,607,763</u>	<u>\$ 758,303</u>	<u>\$ 60,366,066</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 43,065,514	\$ 398,934	\$ 9,733,849		\$ (32,932,731)		\$ (32,932,731)
Special Education	16,097,895		9,085,740		(7,012,155)		(7,012,155)
Other Special Instruction	1,438,147		334,671		(1,103,476)		(1,103,476)
Other Instruction	1,747,473		325,860		(1,421,613)		(1,421,613)
Support Services:							
Tuition	4,378,257		1,330,042		(3,048,215)		(3,048,215)
Student & Instruction Related Services	14,183,152		2,850,445		(11,332,707)		(11,332,707)
General Administrative Services	1,905,862		135,371		(1,770,491)		(1,770,491)
School Administrative Services	7,796,026		1,811,967		(5,984,059)		(5,984,059)
Central Services	1,384,862		297,373		(1,087,489)		(1,087,489)
Administrative Information Technology	1,575,821		205,139		(1,370,682)		(1,370,682)
Plant Operations and Maintenance	10,083,293		1,312,808		(8,770,485)		(8,770,485)
Pupil Transportation	4,623,420		904,871		(3,718,549)		(3,718,549)
Transfer of Funds to Charter Schools	250,043				(250,043)		(250,043)
Interest on Long-Term Debt	1,145,204		192,236		(952,968)		(952,968)
Unallocated Depreciation	1,990,125				(1,990,125)		(1,990,125)
Total Governmental Activities	111,665,094	398,934	28,520,372		(82,745,788)		(82,745,788)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Food Service	\$ 2,310,984	\$ 853,994	\$ 1,545,278		\$ 88,288	\$ 88,288	
Summer Arts Program	37,401	37,401					
Innovation Summer Institute	13,047	12,910				(137)	(137)
Total Business-Type Activities	2,361,432	904,305	1,545,278		88,151	88,151	
Total Primary Government	\$ 114,026,526	\$ 1,303,239	\$ 30,065,650	\$ -0-	\$ (82,745,788)	88,151	(82,657,637)

General Revenues:

Taxes:			
Property Taxes, Levied for General Purposes, Net	69,155,550		69,155,550
Taxes Levied for Debt Service	3,687,274		3,687,274
Federal and State Aid not Restricted	17,059,883		17,059,883
Miscellaneous Income	526,229		526,229
Total General Revenues	90,428,936		90,428,936
Change in Net Position	7,683,148	88,151	7,771,299
Net Position - Beginning	51,924,615	670,152	52,594,767
Net Position - Ending	\$ 59,607,763	\$ 758,303	\$ 60,366,066

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

Exhibit B-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 4,485,819		\$ 1,721,394	\$ 72,052	\$ 6,279,265
Interfund Receivable	1,109,583			2,855	1,112,438
Receivables from State Government	969,413				969,413
Receivables from Federal Government	4,052	\$ 1,263,141			1,267,193
Other Receivables	43,708	68,219			111,927
Restricted Cash and Cash Equivalents	9,036,520				9,036,520
Total Assets	\$ 15,649,095	\$ 1,331,360	\$ 1,721,394	\$ 74,907	\$ 18,776,756
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable		\$ 1,090,053	\$ 2,855		\$ 1,092,908
Payable to State Government		29,593			29,593
Payable to Federal Government		13,759			13,759
Accounts Payable	\$ 704,387	197,730	901,271		1,803,388
Unearned Revenue		225			225
Total Liabilities	704,387	1,331,360	904,126		2,939,873
Fund Balances:					
Restricted:					
Capital Reserve Account	9,036,520				9,036,520
Excess Surplus - Designated for Subsequent Year's Expenditures	2,207,910				2,207,910
Excess Surplus	2,510,443				2,510,443
Debt Service Fund				\$ 74,907	74,907
Committed			817,268		817,268
Assigned:					
Year-End Encumbrances	908,261				908,261
Unassigned	281,574				281,574
Total Fund Balances	14,944,708		817,268	74,907	15,836,883
Total Liabilities and Fund Balances	\$ 15,649,095	\$ 1,331,360	\$ 1,721,394	\$ 74,907	\$ 18,776,756

Amounts reported for *Governmental Activities* in the Statement of Net Position (A-1) are different because:

Total Fund Balances (Above)	\$ 15,836,883
Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not reported in the Funds. The cost of the assets is \$126,922,432 and the accumulated depreciation is \$32,718,828.	94,203,604
The Deferred Amount on Refunding is not reported as an expenditure in the Governmental Funds in the year of the refunding. The Deferred Amount on Refunding is \$1,285,738 and the accumulated amortization is \$357,148.	928,590
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(23,091,870)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Changes in Assumptions - Pensions	2,470,805
Changes in Proportion - Pensions	1,412
Difference Between Expected and Actual Experience - Pensions	548,874
Investment Gains - Pensions	2,134
Changes in Proportion - Pensions	(1,133,663)
Investment Gains - Pensions	(369,914)
Long-Term Liabilities, including Bonds Payable, are not due and payable in the current period and therefore are not reported as Liabilities in the Funds.	(28,313,128)
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(372,732)
Bond Premiums are reported as revenue in the Funds. These premiums total \$1,527,559 and the accumulated amortization is \$424,327.	(1,103,232)
Net Position of Governmental Activities	\$ 59,607,763

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 69,155,550			\$ 3,687,274	\$ 72,842,824
Tuition	398,934				398,934
Miscellaneous Revenues	526,229	\$ 87,749			613,978
Total - Local Sources	70,080,713	87,749		3,687,274	73,855,736
State Sources	30,801,919	112,923		192,236	31,107,078
Federal Sources	92,404	2,602,671			2,695,075
Total Revenues	100,975,036	2,803,343		3,879,510	107,657,889
EXPENDITURES					
Current:					
Regular Instruction	26,849,834	120,485			26,970,319
Special Education Instruction	8,992,763	1,121,380			10,114,143
Other Special Instruction	868,179				868,179
Other Instruction	1,192,509				1,192,509
Support Services and Undistributed Costs:					
Tuition	3,048,215	1,330,042			4,378,257
Student & Instruction Related Services	9,471,569	231,436			9,703,005
General Administrative Services	1,674,245				1,674,245
School Administrative Services	4,749,888				4,749,888
Central Services	857,456				857,456
Administration Information Technology	1,074,172				1,074,172
Plant Operations and Maintenance	7,595,315				7,595,315
Pupil Transportation	3,492,417				3,492,417
Unallocated Benefits	23,370,129				23,370,129
Debt Service:					
Principal				2,739,000	2,739,000
Interest and Other Charges				1,182,876	1,182,876
Capital Outlay	1,496,903		\$ 3,599,613		5,096,516
Transfer of Funds to Charter Schools	250,043				250,043
Total Expenditures	94,983,637	2,803,343	3,599,613	3,921,876	105,308,469
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	5,991,399		(3,599,613)	(42,366)	2,349,420
OTHER FINANCING SOURCES/(USES)					
Capital Leases (non-budgeted)	666,230				666,230
Notes Funded by Budget Appropriation			509,000		509,000
Transfers In	108,837		1,612,000	2,855	1,723,692
Transfers Out	(1,612,000)		(111,692)		(1,723,692)
Total Other Financing Sources/(Uses)	(836,933)		2,009,308	2,855	1,175,230
Net Change in Fund Balances	5,154,466		(1,590,305)	(39,511)	3,524,650
Fund Balance - July 1	9,790,242		2,407,573	114,418	12,312,233
Fund Balance - June 30	\$ 14,944,708	\$ -0-	\$ 817,268	\$ 74,907	\$ 15,836,883

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ 3,524,650
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlay in the period.		
	Depreciation expense	\$ (2,265,524)
	Capital outlays	<u>4,726,010</u>
		2,460,486
Capital leases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.		(666,230)
Repayment of capital leases is 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.		469,612
Repayment of debt service principal is 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.		2,230,000
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. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).		29,626
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		(2,481,853)
Deferred Outflows:		
Changes in Assumptions		1,825,374
Changes in Proportion		(317)
Difference Between Expected and Actual Experience		548,874
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		(533)
Deferred Inflows:		
Changes in Proportion		(1,133,663)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		853,293
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used/(paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		10,395
The governmental funds report the effect of bond issuance premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (+)		84,864
The governmental funds report the effect of the deferred amount on refunding when debt is first issued, whereas this amount is deferred and amortized in the statement of activities (-)		<u>(71,430)</u>
Change in Net Position of Governmental Activities (A-2)		<u>\$ 7,683,148</u>

Exhibit B-4

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Business-Type Activities		
	Enterprise Funds		Total All Funds
	Food Service Major Fund	Total Non-Major Funds	
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 352,680	\$ 6,504	\$ 359,184
Accounts Receivable:			
Interfund - Student Activities Agency Fund		545	545
Other Governments:			
Federal	94,893		94,893
State	3,901		3,901
Inventories	36,136		36,136
Total Current Assets	487,610	7,049	494,659
Non-Current Assets:			
Capital Assets	405,875		405,875
Less: Accumulated Depreciation	(95,521)		(95,521)
Total Non-Current Assets	310,354		310,354
Total Assets	797,964	7,049	805,013
LIABILITIES:			
Current Liabilities:			
Payable to State Government	5		5
Payable to Federal Government	953		953
Accounts Payable	6,568	1,232	7,800
Unearned Revenue	37,952		37,952
Total Current Liabilities	45,478	1,232	46,710
Total Liabilities	45,478	1,232	46,710
NET POSITION:			
Investment in Capital Assets	310,354		310,354
Unrestricted	442,132	5,817	447,949
Total Net Position	\$ 752,486	\$ 5,817	\$ 758,303

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-5

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Business-Type Activities		
	Enterprise Funds		
	Food Service Major Fund	Total Non-Major Funds	Total All Funds
Operating Revenue:			
Charges for Services:			
Daily Sales:			
Reimbursable Programs	\$ 512,557		\$ 512,557
Non-Reimbursable Programs	326,231		326,231
Daily Sales Total	838,788		838,788
Special Events	15,206		15,206
Program Fees		\$ 50,311	50,311
Total Operating Revenue	853,994	50,311	904,305
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	1,006,995		1,006,995
Non-Reimbursable Programs	129,060		129,060
Cost of Sales Total	1,136,055		1,136,055
Salaries	645,023	45,978	691,001
Payroll Taxes	96,651		96,651
Employee Benefits	80,580		80,580
Management Fee	60,000		60,000
Supplies and Materials	273,157	4,470	277,627
Depreciation Expense	19,518		19,518
Total Operating Expenses	2,310,984	50,448	2,361,432
Operating Loss	(1,456,990)	(137)	(1,457,127)
Non-Operating Revenue:			
Federal Sources:			
School Breakfast Program	132,170		132,170
National School Lunch Program	1,207,073		1,207,073
Food Distribution Program	176,349		176,349
State Sources:			
School Lunch Program	27,671		27,671
School Lunch Program - Supplemental	2,015		2,015
Total Non-Operating Revenue	1,545,278		1,545,278
Change in Net Position	88,288	(137)	88,151
Net Position - Beginning of Year	664,198	5,954	670,152
Net Position - End of Year	\$ 752,486	\$ 5,817	\$ 758,303

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-6

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Business-Type Activities		
	Enterprise Funds		
	Food Service Major Fund	Total Non-Major Funds	Total All Funds
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 892,231	\$ 30,836	\$ 923,067
Payments to Employees		(45,978)	(45,978)
Payments to Food Service Vendor	(1,934,548)		(1,934,548)
Payments to Suppliers	(205,449)	(3,783)	(209,232)
Net Cash Used for Operating Activities	(1,247,766)	(18,925)	(1,266,691)
Cash Flows from Capital Financing Activities:			
Acquisition of Capital Assets	(252,592)		(252,592)
Net Cash Used for Capital Financing Activities	(252,592)		(252,592)
Cash Flows from Noncapital Financing Activities:			
Federal Sources	1,346,253		1,346,253
State Sources	28,539		28,539
Net Cash Provided by Noncapital Financing Activities	1,374,792		1,374,792
Net Decrease in Cash and Cash Equivalents	(125,566)	(18,925)	(144,491)
Cash and Cash Equivalents, July 1	478,246	503,675	981,921
Cash and Cash Equivalents, June 30	\$ 352,680	\$ 484,750	\$ 837,430
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:			
Operating Loss	\$ (1,456,990)	\$ (137)	\$ (1,457,127)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:			
Depreciation	19,518		19,518
Federal Food Distribution Program	176,349		176,349
Changes in Assets and Liabilities:			
Decrease in Other Accounts Receivable	285		285
(Increase) in Interfund Receivable		(545)	(545)
(Increase) in Inventory	(31,448)		(31,448)
Increase in Accounts Payable	6,568	1,232	7,800
(Decrease) in Unearned Revenue	37,952	(19,475)	18,477
Net Cash Used for Operating Activities	\$ (1,247,766)	\$ (18,925)	\$ (1,266,691)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$176,349 for the fiscal year ended June 30, 2016.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-7

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2016

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ASSETS:			
Cash and Cash Equivalents	\$ 1,151,239	\$ 774,893	\$ 86,421
Interfund Receivable		30,248	
Total Assets	<u>1,151,239</u>	<u>805,141</u>	<u>86,421</u>
LIABILITIES:			
Interfund Payable	50,323		
Payroll Deductions and Withholdings	785,950		
Due to Student Groups	314,966		
Total Liabilities	<u>1,151,239</u>	<u>-0-</u>	<u>-0-</u>
NET POSITION:			
Held in Trust for:			
Unemployment Claims		805,141	
Scholarships			86,421
Total Net Position	<u>\$ -0-</u>	<u>\$ 805,141</u>	<u>\$ 86,421</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-8

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ADDITIONS:		
Contributions:		
Plan Member	\$ 92,430	
Employer	200,000	
Donations		\$ 6,435
Total Contributions	<u>292,430</u>	<u>6,435</u>
Investment Earnings:		
Interest		<u>12</u>
Net Investment Earnings		<u>12</u>
Total Additions	<u>292,430</u>	<u>6,447</u>
DEDUCTIONS:		
Quarterly Contribution Reports and Unemployment Claims	115,861	
Scholarships Awarded		<u>16,149</u>
Total Deductions	<u>115,861</u>	<u>16,149</u>
Change in Net Position	176,569	(9,702)
Net Position - Beginning of the Year	<u>628,572</u>	<u>96,123</u>
Net Position - End of the Year	<u>\$ 805,141</u>	<u>\$ 86,421</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of Bloomfield Township School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

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. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include nine elementary schools, one middle school and one high school which comprise the Bloomfield Township School District. 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.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses in the program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

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 - *governmental, 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 District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported 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 NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by Board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure 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 temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

The District reports the following proprietary funds:

Enterprise Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria, Innovation Summer Institute and Summer Arts Program operations. The food service, Innovation Summer Institute and Summer Arts Program are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, Payroll Agency Fund, Unemployment Insurance Trust Fund (SUI), and the Private Purpose Scholarship Trust.

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, 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.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2016 was submitted to the County office and was approved by the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the fiscal year).

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the 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 revenue, whereas the GAAP basis does not. Additionally, the special revenue budgetary revenue differs from the GAAP revenue due to a difference in the recognition of the last two state aid payments for the current fiscal year. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current fiscal year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants. Grants are recognized in full on the budgetary basis in the year the grants are awarded, but are not recognized on the GAAP basis until they are expended and submitted for reimbursement.

	General Fund	Special Revenue Fund
	<hr/>	<hr/>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 100,946,039	\$ 2,815,697
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP basis does not.		
Current Year Encumbrances		(18,966)
Prior Year Encumbrances		6,612
Prior Year State aid payments recognized for GAAP statements, not recognized for budgetary purposes	2,006,058	
Current Year State aid payments recognized for budgetary purposes, not recognized for GAAP statements	<hr/> (1,977,061)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<hr/> <hr/> \$ 100,975,036	<hr/> <hr/> \$ 2,803,343

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 94,983,637	\$ 2,815,697
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		(18,966)
Prior Year Encumbrances		6,612
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 94,983,637</u>	<u>\$ 2,803,343</u>
	<u>Capital Projects Fund</u>	
	<u>Fund</u>	
	<u>Balance</u>	
Summary Schedule of Revenue, Expenditures and Changes in Fund Balance (Budgetary Basis) (per Exhibit F-1)	\$ 852,012	
Reconciliation to Governmental Funds Statement (GAAP):		
SDA Grants are Recognized as Revenue on the Budgetary Basis when awarded but are not Reconized on the GAAP Basis until Expended and Submitted for Reimbursement.		(34,744)
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds (GAAP Basis) (per Exhibit B-2)	<u>\$ 817,268</u>	

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a 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 of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Government Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. 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 the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. 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 restricted, committed or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue 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.

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise and general funds represent payments made to vendors for services that will benefit periods beyond June 30, 2016.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets:

During the fiscal year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost, including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	20 to 50 years
Land Improvements	20 years
Machinery and Equipment	5 to 15 years
Vehicles	8 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond issuance premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages as of June 30, 2016.

N. Compensated Absences:

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

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

N. Compensated Absences: (Cont'd)

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

In the District-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due beyond one year.

O. Unearned Revenue:

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

P. Fund Balance Appropriated:

General Fund: Of the \$14,944,708 General Fund balance at June 30, 2016, \$9,036,520 is restricted in the capital reserve account; \$4,718,353 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) (\$2,207,910 is prior year excess surplus which is included as anticipated budget revenue for the fiscal year ending June 30, 2017 and \$2,510,443 is current year excess surplus which will be appropriated and included as anticipated revenue for the fiscal year ending June 30, 2018); \$908,261 is assigned for encumbrances; and \$281,574 is unassigned which is \$1,977,061 less on the GAAP basis than the calculated maximum unassigned fund balance (budgetary basis) due to the June state aid payments which are not recognized until the fiscal year ended June 30, 2017.

Capital Projects Fund: The \$817,268 Capital Projects Fund balance at June 30, 2016 is committed, which is \$34,744 less on the GAAP basis due to SDA grants receivable which is not recognized on the GAAP basis of accounting until expended and submitted for reimbursement.

Debt Service Fund: The Debt Service Fund balance at June 30, 2016 of \$74,907 is restricted.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Restricted 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 restrict General 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 fiscal year's budget. The District has excess surplus at June 30, 2016 as outlined above.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated: (Cont'd)

The District's fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$1,977,061 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, 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 payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

Q. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, a capital reserve and the debt service fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources in the Capital Projects Fund at June 30, 2016.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for fiscal year-end encumbrances at June 30, 2016.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

R. Deficit Net Position/Fund Balance:

The District has a \$22,420,471 deficit in unrestricted net position in governmental activities as of June 30, 2016 primarily due to the non-recognition of the June state aid payments as explained in Note 1P on the previous page, the accrual of \$1,379,388 in compensated absences payable, \$372,732 in accrued interest payable, \$1,103,232 of unamortized bond issuance premiums, investment gains in pensions of \$369,914, changes in proportion in pensions of \$1,133,663, and net pension liability of \$23,091,870, offset by the \$928,590 deferred amount on refunding, changes in pension assumptions of \$645,431, changes in proportion in pensions of \$1,412, the difference between expected and actual experience in pensions of \$548,874, investment losses in pensions of \$2,134, and governmental funds committed, assigned and unassigned fund balances. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

S. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2016 for the deferred amount on refunding of debt related to the District's 2011 refunding bonds, and, with regard to pensions, changes in assumptions, changes in proportion, the difference between expected and actual experience, and the District contribution subsequent to measurement date.

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows of resources at June 30, 2016, with regard to pensions, for changes in proportion and the net difference between projected and actual investment earnings on plan investments.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Revenue - Exchange and Nonexchange 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the 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 fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activities of the Enterprise Funds. For the School District, these revenues are sales for food service and fees for the innovation summer institute and summer arts program. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

V. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

W. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of New Jersey Public Employees' Retirement System (PERS), the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and the Board of Education Employees' Pension Fund of Essex County (the Plan) and additions to/deductions from the PERS's, the TPAF's and the Plan's net position have been determined on the same basis as they are reported by the PERS, the TPAF and the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Board ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Board limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below and on the following page.

Custodial Credit Risk – The District does not have a formal policy with respect to custodial credit risk. However, the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the District to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2016, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents		
		Restricted Capital Reserve Account	Total
Checking Accounts	\$ 8,650,457	\$ 9,036,520	\$ 17,686,977

During the period ended June 30, 2016, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2016 was \$17,686,977 and the bank balance was \$18,926,206.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board on September 26, 2000 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.

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 State Department of Education, 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 fiscal year-end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, 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, 2015 to June 30, 2016 fiscal year is as follows:

Beginning Balance, July 1, 2015	\$ 6,539,683
Increase Approved by Board Resolution June 24, 2016	4,000,000
Withdrawals Approved by Board Resolution :	
Capital Projects Fund	(1,612,000)
Unexpended Balances Returned - Capital Projects Fund	<u>108,837</u>
Ending Balance, June 30, 2016	<u><u>\$ 9,036,520</u></u>

The balance in the capital reserve account at June 30, 2016 does not exceed the balance of local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5. RECEIVABLES FROM OTHER GOVERNMENTS

The following receivables due from other governments existed as of June 30, 2016:

	<u>Governmental Activities</u>			<u>Business-Type</u>
	<u>General</u>	<u>Special</u>	<u>Total</u>	<u>Activities</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Governmental</u>	<u>Proprietary</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
Federal	\$ 4,052	\$ 1,263,141	\$ 1,267,193	\$ 94,893
State	969,413		969,413	3,901
	<u>\$ 973,465</u>	<u>\$ 1,263,141</u>	<u>\$ 2,236,606</u>	<u>\$ 98,794</u>

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2016, the District transferred \$194,730 to the capital outlay accounts for equipment for which County Superintendent approval was not required.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the fiscal year ended June 30, 2016 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 15,902,555			\$ 15,902,555
Total Capital Assets Not Being Depreciated	<u>15,902,555</u>			<u>15,902,555</u>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	95,758,094	\$ 2,345,661		98,103,755
Land Improvements	6,224,370	327,913		6,552,283
Machinery and Equipment	4,424,403	2,052,436	\$ (113,000)	6,363,839
Total Capital Assets Being Depreciated	<u>106,406,867</u>	<u>4,726,010</u>	<u>(113,000)</u>	<u>111,019,877</u>
Governmental Activities Capital Assets	<u>122,309,422</u>	<u>4,726,010</u>	<u>(113,000)</u>	<u>126,922,432</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(25,575,002)	(1,864,648)		(27,439,650)
Land Improvements	(2,334,140)	(319,415)		(2,653,555)
Machinery and Equipment	(2,657,162)	(81,461)	113,000	(2,625,623)
	<u>(30,566,304)</u>	<u>(2,265,524)</u>	<u>113,000</u>	<u>(32,718,828)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 91,743,118</u>	<u>\$ 2,460,486</u>	<u>\$ -0-</u>	<u>\$ 94,203,604</u>
	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 153,283	\$ 252,592		\$ 405,875
Less Accumulated Depreciation	(76,003)	(19,518)		(95,521)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 77,280</u>	<u>\$ 233,074</u>	<u>\$ -0-</u>	<u>\$ 310,354</u>

The increases totaling \$4,978,602 represent current fiscal year capitalized expenditures in the general fund, capital projects fund and the food service enterprise fund.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 178,868
General Administrative Services	19,787
Plant Operations and Maintenance	22,024
Pupil Transportation	54,720
Unallocated	<u>1,990,125</u>
	<u>\$ 2,265,524</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2016, the following changes occurred in liabilities reported in the District-wide financial statements:

	Balance 6/30/2015	Issued/ Added	Retired/ Matured	Balance 6/30/2016
Serial Bonds Payable	\$28,475,000		\$ 2,230,000	\$ 26,245,000
Unamortized Bond Issuance Premiums	1,188,096		84,864	1,103,232
Capital Leases Payable	492,122	\$ 666,230	469,612	688,740
Net Pension Liability	20,610,017	2,481,853		23,091,870
Compensated Absences Payable	1,389,783	53,490	63,885	1,379,388
	<u>\$52,155,018</u>	<u>\$ 3,201,573</u>	<u>\$ 2,848,361</u>	<u>\$ 52,508,230</u>

A. Bonds Payable:

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 and will be liquidated through the debt service fund.

The District had bonds outstanding as of June 30, 2016 as follows:

Purpose	Date of Issue	Final Maturity	Interest Rate	Amount
School Refunding Bonds	06/02/09	03/01/19	4.00%	\$ 1,920,000
School Refunding Bonds	09/02/11	09/01/28	3.00% - 5.00%	24,325,000
				<u>\$26,245,000</u>

Principal and interest due on the District's serial bonds outstanding is as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2017	\$ 2,255,000	\$ 1,103,850	\$ 3,358,850
2018	2,275,000	1,012,900	3,287,900
2019	2,315,000	912,450	3,227,450
2020	1,760,000	818,550	2,578,550
2021	1,840,000	737,350	2,577,350
Thereafter:			
2022-2026	9,930,000	2,261,025	12,191,025
2027-2029	5,870,000	350,600	6,220,600
	<u>\$26,245,000</u>	<u>\$ 7,196,725</u>	<u>\$ 33,441,725</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

B. Bonds Authorized But Not Issued:

As of June 30, 2016, the Board had no bonds authorized but not issued.

C. Capital Leases Payable:

In fiscal year 2016, the District entered into a \$666,230 three year capital lease agreement for technology equipment. As of June 30, 2016, the District has two capital leases payable for technology equipment that originally totaled \$1,407,913 of which \$719,173 has been liquidated. Both leases are for three years with the final payments occurring in fiscal years 2016-17 and 2017-18. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2016.

<u>Year</u>	<u>Amount</u>
2017	\$ 475,000
2018	225,000
	<u>700,000</u>
Less: Amount representing interest	(11,260)
	<u><u>\$ 688,740</u></u>

The current portion of capital leases payable at June 30, 2016 is \$466,627 and the long-term portion is \$222,113. Capital leases payable will be liquidated by the General Fund.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The entire amount of compensated absences payable at June 30, 2016 of \$1,379,388 is a long-term liability. There is no current portion of the payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2016, no liability existed for compensated absences in the Proprietary Funds.

E. Unamortized Bond Issuance Premiums:

The liability for unamortized bond issuance premiums of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of unamortized bond issuance premiums at June 30, 2016 is \$84,864 and the long-term portion is \$1,018,368.

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2016 is \$-0- and the long-term portion is \$23,091,870. See Note 9 for further information on the PERS.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

F. Net Pension Liability: (Cont'd)

The Board of Education Employees' Pension Fund of Essex County's (the Plan) net pension liability of the governmental fund types are recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2016 is \$-0- and the long-term portion is \$84,530. See Note 9 for further information on the Plan.

NOTE 9. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP). A small number of the District's retirees participate in the Board of Education Employees' Pension Fund of Essex County (the "Plan").

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to 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 members 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 50 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.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$881,154 for fiscal year 2016.

The employee contribution rate was 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

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

At June 30, 2016, the District reported a liability of \$23,007,340 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. 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 members, actuarially determined. At June 30, 2015, the District's proportion was 0.1025%, which was a decrease of 0.0071% from its proportion measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$1,269,415. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources on the following page.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

	<u>Amortization Period</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions:			
2014	6.44 years	\$ 492,492	
2015	5.72 years	1,978,313	
Subtotal		<u>2,470,805</u>	
Changes in Proportion:			
2014	6.44 years	1,412	
2015	5.72 years		<u>\$ 1,133,663</u>
Difference Between Expected and Actual Experience - 2015			
	5.72 years	<u>548,874</u>	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:			
2014	5 years		857,682
2015	5 years		<u>(487,768)</u>
Subtotal			<u>369,914</u>
District Contribution Subsequent to the Measurement Date - 2015			
	1 year	<u>897,973</u>	
		<u>\$ 3,919,064</u>	<u>\$ 1,503,577</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and District contribution subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2016	\$ 482,391
2017	482,391
2018	482,391
2019	768,284
2020	434,308
	<u>\$ 2,649,765</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	3.04%
Salary Increases:	
2012-2021	2.15 – 4.40% based on age
Thereafter	3.15 – 5.40% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback one year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.90% at June 30, 2015) 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 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' target asset allocation as of June 30, 2015 are summarized in the table on the following page.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex. U.S.	3.50%	-0.40%
REIT	4.25%	5.12%

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9% and a municipal bond rate of 3.80% as of June 30, 2015 based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2015 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Fiscal Year Ended June 30, 2015		
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
District's proportionate share of the Net Pension Liability	\$ 28,595,308	\$ 23,007,340	\$ 18,322,427

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

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 always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts. The following represents the membership tiers for TPAF:

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

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarially determined amount.

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, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2016, the State of New Jersey contributed \$2,829,454 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$14,519,807.

The employee contribution rate was 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

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

At June 30, 2016, the State's proportionate share of the net pension liability associated with the District was \$237,799,612. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. 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 members, actuarially determined. At June 30, 2015, the District's proportion was 0.3762%, which was a decrease of 0.0134% from its proportion measured as of June 30, 2014.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>237,799,612</u>
Total	<u><u>\$ 237,799,612</u></u>

For the fiscal year ended June 30, 2015, the State recognized pension expense on behalf of the District in the amount of \$14,519,807 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2016 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the sources on the following page.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

	<u>Amortization Period</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions:			
2014	8.5 years	\$ 1,999,074,013	
2015	8.3 years	5,201,079,373	
Difference Between Expected and Actual Experience:			
2014	8.5 years		\$ 19,039,817
2015	8.3 years	321,224,871	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:			
2014	5 years		1,305,927,430
2015	5 years		(770,568,242)
		<u>\$ 7,521,378,257</u>	<u>\$ 554,399,005</u>

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2016	\$ 818,433,596
2017	818,433,596
2018	818,433,598
2019	1,253,742,742
2020	1,061,100,680
Thereafter	2,196,835,040
	<u>\$ 6,966,979,252</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. This actuarial valuation used the actuarial assumptions on the following page, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Health Annuitant Mortality Tables for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.90% at June 30, 2015) 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 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, 2015 are summarized in the table on the following page:

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
US Equity Market	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Markets Equity	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds - MultiStrategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 4.13% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9% and a municipal bond rate of 3.80% as of June 30, 2015 based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the average of the last five years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the State as of June 30, 2015 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Fiscal Year Ended June 30, 2015		
	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 282,615,951	\$ 237,799,612	\$ 199,187,655

Pension Plan Fiduciary Net Position

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

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 Chapter 103, 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.

For DCRP, the District recognized pension expense of \$83,785 for the fiscal year ended June 30, 2016. Employee contributions to DCRP amounted to \$153,606 for the fiscal year ended June 30, 2016.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan)

Plan Description

The Board of Education Employees' Pension Fund of Essex County (the "Plan"), is a multiple-employer contributory defined benefit pension plan that provides pension and life insurance benefits to employees of the Boards of Education within Essex County employed before July 1, 1981, except temporary employees and employees eligible for coverage under any New Jersey State administered pension plan created under prior New Jersey laws. The ECPF became effective April 16, 1929. The Plan provides for retirement, service, and non-service connected death and disability benefits for its members. The Plan is governed by New Jersey Statutes under Title 18A, and is administered by a Board of Trustees for the Plan who is also responsible for the management and investment of Plan assets. The Board of Trustees consists of one active and five retired elected Plan members.

Pursuant to New Jersey Public Law enacted in 1980, members were given the option to transfer their membership in the Plan to the PERS. Approximately 2,775 members, 58% of the membership, elected to transfer to PERS effective July 1, 1981. The Plan is closed to new entrants.

Benefits Provided

Regular service retirement benefits are determined as $1/45^{\text{th}}$ of the highest 3 year average salary multiplied by the member's years of credited service. A member may elect early retirement benefits if they are under age 60 and have at least 25 years of credited service. The Plan also offers a special veterans benefit, disability and deferred benefits. Group life insurance benefits and death benefits are available to be paid to beneficiaries if elected by the member.

For more complete information about the Plan agreement and vesting and benefit provisions, participants are referred to the pamphlet, *A Summary of Benefits*. Copies of this pamphlet are available from the Pension Fund Administration Office.

Contributions

Contributions are made by the members at 3%, the maximum contribution rate required by statute, of their annual compensation. Contributions made by the Boards are determined annually based upon actuarial valuations. The Boards are required to reimburse the Plan for administrative expenses and cost of living increases associated with its retirees. Plan provisions and contribution requirements are established by New Jersey state statute assets. District contributions to the Plan amounted to \$12,426 for fiscal year 2016.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

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

At June 30, 2016, the District reported a liability of \$84,530 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. 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 members, actuarially determined. The District rolled forward the net pension liability to June 30, 2016 with no adjustments. At June 30, 2015, the District's proportion was 0.219%, which was an increase of 0.003% from its proportion measured as of June 30, 2014. The District utilized the proportion at June 30, 2015 for June 30, 2016 as there were no known changes to the proportion as of June 30, 2016.

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$12,959. At June 30, 2016, the District reported deferred outflows of resources related to pensions from the sources noted in the table below. For the fiscal year ended June 30, 2016 the deferred outflow of resources for the net difference between projected and actual investment earnings on pension plan investments at June 30, 2015 was amortized by the amount to be amortized for the fiscal year ended June 30, 2016 per the June 30, 2015 actuarial valuation. There were no deferred inflows of resources.

	<u>Amortization Period</u>	<u>Deferred Outflows of Resources</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	5 years	\$ 2,134
District Contribution Subsequent to the Measurement Date	1 year	<u>10,728</u>
		<u>\$ 12,862</u>

The amounts reported as a deferred outflows of resources related to pensions (excluding District contribution subsequent to the measurement date) will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2017	\$ 534
2018	533
2019	533
2020	<u>534</u>
	<u>\$ 2,134</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.30%
Salary Increases	4.50%
Investment Rate of Return, net of Plan investment expense, including inflation	7.00%
Cost of Living Adjustments ("COLA")	3.00%

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 separate annuitant and non-annuitant tables with static projections using Scale AA through the valuation year plus 7 years for annuitants and the valuation year plus 15 years for no annuitants. For disabled retirees, mortality rates are based on the 1994 Group Annuity Mortality Table set forward 10 years.

No changes to the actuarial assumptions as of June 30, 2015 are known as of June 30, 2016 so the actuarial assumptions as of June 30, 2015 were utilized for June 30, 2016.

Long Term Expected Rate of Return

The long-term rate of return on pension plan investments 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 weighing 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 including in the Plan's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>
U.S. Fixed Income	40.00%	1.60%
U.S. Large CAP Equities	50.00%	6.70%
U.S. Small CAP Equities	10.00%	6.70%

* - Net of 2.6% inflation assumption

No changes to the long term expected rate of return as of June 30, 2015 are known as of June 30, 2016 so the discount rate as of June 30, 2015 was utilized for June 30, 2016.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2015. No changes to the discount rate as of June 30, 2015 are known as of June 30, 2016 so the discount rate as of June 30, 2015 was utilized for June 30, 2016. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the actuarially determined amount, including the reimbursement of administrative expenses and COLA payments. 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 periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2015 calculated using the discount rate of 7%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Fiscal Year Ended June 30, 2016		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 115,036	\$ 84,530	\$ 58,134

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

NOTE 10. POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990 c.6 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. Chapter 103 of Public Law amended the law to eliminate the funding of post-retirement medical benefits through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides employer paid benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

The State's on-behalf Post-Retirement Medical Contributions to TPAF for the District amounted to \$3,369,098, \$3,229,120 and \$2,702,608 for 2016, 2015 and 2014, respectively.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 11. 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. The District has health benefits coverage for its employees under the State of New Jersey Employees' Health Benefit Plan.

Property, Liability and Health Benefits - Insurance

A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the New Jersey Schools Insurance Group ("NJSIG"). This public entity risk management pool provided general liability, property and automobile coverage for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The NJSIG is a risk-sharing public entity risk pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the NJSIG are elected.

As a member of the NJSIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the NJSIG were to be exhausted, members would become responsible for their respective shares of the NJSIG's liabilities. The NJSIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Selected, summarized financial information for the NJSIG as of June 30, 2016 is as follows:

	<u>New Jersey Schools Insurance Group</u>
Total Assets	\$ 311,014,416
Net Position	\$ 68,222,364
Total Revenue	\$ 124,872,219
Total Expenses	\$ 113,965,181
Member Dividends	\$ -0-
Change in Net Position for the Year Ended June 30, 2016	\$ 10,907,038

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits – Insurance (Cont'd)

Financial statements for the NJSIG are available at the NJSIG's Executive Director's Office:

New Jersey Schools Insurance Group
6000 Midlantic Drive
Suite 300 North
Mount Laurel, NJ 08054
(609) 386-6060
www.njsig.org

Workers' Compensation Insurance

The Bloomfield Township School District is a member of the Diploma Joint Insurance Fund (the "Fund") through which the District is provided workers' compensation coverage. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The Fund is a risk-sharing public entity risk pool that is an insured and self-administered groups of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of the Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Selected, summarized financial information for the Fund as of June 30, 2016 is as follows:

	<u>Diploma Joint Insurance Fund</u>
Total Assets	<u>\$ 13,469,440</u>
Net Position	<u>\$ 6,476,079</u>
Total Revenue	<u>\$ 7,103,819</u>
Total Expenses	<u>\$ 5,999,793</u>
Member Dividends	<u>\$ -0-</u>
Change in Net Position for the Year Ended June 30, 2016	<u>\$ 1,104,026</u>

Financial statements for the Fund are available at the Fund's Executive Directors' Office:

Public Entity Group Administrative Services (PEGAS)
51 Everett Drive, Suite 40-B
West Windsor, NJ 08550
(609) 275-1140

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

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, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two fiscal years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015-2016	\$ 200,000	\$ -0-	\$ 92,430	\$ 115,861	\$ 805,141
2014-2015	215,110	-0-	91,362	123,812	628,572
2013-2014	311,517	-0-	83,138	188,411	445,912

NOTE 12. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 13. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The following interfund balances remained on the balance sheet at June 30, 2016:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$1,109,583	
Special Revenue Fund		\$1,090,053
Capital Projects Fund		2,855
Debt Service Fund	2,855	
Proprietary Funds - Summer Arts Program Enterprise Fund	545	
Fiduciary Funds:		
Student Activity Agency		545
Payroll Agency		49,778
Unemployment Compensation Trust	30,248	
	<u>\$1,143,231</u>	<u>\$1,143,231</u>

The General Fund interfund receivable of \$1,109,583 is comprised of a \$1,090,053 interfund loan due from the Special Revenue Fund due to the timing lag between requests for reimbursement and actual receipt of federal grant funds from the State and a \$19,530 interfund due from Payroll Agency. The Unemployment Compensation Trust receivable of \$30,248 is due from Payroll Agency for employee unemployment contributions not transferred as of June 30, 2016.

During the fiscal year, the General Fund transferred \$1,612,000 to the Capital Projects Fund for the local share of capital projects, and the Capital Projects Fund transferred unexpended project balances canceled of \$108,837 to the General Fund and \$2,855 to the Debt Service Fund.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 14. 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, permit participants to defer a portion of their salary until future fiscal years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

The plan administrators are as follows:

403(b)

The Variable Annuity Life Insurance Company
Metropolitan Life Insurance Company
First Investors Corporation
Lincoln Financial Group
AXA Equitable

NOTE 15. TAX CALENDAR

Property taxes are levied by the District's constituent municipality as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the School District on a predetermined mutually agreed-upon schedule.

NOTE 16. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2016:

	<u>Governmental Funds</u>			District Contribution Subsequent	Total Governmental Activities
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	to Measurement Date	
Salaries	\$ 72,496	\$ 29,505			\$ 102,001
Vendors	521,225	9,936	\$ 901,271		1,432,432
Due to:					
Other Governmental Units	110,666	40,613			151,279
State of New Jersey		117,676		\$ 908,701	1,026,377
	<u>\$ 704,387</u>	<u>\$ 197,730</u>	<u>\$ 901,271</u>	<u>\$ 908,701</u>	<u>\$ 2,712,089</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 16. ACCOUNTS PAYABLE (Cont'd)

The following accounts payable balances existed as of June 30, 2016: (Cont'd)

	Business-type Activities			Total Proprietary Funds
	Food Service	Summer Arts Program	Innovation Summer Institute	
Vendors	\$ 6,568		\$ 687	\$ 7,255
Deficit in Cash and Cash Equivalents		\$ 545		545
	\$ 6,568	\$ 545	\$ 687	\$ 7,800

NOTE 17. CONTINGENCIES

Litigation

The Board is periodically involved in claims and lawsuits arising in the normal course of business. The Board does not believe that the ultimate outcome of these claims will have a material adverse effect on the District's financial position.

Grant Programs

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

Encumbrances

At June 30, 2016, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

Governmental Funds			
General	Special Revenue	Capital Projects	Total
\$ 908,261	\$ 18,966	\$ 788,000	\$ 1,715,227

On the District's Governmental Funds Balance Sheet as of June 30, 2016, \$-0- is assigned for encumbrances in the Special Revenue Fund, which is \$18,966 less than the actual encumbrances on a budgetary basis. On the GAAP basis in the Special Revenue Fund, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue. The \$788,000 of fiscal year-end encumbrances in the Capital Projects Fund on a budgetary basis are included in the \$817,268 committed fund balance on a GAAP basis at June 30, 2016.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

L-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2015</u>	<u>2016</u>
District's proportion of the net pension liability	0.1096286768%	0.1024917301%
District's proportionate share of the net pension liability	\$ 20,525,487	\$ 23,007,340
District's covered employee payroll	\$ 7,034,885	\$ 7,018,022
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	291.77%	327.83%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

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BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$ 903,763	\$ 881,154
Contributions in relation to the contractually required contribution	<u>(903,763)</u>	<u>(881,154)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 7,018,022	\$ 6,637,338
Contributions as a percentage of covered employee payroll	12.88%	13.28%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

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BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2015</u>	<u>2016</u>
State's proportion of the net pension liability attributable to the District	0.3896332835%	0.3762397877%
State's proportionate share of the net pension liability attributable to the District	\$ 208,246,309	\$ 237,799,612
District's covered employee payroll	\$ 35,251,204	\$ 37,399,704
State's proportionate share of the net pension liability attributable to the District as a percentage of District's covered employee payroll	590.75%	635.83%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

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BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2015</u>	<u>2015</u>
Contractually required contribution	\$ 11,205,607	\$ 14,519,807
Contributions in relation to the contractually required contribution	<u>(2,034,090)</u>	<u>(2,829,454)</u>
Contribution deficiency/(excess)	<u>\$ 9,171,517</u>	<u>\$ 11,690,353</u>
District's covered employee payroll	\$ 37,399,704	\$ 39,544,717
Contributions as a percentage of covered employee payroll	29.96%	36.72%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

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TOWNSHIP OF BLOOMFIELD SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY
LAST TWO FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,	
	2015	2016
District's Proportion of the Net Pension Liability	0.2194514%	0.2194514%
District's Proportionate Share of the Net Pension Liability	\$ 84,530	\$ 84,530
District's Covered Employee Payroll	\$ -0-	\$ -0-
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	0.00%	0.00%
Plan Fiduciary Net Position (*) as a Percentage of the Total Pension Liability	76.05%	76.05%

* - Fiduciary Net Position Excludes an Amount Designated for Insurance Benefits of \$19,628,046 for the fiscal years ending June 30, 2016 and 2015.

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

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TOWNSHIP OF BLOOMFIELD SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2015</u>	<u>2016</u>
Contractually Required Contribution	\$ 12,844	\$ 12,426
Contributions in Relation to the Contractually Required Contribution	<u>(12,844)</u>	<u>(12,426)</u>
Contribution Deficiency (Excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's Covered Employee Payroll	\$ -0-	\$ -0-
Contributions as a Percentage of Covered Employee Payroll	0.00%	0.00%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.39% as of June 30, 2014 to 4.90% as of June 30, 2015. The inflation rate changed from 3.01% as of June 30, 2014 to 3.04% as of June 30, 2015.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.68% as of June 30, 2014 to 4.13% as of June 30, 2015.

C. BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY

Benefit Changes

There were none known.

Changes of Assumptions

No change to the actuarial assumptions as of June 30, 2015 are known as of June 30, 2016 so the actuarial assumptions as of June 30, 2015 were utilized for June 30, 2016.

**BUDGETARY COMPARISON SCHEDULES
(UNAUDITED)**

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 69,155,550		\$ 69,155,550	\$ 69,155,550	
Tuition from Other LEA's	150,000		150,000	398,934	\$ 248,934
Other Restricted Miscellaneous Revenues	186,547		186,547	526,229	339,682
Total - Local Sources	69,492,097		69,492,097	70,080,713	588,616
State Sources:					
Transportation Aid	200,619		200,619	200,619	
Special Education Categorical Aid	3,681,307		3,681,307	3,681,307	
Equalization Aid	15,125,042		15,125,042	15,125,042	
Categorical Security Aid	1,192,046		1,192,046	1,192,046	
Nonpublic School Transportation Costs				58,116	58,116
Extraordinary Special Education Costs Aid	300,000		300,000	764,422	464,422
Under Adequacy Aid	500,000		500,000	500,000	
Per Pupil Growth Aid	63,400		63,400	63,400	
PARCC Readiness Aid	63,400		63,400	63,400	
On-Behalf TPAF Contributions:					
Post Retirement Medical (Non-Budgeted)				3,369,098	3,369,098
Pension (Non-Budgeted)				2,829,454	2,829,454
Reimbursed TPAF Social Security (Non-Budgeted)				2,926,018	2,926,018
Total State Sources	21,125,814		21,125,814	30,772,922	9,647,108
Federal Sources:					
Medicaid Reimbursement (SEMI)	129,921		129,921	92,404	(37,517)
Total Federal Sources	129,921		129,921	92,404	(37,517)
TOTAL REVENUES	90,747,832		90,747,832	100,946,039	10,198,207

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 1,952,683	\$ 65,752	\$ 2,018,435	\$ 1,779,694	\$ 238,741
Grades 1-5 - Salaries of Teachers	8,903,890	(313,587)	8,590,303	8,400,492	189,811
Grades 6-8 - Salaries of Teachers	5,003,689	46,085	5,049,774	4,922,963	126,811
Grades 9-12 - Salaries of Teachers	9,101,983	51,214	9,153,197	8,984,216	168,981
Regular Programs - Home Instruction:					
Salaries of Teachers	125,000		125,000	112,813	12,187
Purchased Professional - Educational Services	108,274		108,274	80,777	27,497
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	321,042	(83,547)	237,495	214,588	22,907
Purchased Professional - Educational Services	42,400	5,380	47,780	47,030	750
Other Purchased Services (400-500 series)	842,644	(12,251)	830,393	792,655	37,738
General Supplies	1,863,916	(478,550)	1,385,366	1,112,363	273,003
Textbooks	439,632	482,199	921,831	401,003	520,828
Other Objects	10,240	(684)	9,556	1,240	8,316
Total Regular Programs - Instruction	<u>28,715,393</u>	<u>(237,989)</u>	<u>28,477,404</u>	<u>26,849,834</u>	<u>1,627,570</u>
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	320,935	(320,935)			
Other Salaries for Instruction	132,000	(132,000)			
Other Purchased Services (400-500 series)	5,000	(5,000)			
General Supplies	17,155	(17,155)			
Total Cognitive - Mild	<u>475,090</u>	<u>(475,090)</u>			

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction: (Cont'd)					
Learning and/or Language Disabilities:					
Salaries of Teachers	\$ 45,800	\$ 526,474	\$ 572,274	\$ 572,274	
Other Salaries for Instruction	91,800	63,720	155,520	128,451	\$ 27,069
Other Purchased Services (400-500 series)		5,000	5,000	2,342	2,658
General Supplies	53,000	23,855	76,855	18,477	58,378
Total Learning and/or Language Disabilities	<u>190,600</u>	<u>619,049</u>	<u>809,649</u>	<u>721,544</u>	<u>88,105</u>
Behavioral Disabilities:					
Salaries of Teachers	338,429	(66,900)	271,529	245,057	26,472
Other Salaries for Instruction	121,380		121,380	100,958	20,422
Total Behavioral Disabilities	<u>459,809</u>	<u>(66,900)</u>	<u>392,909</u>	<u>346,015</u>	<u>46,894</u>
Multiple Disabilities:					
Salaries of Teachers	271,900	8,680	280,580	208,680	71,900
Other Salaries for Instruction	211,140	51,583	262,723	239,337	23,386
General Supplies	15,740		15,740	12,122	3,618
Total Multiple Disabilities	<u>498,780</u>	<u>60,263</u>	<u>559,043</u>	<u>460,139</u>	<u>98,904</u>
Resource Room/Resource Center:					
Salaries of Teachers	5,410,374	(272,049)	5,138,325	5,137,611	714
Other Salaries for Instruction	934,640	(180,438)	754,202	738,699	15,503
General Supplies	23,021	224	23,245	10,287	12,958
Total Resource Room/Resource Center	<u>6,368,035</u>	<u>(452,263)</u>	<u>5,915,772</u>	<u>5,886,597</u>	<u>29,175</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction: (Cont'd)					
Autism:					
Salaries of Teachers	\$ 429,377	\$ (50,998)	\$ 378,379	\$ 351,683	\$ 26,696
Other Salaries for Instruction	277,900	68,728	346,628	316,769	29,859
General Supplies	8,025	1,945	9,970	4,594	5,376
Total Autism	<u>715,302</u>	<u>19,675</u>	<u>734,977</u>	<u>673,046</u>	<u>61,931</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	253,698	4,140	257,838	210,038	47,800
Other Salaries for Instruction	212,160	118,354	330,514	325,962	4,552
General Supplies	26,404	(1,000)	25,404	21,799	3,605
Total Preschool Disabilities - Part-Time	<u>492,262</u>	<u>121,494</u>	<u>613,756</u>	<u>557,799</u>	<u>55,957</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	139,200	128,790	267,990	208,202	59,788
Other Salaries for Instruction	264,180	(124,530)	139,650	139,421	229
Total Preschool Disabilities - Full-Time	<u>403,380</u>	<u>4,260</u>	<u>407,640</u>	<u>347,623</u>	<u>60,017</u>
Total Special Education Instruction	<u>9,603,258</u>	<u>(169,512)</u>	<u>9,433,746</u>	<u>8,992,763</u>	<u>440,983</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	90,400	105,779	196,179	196,179	
Purchased Professional - Educational Services	5,000		5,000		5,000
General Supplies	9,800	210	10,010	4,732	5,278
Total Basic Skills/Remedial - Instruction	<u>105,200</u>	<u>105,989</u>	<u>211,189</u>	<u>200,911</u>	<u>10,278</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 606,685	\$ 32,850	\$ 639,535	\$ 617,292	\$ 22,243
Other Salaries for Instruction	75,000		75,000	36,482	38,518
General Supplies	19,171		19,171	13,494	5,677
Total Bilingual Education - Instruction	<u>700,856</u>	<u>32,850</u>	<u>733,706</u>	<u>667,268</u>	<u>66,438</u>
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	202,854	8,992	211,846	200,043	11,803
Purchased Services (300-500 series)	9,700		9,700	6,700	3,000
Total School-Sponsored Cocurricular Activities - Instruction	<u>212,554</u>	<u>8,992</u>	<u>221,546</u>	<u>206,743</u>	<u>14,803</u>
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	519,579	(974)	518,605	462,535	56,070
Purchased Services (300-500 series)	324,745	(8,588)	316,157	282,744	33,413
Supplies and Materials	80,131	(6,500)	73,631	58,067	15,564
Other Objects	17,790		17,790	17,420	370
Total School-Sponsored Cocurricular Athletics - Instruction	<u>942,245</u>	<u>(16,062)</u>	<u>926,183</u>	<u>820,766</u>	<u>105,417</u>
Community Services Programs/Operations:					
Salaries		185,000	185,000	165,000	20,000
Purchased Services (300-500 series)	185,000	(185,000)			
Total Community Services Programs/Operations	<u>185,000</u>	<u></u>	<u>185,000</u>	<u>165,000</u>	<u>20,000</u>
Total Instruction	<u>40,464,506</u>	<u>(275,732)</u>	<u>40,188,774</u>	<u>37,903,285</u>	<u>2,285,489</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Regular	\$ 112,394	\$ 36,578	\$ 148,972	\$ 148,972	
Tuition to Other LEAs Within the State - Special	660,456	(47,236)	613,220	422,988	\$ 190,232
Tuition to County Vocational Schools - Regular	156,000		156,000	118,220	37,780
Tuition to County Vocational Schools - Special	215,082		215,082	125,635	89,447
Tuition to County Special Services Schools and Regional Day Schools	82,740	380,021	462,761	462,761	
Tuition to Private Schools for the Disabled - Within the State	2,631,538	(751,066)	1,880,472	1,552,985	327,487
Tuition - State Facilities	57,081	4,600	61,681	61,681	
Tuition - Other	189,147	(4,599)	184,548	154,973	29,575
Total Undistributed Expenditures - Instruction	4,104,438	(381,702)	3,722,736	3,048,215	674,521
Health Services:					
Salaries	804,307	40,192	844,499	834,884	9,615
Purchased Professional and Technical Services	164,495	(121,580)	42,915	39,047	3,868
Supplies and Materials	25,528		25,528	16,071	9,457
Total Health Services	994,330	(81,388)	912,942	890,002	22,940
Speech, OT, PT and Related Services:					
Salaries	505,837	65,675	571,512	570,686	826
Purchased Professional - Educational Services	1,091,750	18,754	1,110,504	1,098,508	11,996
Supplies and Materials	4,575		4,575	3,172	1,403
Total - Speech, OT, PT and Related Services	1,602,162	84,429	1,686,591	1,672,366	14,225
Other Support Services - Students - Extraordinary Services:					
Salaries	1,142,400	19,195	1,161,595	1,061,263	100,332
Purchased Professional - Educational Services	521,115	471,716	992,831	958,927	33,904
Total Other Support Services - Students - Extraordinary Services	1,663,515	490,911	2,154,426	2,020,190	134,236

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Guidance:					
Salaries of Other Professional Staff	\$ 1,604,301	\$ (14,653)	\$ 1,589,648	\$ 1,548,979	\$ 40,669
Salaries of Secretarial and Clerical Assistants	120,898	7,617	128,515	128,515	
Other Salaries	91,169	18,408	109,577	109,577	
Supplies and Materials	12,279	(2,172)	10,107	8,361	1,746
Total Guidance	<u>1,828,647</u>	<u>9,200</u>	<u>1,837,847</u>	<u>1,795,432</u>	<u>42,415</u>
Child Study Team:					
Salaries of Other Professional Staff	1,389,333	24,501	1,413,834	1,413,834	
Salaries of Secretarial and Clerical Assistants	141,995	9,225	151,220	151,220	
Purchased Professional - Educational Services	100,000	(3,969)	96,031	96,031	
Other Purchased Professional and Technical Services	16,000	3,738	19,738	19,511	227
Miscellaneous Purchased Services	8,000	(4,122)	3,878	507	3,371
Supplies and Materials	94,181	(12,100)	82,081	80,255	1,826
Other Objects	2,400		2,400	754	1,646
Total Child Study Team	<u>1,751,909</u>	<u>17,273</u>	<u>1,769,182</u>	<u>1,762,112</u>	<u>7,070</u>
Improvement of Instructional Services:					
Other Salaries	26,150	12,000	38,150	28,650	9,500
Purchased Professional - Educational Services	155,000	(46,900)	108,100	105,889	2,211
Other Purchased Services (400-500 series)	1,000		1,000		1,000
Supplies and Materials	6,000	5,678	11,678	5,496	6,182
Other Objects		4,900	4,900	4,900	
Total Improvement of Instructional Services	<u>188,150</u>	<u>(24,322)</u>	<u>163,828</u>	<u>144,935</u>	<u>18,893</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Educational Media Services/School Library:					
Salaries	\$ 745,295	\$ 47,577	\$ 792,872	\$ 790,872	\$ 2,000
Supplies and Materials	139,293	(13,027)	126,266	99,270	26,996
Total Educational Media Services/School Library	<u>884,588</u>	<u>34,550</u>	<u>919,138</u>	<u>890,142</u>	<u>28,996</u>
Instructional Staff Training Services:					
Other Salaries	30,000	(12,096)	17,904	12,937	4,967
Purchased Professional - Educational Services	252,000	(9,104)	242,896	239,396	3,500
Other Purchased Services (400-500 series)	27,075	26,500	53,575	36,979	16,596
Supplies and Materials	4,000		4,000	3,078	922
Other Objects		4,000	4,000	4,000	
Total Instructional Staff Training Services	<u>313,075</u>	<u>9,300</u>	<u>322,375</u>	<u>296,390</u>	<u>25,985</u>
Support Services - General Administration:					
Salaries	478,878	(63,805)	415,073	343,797	71,276
Legal Services	320,000	(106,437)	213,563	164,176	49,387
Audit Fees	119,735	3,430	123,165	62,235	60,930
Architect Fees	201,325	336,015	537,340	489,329	48,011
Other Purchased Professional Services	122,000		122,000	96,505	25,495
Communications/Telephone	525,584	(11,147)	514,437	473,065	41,372
BOE Other Purchased Services	28,000		28,000	26,663	1,337
Miscellaneous Purchased Services (400-500 series)	51,423		51,423	3,035	48,388
General Supplies	21,000		21,000	9,754	11,246
Miscellaneous Expenditures	12,000		12,000	5,686	6,314
Total Support Services - General Administration	<u>1,879,945</u>	<u>158,056</u>	<u>2,038,001</u>	<u>1,674,245</u>	<u>363,756</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 3,678,845	\$ 173,487	\$ 3,852,332	\$ 3,727,183	\$ 125,149
Salaries of Other Professional Staff	95,727	20,616	116,343	116,343	
Salaries of Secretarial and Clerical Assistants	686,776	(6,723)	680,053	654,232	25,821
Other Salaries	107,243		107,243	104,040	3,203
Purchased Professional and Technical Services	19,000		19,000	3,012	15,988
Other Purchased Services (400-500 series)	43,517		43,517	10,102	33,415
Supplies and Materials	140,100	(2,125)	137,975	106,142	31,833
Other Objects	29,200		29,200	28,834	366
Total Support Services - School Administration	4,800,408	185,255	4,985,663	4,749,888	235,775
Central Services:					
Salaries	807,526	982	808,508	755,230	53,278
Purchased Professional Services	82,600		82,600	77,532	5,068
Miscellaneous Purchased Services (400-500 series)	22,000	9	22,009	569	21,440
Supplies and Materials	41,825	(1,044)	40,781	20,623	20,158
Miscellaneous Expenditures	4,390	53	4,443	3,502	941
Total Central Services	958,341		958,341	857,456	100,885
Administration Information Technology:					
Salaries	547,755		547,755	520,985	26,770
Purchased Technical Services	491,298	(79,240)	412,058	389,964	22,094
Other Purchased Services (400-500 series)	1,500		1,500	1,168	332
Supplies and Materials	152,109	22,325	174,434	162,055	12,379
Total Administration Information Technology	1,192,662	(56,915)	1,135,747	1,074,172	61,575

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Required Maintenance for School Facilities:					
Salaries	\$ 730,413	\$ 1,752	\$ 732,165	\$ 582,707	\$ 149,458
Cleaning, Repair and Maintenance Services	1,751,327	(13,049)	1,738,278	1,341,190	397,088
General Supplies	202,677	22,785	225,462	163,427	62,035
Other Objects		7,701	7,701	7,701	
Total Required Maintenance for School Facilities	<u>2,684,417</u>	<u>19,189</u>	<u>2,703,606</u>	<u>2,095,025</u>	<u>608,581</u>
Custodial Services:					
Salaries	2,387,655	223,981	2,611,636	2,592,175	19,461
Purchased Professional and Technical Services	63,000	(21,000)	42,000	41,514	486
Cleaning, Repair and Maintenance Services	92,252	(54,882)	37,370	27,576	9,794
Rental of Land and Buildings Other Than Lease Purchase Agreements	273,006	(196,115)	76,891	69,901	6,990
Insurance	675,612		675,612	667,173	8,439
Miscellaneous Purchased Services	1,000		1,000		1,000
General Supplies	227,246	(13,553)	213,693	187,240	26,453
Energy (Natural Gas)	500,000	(6,287)	493,713	304,843	188,870
Energy (Electricity)	1,300,150	(31,437)	1,268,713	1,085,933	182,780
Other Objects	29,450		29,450	24,470	4,980
Total Custodial Services	<u>5,549,371</u>	<u>(99,293)</u>	<u>5,450,078</u>	<u>5,000,825</u>	<u>449,253</u>
Care and Upkeep of Grounds:					
Salaries	151,714	7,502	159,216	159,216	
Purchased Professional and Technical Services	7,000		7,000	3,687	3,313
Cleaning, Repair and Maintenance Services		3,200	3,200	2,940	260
General Supplies	24,863	(3,935)	20,928	18,097	2,831
Total Care and Upkeep of Grounds	<u>183,577</u>	<u>6,767</u>	<u>190,344</u>	<u>183,940</u>	<u>6,404</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Security:					
Purchased Professional and Technical Services	\$ 233,856		\$ 233,856	\$ 210,480	\$ 23,376
General Supplies	100,000	\$ 5,045	105,045	105,045	
Total Security	<u>333,856</u>	<u>5,045</u>	<u>338,901</u>	<u>315,525</u>	<u>23,376</u>
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	511,070	(165,660)	345,410	337,447	7,963
Between Home and School - Special	757,370	214,049	971,419	971,419	
Other Than Between Home and School - Regular	297,237	37,440	334,677	331,394	3,283
Other Purchased Professional and Technical Services		17,493	17,493	17,493	
Cleaning, Repair and Maintenance Services	150,000	112,007	262,007	262,007	
Contracted Services:					
Between Home and School - Vendors	15,000		15,000	2,362	12,638
Other Than Between Home and School - Vendors	12,000	6,411	18,411		18,411
Special Education Students - Vendors		2,427	2,427	2,427	
Special Education Students - Joint Agreements	90,000	(35,189)	54,811		54,811
Special Education Students - ESCs & CTSA's	1,300,000	(137,758)	1,162,242	1,087,160	75,082
Aid in Lieu Payments - Nonpublic Schools	486,200	(17,271)	468,929	351,131	117,798
Miscellaneous Purchased Services	500	132	632	132	500
General Supplies	300,990	(3,900)	297,090	123,615	173,475
Other Objects	10,197		10,197	5,830	4,367
Total Student Transportation Services	<u>3,930,564</u>	<u>30,181</u>	<u>3,960,745</u>	<u>3,492,417</u>	<u>468,328</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 1,200,000		\$ 1,200,000	\$ 1,058,800	\$ 141,200
Other Retirement Contributions - PERS	1,149,952	\$ (96,211)	1,053,741	881,154	172,587
Other Retirement Contributions - Regular		96,211	96,211	96,211	
Unemployment Compensation	200,000		200,000	200,000	
Workmen's Compensation	577,764		577,764	571,280	6,484
Health Benefits	12,095,860	(349,313)	11,746,547	11,316,397	430,150
Tuition Reimbursement	70,000		70,000	52,425	17,575
Other Employee Benefits	210,000		210,000	69,292	140,708
Total Unallocated Benefits	<u>15,503,576</u>	<u>(349,313)</u>	<u>15,154,263</u>	<u>14,245,559</u>	<u>908,704</u>
On-Behalf TPAF Contributions:					
Post Retirement Medical (non-budgeted)				3,369,098	(3,369,098)
Pension (non-budgeted)				2,829,454	(2,829,454)
Reimbursed TPAF Social Security Contributions (non-budgeted)				<u>2,926,018</u>	<u>(2,926,018)</u>
Total On-Behalf and Reimbursed Contributions				<u>9,124,570</u>	<u>(9,124,570)</u>
Total Personal Services - Employee Benefits	<u>15,503,576</u>	<u>(349,313)</u>	<u>15,154,263</u>	<u>23,370,129</u>	<u>(8,215,866)</u>
Total Undistributed Expenses	<u>50,347,531</u>	<u>57,223</u>	<u>50,404,754</u>	<u>55,333,406</u>	<u>(4,928,652)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>90,812,037</u>	<u>(218,509)</u>	<u>90,593,528</u>	<u>93,236,691</u>	<u>(2,643,163)</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CAPITAL OUTLAY					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12	\$ 20,000	\$ 54,101	\$ 74,101	\$ 4,101	\$ 70,000
School Sponsored and Other Instructional Programs	4,000	9,560	13,560		13,560
Undistributed Expenditures:					
Central Services		6,069	6,069	6,069	
Administration Information Technology	285,879	123,098	408,977	385,617	23,360
Required Maintenance of School Facilities	36,900	3,000	39,900	38,695	1,205
Care and Upkeep of Grounds	63,640	(1,098)	62,542	57,828	4,714
School Buses - Special	52,000		52,000	32,979	19,021
Total Equipment	<u>462,419</u>	<u>194,730</u>	<u>657,149</u>	<u>525,289</u>	<u>131,860</u>
Facilities Acquisition and Construction Services:					
Construction Services	62,661		62,661	62,661	
Other Objects (Debt Service Assessment)	242,723		242,723	242,723	
Total Facilities Acquisition and Construction Services	<u>305,384</u>		<u>305,384</u>	<u>305,384</u>	
Assets Acquired Under Capital Leases (non-budgeted):					
Undistributed Expenditures:					
Instruction				666,230	(666,230)
Total Assets Acquired Under Capital Leases (non-budgeted)				<u>666,230</u>	<u>(666,230)</u>
TOTAL CAPITAL OUTLAY	<u>767,803</u>	<u>194,730</u>	<u>962,533</u>	<u>1,496,903</u>	<u>(534,370)</u>
Transfer of Funds to Charter Schools	<u>226,264</u>	<u>23,779</u>	<u>250,043</u>	<u>250,043</u>	
TOTAL EXPENDITURES	<u>91,806,104</u>		<u>91,806,104</u>	<u>94,983,637</u>	<u>(3,177,533)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(1,058,272)</u>		<u>(1,058,272)</u>	<u>5,962,402</u>	<u>7,020,674</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Capital Leases (non-budgeted)				\$ 666,230	\$ 666,230
Transfers In:					
Capital Projects Fund:					
Capital Reserve Unexpended Funds Returned				108,837	108,837
Transfers Out:					
Capital Projects Fund - Capital Reserve		\$ (1,612,000)	\$ (1,612,000)	(1,612,000)	
Total Other Financing Sources/(Uses)		(1,612,000)	(1,612,000)	(836,933)	775,067
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	\$ (1,058,272)	(1,612,000)	(2,670,272)	5,125,469	7,795,741
Fund Balance, July 1	11,796,300		11,796,300	11,796,300	
Fund Balance, June 30	<u>\$ 10,738,028</u>	<u>\$ (1,612,000)</u>	<u>\$ 9,126,028</u>	<u>\$ 16,921,769</u>	<u>\$ 7,795,741</u>
Recapitulation:					
Restricted:					
Excess Surplus				\$ 2,510,443	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,207,910	
Capital Reserve				9,036,520	
Assigned:					
Year-End Encumbrances				908,261	
Unassigned				2,258,635	
				16,921,769	
Reconciliation to Governmental Funds Statement (GAAP):					
June State Aid Payments not Recognized on GAAP Basis				(1,977,061)	
Fund Balance per Governmental Funds (GAAP)				\$ 14,944,708	

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
State Sources	\$ 120,057	\$ 21,380	\$ 141,437	\$ 111,844	\$ (29,593)
Federal Sources	2,287,801	923,672	3,211,473	2,618,138	(593,335)
Local Sources		98,880	98,880	85,715	(13,165)
Total Revenues	<u>2,407,858</u>	<u>1,043,932</u>	<u>3,451,790</u>	<u>2,815,697</u>	<u>(636,093)</u>
EXPENDITURES:					
Instruction					
Personal Services - Salaries	770,890	223,645	994,535	914,765	79,770
Purchased Professional/Educational Services	232,454	(93,653)	138,801	104,390	34,411
Other Purchased Services	20,000	45,087	65,087	17,700	47,387
Tuition	1,159,130	494,568	1,653,698	1,345,727	307,971
General Supplies	5,000	171,240	176,240	153,158	23,082
Textbooks	12,603	(155)	12,448	11,054	1,394
Other Objects	9,965	25,831	35,796	35,796	
Total Instruction	<u>2,210,042</u>	<u>866,563</u>	<u>3,076,605</u>	<u>2,582,590</u>	<u>494,015</u>
Support Services					
Personal Services - Salaries		10,000	10,000		10,000
Personal Services - Employee Benefits	130,000	53,463	183,463	117,676	65,787
Purchased Professional/Educational Services	50,000	89,678	139,678	90,828	48,850
Supplies and Materials	7,816	24,251	32,067	20,019	12,048
Other Objects	10,000	(23)	9,977	4,584	5,393
Total Support Services	<u>197,816</u>	<u>177,369</u>	<u>375,185</u>	<u>233,107</u>	<u>142,078</u>
Total Expenditures	<u>2,407,858</u>	<u>1,043,932</u>	<u>3,451,790</u>	<u>2,815,697</u>	<u>636,093</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

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	\$100,946,039	\$ 2,815,697
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances		(18,966)
Prior Year Encumbrances		6,612
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	2,006,058	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,977,061)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$100,975,036	\$ 2,803,343
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 94,983,637	\$ 2,815,697
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, not in the Year the Supplies are Received for Financial Reporting Purposes		
Current Year Encumbrances		(18,966)
Prior Year Encumbrances		6,612
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 94,983,637	\$ 2,803,343

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)

Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2016 was submitted to the County office and was approved by the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General and Special Revenue Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	No Child Left Behind			I.D.E.A. - Part B, Basic	
	Title I	Title IIA	Title III	Regular	Preschool
REVENUE:					
State Sources					
Federal Sources	\$ 909,023	\$ 147,795	\$ 59,507	\$ 1,436,592	\$ 40,157
Local Sources					
Total Revenue	\$ 909,023	\$ 147,795	\$ 59,507	\$ 1,436,592	\$ 40,157
EXPENDITURES:					
Instruction:					
Personal Services - Salaries	\$ 768,907	\$ 91,000	\$ 46,923		
Purchased Professional/Educational Services	5,060				
Other Purchased Services					
Tuition				\$ 1,305,570	\$ 40,157
General Supplies	26,333		11,913	92,615	
Textbooks					
Other Objects					
Total Instruction	800,300	91,000	58,836	1,398,185	40,157
Support Services:					
Personal Services - Employee Benefits	94,981	22,695			
Purchased Professional/Educational Services	7,980	34,100		38,407	
Supplies and Materials	1,849				
Other Objects	3,913		671		
Total Support Services	108,723	56,795	671	38,407	
Total Expenditures	\$ 909,023	\$ 147,795	\$ 59,507	\$ 1,436,592	\$ 40,157

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Vocational Education - Perkins	Nonpublic Auxiliary Services (Chapter 192) Compensatory Education	Nonpublic Handicapped Services (Chapter 193)			NJ Nonpublic Security
			Supplementary Instruction	Examination & Classification	Corrective Speech	
REVENUE:						
State Sources		\$ 30,455	\$ 17,523	\$ 16,538	\$ 11,704	\$ 4,950
Federal Sources	\$ 25,064					
Local Sources						
Total Revenue	<u>\$ 25,064</u>	<u>\$ 30,455</u>	<u>\$ 17,523</u>	<u>\$ 16,538</u>	<u>\$ 11,704</u>	<u>\$ 4,950</u>
EXPENDITURES:						
Instruction:						
Personal Services - Salaries	\$ 2,580					
Purchased Professional/Educational Services	3,490	\$ 30,455	\$ 17,523	\$ 16,538	\$ 11,704	
Other Purchased Services	17,700					
Tuition						
General Supplies	520					
Textbooks						
Other Objects						
Total Instruction	<u>24,290</u>	<u>30,455</u>	<u>17,523</u>	<u>16,538</u>	<u>11,704</u>	
Support Services:						
Personal Services - Employee Benefits						
Purchased Professional/Educational Services						\$ 4,950
Supplies and Materials	774					
Other Objects						
Total Support Services	<u>774</u>					<u>4,950</u>
Total Expenditures	<u>\$ 25,064</u>	<u>\$ 30,455</u>	<u>\$ 17,523</u>	<u>\$ 16,538</u>	<u>\$ 11,704</u>	<u>\$ 4,950</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>NJ Nonpublic</u>		<u>Local Programs</u>		<u>Totals</u> <u>June 30, 2016</u>
	<u>Textbooks</u>	<u>Nursing</u>	<u>Bloomfield</u> <u>Education</u> <u>Foundation</u>	<u>NJ Schools</u> <u>Insurance Group</u> <u>Safety Grant</u>	
	REVENUE:				
State Sources	\$ 11,054	\$ 19,620			\$ 111,844
Federal Sources					2,618,138
Local Sources			\$ 68,319	\$ 17,396	85,715
Total Revenue	<u>\$ 11,054</u>	<u>\$ 19,620</u>	<u>\$ 68,319</u>	<u>\$ 17,396</u>	<u>\$ 2,815,697</u>
EXPENDITURES:					
Instruction:					
Personal Services - Salaries			\$ 5,355		\$ 914,765
Purchased Professional/Educational Services		\$ 19,620			104,390
Other Purchased Services					17,700
Tuition					1,345,727
General Supplies			21,777		153,158
Textbooks	\$ 11,054				11,054
Other Objects			35,796		35,796
Total Instruction	<u>11,054</u>	<u>19,620</u>	<u>62,928</u>		<u>2,582,590</u>
Support Services:					
Personal Services - Employee Benefits					117,676
Purchased Professional/Educational Services			5,391		90,828
Supplies and Materials				\$ 17,396	20,019
Other Objects					4,584
Total Support Services			<u>5,391</u>	<u>17,396</u>	<u>233,107</u>
Total Expenditures	<u>\$ 11,054</u>	<u>\$ 19,620</u>	<u>\$ 68,319</u>	<u>\$ 17,396</u>	<u>\$ 2,815,697</u>

CAPITAL PROJECTS FUND

Exhibit F-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Revenue and Other Financing Sources:	
Budget Appropriation	\$ 509,000
Transfer from Capital Reserve	<u>1,612,000</u>
Total Revenue and Other Financing Sources	<u>2,121,000</u>
Expenditures and Other Financing Uses:	
Construction Services	3,599,613
Transfer to General Fund Capital Reserve - Unexpended Project Balances Canceled	108,837
Transfer to Debt Service Fund - Unexpended Project Balance Canceled	<u>2,855</u>
Total Expenditures and Other Financing Uses	<u>3,711,305</u>
Deficit of Revenue and Other Financing Sources Under Expenditures and Other Financing Uses	(1,590,305)
Fund Balance - Beginning	<u>2,442,317</u>
Fund Balance - Ending	<u><u>\$ 852,012</u></u>
<u>Recapitulation of Fund Balance at June 30, 2016:</u>	
Committed - Year-End Encumbrances	\$ 788,000
Committed	<u>64,012</u>
Fund Balance per Governmental Funds (Budgetary Basis)	852,012
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grants not Recognized on the GAAP Basis	<u>(34,744)</u>
Total Fund Balance per Governmental Funds (GAAP Basis)	<u><u>\$ 817,268</u></u>

Exhibit F-1a

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
DEMAREST SCHOOL ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 788,000	\$ 788,000	\$ 788,000
Total Revenue and Other Financing Sources	\$ -0-	788,000	788,000	788,000
Expenditures:				
Construction Services				788,000
Total Expenditures	-0-	-0-	-0-	788,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ -0-	\$ 788,000	\$ 788,000	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 788,000
Change Orders	\$ -0-
Revised Authorized Cost	\$ 788,000
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	09/30/16

Exhibit F-1b

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BROOKDALE AND FAIRVIEW SCHOOLS ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 824,000	\$ 824,000	\$ 824,000
Total Revenue and Other Financing Sources	\$ -0-	824,000	824,000	824,000
Expenditures:				
Construction Services		824,000	824,000	824,000
Total Expenditures	-0-	824,000	824,000	824,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 824,000
Change Orders	\$ -0-
Revised Authorized Cost	\$ 824,000
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	06/30/16

Exhibit F-1c

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
MIDDLE SCHOOL BOILER REPLACEMENT AND NEW WATER HEATERS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,063,700	\$ (75,000)	\$ 988,700	\$ 1,063,700
Total Revenue and Other Financing Sources	<u>1,063,700</u>	<u>(75,000)</u>	<u>988,700</u>	<u>1,063,700</u>
Expenditures:				
Construction Services		988,700	988,700	1,063,700
Total Expenditures	<u>-0-</u>	<u>988,700</u>	<u>988,700</u>	<u>1,063,700</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 1,063,700</u>	<u>\$ (1,063,700)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,063,700			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 1,063,700			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/31/15			
Revised Target Completion Date	06/30/16			

Exhibit F-1d

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL STATE STREET SIDEWALK
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 361,750	\$ (33,837)	\$ 327,913	\$ 361,750
Total Revenue and Other Financing Sources	361,750	(33,837)	327,913	361,750
Expenditures:				
Construction Services		327,913	327,913	361,750
Total Expenditures	-0-	327,913	327,913	361,750
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 361,750	\$ (361,750)	\$ -0-	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 361,750
Change Orders	\$ -0-
Revised Authorized Cost	\$ 361,750
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/31/15
Revised Target Completion Date	3/31/16

Exhibit F-1e

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BERKELEY AND WATSESSING SCHOOLS ROOFING
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,459,000		\$ 1,459,000	\$ 1,459,000
Total Revenue and Other Financing Sources	1,459,000	\$ -0-	1,459,000	1,459,000
Expenditures:				
Construction Services		1,459,000	1,459,000	1,459,000
Total Expenditures	-0-	1,459,000	1,459,000	1,459,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 1,459,000	\$ (1,459,000)	\$ -0-	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,459,000
Change Orders	\$ -0-
Revised Authorized Cost	\$ 1,459,000
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/31/15
Revised Target Completion Date	3/31/16

Exhibit F-1f

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BERKELEY SCHOOL DOOR AND HARDWARE REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 34,744		\$ 34,744	\$ 68,631
Transfer from Capital Reserve	94,534		94,534	94,534
Total Revenue and Other Financing Sources	129,278	\$ -0-	129,278	163,165
Expenditures:				
Purchased Professional and Technical Services				25,103
Construction Services	82,600		82,600	138,062
Total Expenditures	82,600	-0-	82,600	163,165
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 46,678	\$ -0-	\$ 46,678	\$ -0-

Additional Project Information:

Project Number	0410-050-14-1006
Grant Date	01/06/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 163,165
Change Orders	\$ -0-
Revised Authorized Cost	\$ 163,165
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/29/14
Revised Target Completion Date	12/09/14

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
FOLEY FIELD RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Project Authorization		
				Revised	Adjustments	Original
Revenue and Other Financing Sources:						
Bond Proceeds and Transfers	\$ 2,405,160	\$ 509,000	\$ 2,914,160	\$ 2,914,160		\$ 2,914,160
Transfer from Capital Reserve	153,076		153,076	153,076	\$ 153,076	
Total Revenue and Other Financing Sources	2,558,236	509,000	3,067,236	3,067,236	153,076	2,914,160
Expenditures:						
Purchased Professional and Technical Services	291,928		291,928	291,928		291,928
Construction Services	2,772,453		2,772,453	2,772,453	150,221	2,622,232
Transfer to Debt Service Fund:						
Unexpended Project Balance Canceled		2,855	2,855	2,855	2,855	
Total Expenditures	3,064,381	2,855	3,067,236	3,067,236	153,076	2,914,160
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures and Other Financing Uses	\$ (506,145)	\$ 506,145	\$ -0-	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	04/20/10
Bonds Authorized	\$ 2,914,160
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 2,914,160
Change Orders	\$ 153,076
Revised Authorized Cost	\$ 3,067,236
Change Order Percentage	5.25%
Percentage Completion	100.00%
Original Target Completion Date	9/30/12
Revised Target Completion Date	9/30/12

Exhibit F-1h

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
FRANKLIN ELEMENTARY SCHOOL CLASSROOM TRAILERS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 262,688		\$ 262,688	\$ 262,688
Total Revenue and Other Financing Sources	262,688	\$ -0-	262,688	262,688
Expenditures:				
Purchased Professional and Technical Services	55,878		55,878	55,878
Construction Services	190,647		190,647	206,810
Total Expenditures	246,525	-0-	246,525	262,688
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 16,163	\$ -0-	\$ 16,163	\$ -0-
Additional Project Information:				
Project Number		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 262,688			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 262,688			
Change Order Percentage		0.00%		
Percentage Completion		100.00%		
Original Target Completion Date		12/31/12		
Revised Target Completion Date		12/31/12		

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL CORNICE REPAIR
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Project Authorization		
				Revised	Adjustments	Original
Revenue and Other Financing Sources:						
State Sources - SDA Grant	\$ 336,040		\$ 336,040	\$ 336,040	\$ 13,600	\$ 322,440
Transfer from Capital Reserve	538,059		538,059	538,059	20,400	517,659
Total Revenue and Other Financing Sources	874,099	\$ -0-	874,099	874,099	34,000	840,099
Expenditures:						
Purchased Professional and Technical Services	77,229		77,229	78,400	34,000	44,400
Construction Services	795,699		795,699	795,699		795,699
Total Expenditures	872,928	-0-	872,928	874,099	34,000	840,099
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 1,171	\$ -0-	\$ 1,171	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

Project Number	0410-020-09-1002
Grant Date	04/10/07; 08/06/09
Bond Authorization Date	N/A
Bonds Authorized	\$ -0-
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 840,099
Change Orders	\$ 34,000
Revised Authorized Cost	\$ 874,099
Change Order Percentage	4.05%
Percentage Completion	100.00%
Original Target Completion Date	08/10/10
Revised Target Completion Date	06/30/10

Exhibit F-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>Purpose</u>	<u>Original Issue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2015</u>	<u>Matured</u>
Foley Field Renovations	\$ 2,914,160	7/17/2014	7/16/2015	1.00%	\$ 509,000	\$ 509,000
					<u>\$ 509,000</u>	<u>\$ 509,000</u>

PROPRIETARY FUNDS

Exhibit G-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016

	<u>Business-Type Activities - Enterprise Funds</u>				
	<u>Major Fund</u>	<u>Non-Major Funds</u>		<u>Total Non-Major Funds</u>	<u>Total</u>
	<u>Food Service</u>	<u>Summer Arts Program</u>	<u>Innovation Summer Institute</u>		
<u>ASSETS:</u>					
Current Assets:					
Cash and Cash Equivalents	\$ 352,680		\$ 6,504	\$ 6,504	\$ 359,184
Accounts Receivable:					
Interfund:					
Student Activities Agency Fund		\$ 545		545	545
Other Governments:					
Federal	94,893				94,893
State	3,901				3,901
Inventories	36,136				36,136
Total Current Assets	487,610	545	6,504	7,049	494,659
Non-Current Assets:					
Capital Assets	405,875				405,875
Less: Accumulated Depreciation	(95,521)				(95,521)
Total Non-Current Assets	310,354	-0-	-0-	-0-	310,354
Total Assets	797,964	545	6,504	7,049	805,013
<u>LIABILITIES:</u>					
Current Liabilities:					
Payable to State Government	5				5
Payable to Federal Government	953				953
Accounts Payable	6,568	545	687	1,232	7,800
Unearned Revenue	37,952				37,952
Total Current Liabilities	45,478	545	687	1,232	46,710
Total Liabilities	45,478	545	687	1,232	46,710
<u>NET POSITION:</u>					
Investment in Capital Assets	310,354				310,354
Unrestricted	442,132		5,817	5,817	447,949
Total Net Position	\$ 752,486	\$ -0-	\$ 5,817	\$ 5,817	\$ 758,303

Exhibit G-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				Total
	Major Fund	Non-Major Funds		Total Non-Major Funds	
	Food Service	Summer Arts Program	Innovation Summer Institute		
Operating Revenue:					
Charges for Services:					
Daily Sales:					
Reimbursable Programs	\$ 512,557				\$ 512,557
Non-Reimbursable Programs	326,231				326,231
Daily Sales Total	838,788				838,788
Special Events	15,206				15,206
Program Fees		\$ 37,401	\$ 12,910	\$ 50,311	50,311
Total Operating Revenue	853,994	37,401	12,910	50,311	904,305
Operating Expenses:					
Cost of Sales:					
Reimbursable Programs	1,006,995				1,006,995
Non-Reimbursable Programs	129,060				129,060
Cost of Sales Total	1,136,055				1,136,055
Salaries	645,023	33,768	12,210	45,978	691,001
Payroll Taxes	96,651				96,651
Employee Benefits	80,580				80,580
Management Fee	60,000				60,000
Supplies and Materials	273,157	3,633	837	4,470	277,627
Depreciation Expense	19,518				19,518
Total Operating Expenses	2,310,984	37,401	13,047	50,448	2,361,432
Operating Income/(Loss)	(1,456,990)	-0-	(137)	(137)	(1,457,127)
Non-Operating Revenue:					
Federal Sources:					
School Breakfast Program	132,170				132,170
National School Lunch Program	1,207,073				1,207,073
U.S.D.A. Commodities	176,349				176,349
State Sources:					
School Lunch Program	27,671				27,671
School Lunch Program - Supplemental	2,015				2,015
Total Non-Operating Revenue	1,545,278	-0-	-0-	-0-	1,545,278
Change in Net Position	88,288	-0-	(137)	(137)	88,151
Net Position - Beginning of Year	664,198	-0-	5,954	5,954	670,152
Net Position - End of Year	\$ 752,486	\$ -0-	\$ 5,817	\$ 5,817	\$ 758,303

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				
	Major Fund	Non-Major Funds			Total
	Food Service	Summer Arts Program	Innovation Summer Institute	Total Non-Major Funds	
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 892,231	\$ 17,926	\$ 12,910	\$ 30,836	\$ 923,067
Payments to Employees		(33,768)	(12,210)	(45,978)	(45,978)
Payments to Food Service Vendor	(1,934,548)				(1,934,548)
Payments to Suppliers	(205,449)	(3,633)	(150)	(3,783)	(209,232)
Net Cash Provided by/(Used for) Operating Activities	<u>(1,247,766)</u>	<u>(19,475)</u>	<u>550</u>	<u>(18,925)</u>	<u>(1,266,691)</u>
Cash Flows from Capital Financing Activities:					
Acquisition of Capital Assets	(252,592)				(252,592)
Net Cash Used for Capital Financing Activities	<u>(252,592)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(252,592)</u>
Cash Flows from Noncapital Financing Activities:					
Federal Sources	1,346,253				1,346,253
State Sources	28,539				28,539
Net Cash Provided by Noncapital Financing Activities	<u>1,374,792</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,374,792</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(125,566)	(19,475)	550	(18,925)	(144,491)
Cash and Cash Equivalents, July 1	478,246	19,475	5,954	503,675	981,921
Cash and Cash Equivalents, June 30	<u>\$ 352,680</u>	<u>\$ -0-</u>	<u>\$ 6,504</u>	<u>\$ 484,750</u>	<u>\$ 837,430</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:					
Operating Income/(Loss)	\$ (1,456,990)	\$ -0-	\$ (137)	\$ (137)	\$ (1,457,127)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:					
Depreciation	19,518				19,518
Federal Food Distribution Program	176,349				176,349
Changes in Assets and Liabilities:					
Decrease in Other Receivables	285				285
(Increase) in Interfund Receivable		(545)		(545)	(545)
(Increase) in Inventory	(31,448)				(31,448)
Increase in Accounts Payable	6,568	545	687	1,232	7,800
Increase/(Decrease) in Unearned Revenue	37,952	(19,475)		(19,475)	18,477
Net Cash Provided by/(Used for) Operating Activities	<u>\$ (1,247,766)</u>	<u>\$ (19,475)</u>	<u>\$ 550</u>	<u>\$ (18,925)</u>	<u>\$ (1,266,691)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$176,349 for the fiscal year ended June 30, 2016.

FIDUCIARY FUNDS

Exhibit H-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016

	<u>Agency</u>			<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
	<u>Student Activity</u>	<u>Payroll</u>	<u>Total</u>		
<u>ASSETS:</u>					
Cash and Cash Equivalents	\$ 315,511	\$ 835,728	\$ 1,151,239	\$ 774,893	\$ 86,421
Interfund Receivable				30,248	
Total Assets	<u>315,511</u>	<u>835,728</u>	<u>1,151,239</u>	<u>805,141</u>	<u>86,421</u>
<u>LIABILITIES:</u>					
Interfund Payable	545	49,778	50,323		
Payroll Deductions and Withholdings		785,950	785,950		
Due to Student Groups	314,966		314,966		
Total Liabilities	<u>315,511</u>	<u>835,728</u>	<u>1,151,239</u>	<u>-0-</u>	<u>-0-</u>
<u>NET POSITION:</u>					
Held in Trust for:					
Unemployment Claims				805,141	
Scholarships					86,421
Total Net Position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 805,141</u>	<u>\$ 86,421</u>

Exhibit H-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ADDITIONS:		
Contributions:		
Plan Member	\$ 92,430	
Employer	200,000	
Donations		\$ 6,435
Total Contributions	<u>292,430</u>	<u>6,435</u>
Investment Earnings:		
Interest		12
Net Investment Earnings		<u>12</u>
Total Additions	<u>292,430</u>	<u>6,447</u>
DEDUCTIONS:		
Quarterly Contribution Reports and Unemployment Claims	115,861	
Scholarships Awarded		16,149
Total Deductions	<u>115,861</u>	<u>16,149</u>
Change in Net Position	176,569	(9,702)
Net Position - Beginning of the Year	<u>628,572</u>	<u>96,123</u>
Net Position - End of the Year	<u>\$ 805,141</u>	<u>\$ 86,421</u>

Exhibit H-3

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 280,022	\$ 459,478	\$ 423,989	\$ 315,511
Total Assets	<u>\$ 280,022</u>	<u>\$ 459,478</u>	<u>\$ 423,989</u>	<u>\$ 315,511</u>
 <u>LIABILITIES:</u>				
Liabilities:				
Interfund Payable:				
Summer Arts Program		\$ 545		\$ 545
Enterprise Fund				
Due to Student Groups	\$ 280,022	458,933	\$ 423,989	314,966
Total Liabilities	<u>\$ 280,022</u>	<u>\$ 459,478</u>	<u>\$ 423,989</u>	<u>\$ 315,511</u>

Exhibit H-4

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Interfund</u> <u>Payable</u>	<u>Balance</u> <u>June 30, 2016</u>
Senior High School:					
Bloomfield High School	\$ 261,859	\$ 367,754	\$ 333,120	\$ 545	\$ 295,948
Student Athletic Account		87,063	87,063		
Middle School:					
Bloomfield Middle School	1,312	625	625		1,312
Elementary Schools:					
Berkeley School	356				356
Brookdale School	739				739
Carteret School	3,266				3,266
Demarest School	3,649				3,649
Fairview School	1,973	926	202		2,697
Forest Glen School	1,845				1,845
Franklin School	429				429
Oak View School	2,854				2,854
Watsessing School	1,740	3,110	2,979		1,871
Total All Schools	<u>\$ 280,022</u>	<u>\$ 459,478</u>	<u>\$ 423,989</u>	<u>\$ 545</u>	<u>\$ 314,966</u>

Exhibit H-5

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 674,767	\$ 59,371,877	\$ 59,210,916	\$ 835,728
Total Assets	<u>\$ 674,767</u>	<u>\$ 59,371,877</u>	<u>\$ 59,210,916</u>	<u>\$ 835,728</u>
<u>LIABILITIES:</u>				
Interfund Payable:				
General Fund		\$ 19,530		\$ 19,530
Fiduciary Fund:				
Unemployment Compensation Trust	\$ 29,345	30,248	\$ 29,345	30,248
Payroll Deductions and Withholdings	645,422	59,322,099	59,181,571	785,950
Total Liabilities	<u>\$ 674,767</u>	<u>\$ 59,371,877</u>	<u>\$ 59,210,916</u>	<u>\$ 835,728</u>

LONG-TERM DEBT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2015	Retired/ Matured	Balance June 30, 2016
			Date	Amount				
School Refunding Bonds	06/02/09	\$ 12,180,000	03/01/17	\$ 655,000	4.00%			
			03/01/18	645,000	4.00%			
			03/01/19	620,000	4.00%	\$ 2,580,000	\$ 660,000	\$ 1,920,000
School Refunding Bonds	09/02/11	29,065,000	09/01/16	1,600,000	3.00%			
			09/01/17	1,630,000	5.00%			
			09/01/18	1,695,000	4.00%			
			09/01/19	1,760,000	4.00%			
			09/01/20	1,840,000	5.00%			
			09/01/21	1,940,000	5.00%			
			09/01/22	1,995,000	5.00%			
			09/01/23	2,000,000	5.00%			
			09/01/24	2,005,000	4.00%			
			09/01/25	1,990,000	4.00%			
			09/01/26	1,975,000	4.00%			
			09/01/27	1,960,000	4.00%			
			09/01/28	1,935,000	4.00%			
						<u>25,895,000</u>	<u>1,570,000</u>	<u>24,325,000</u>
						<u>\$ 28,475,000</u>	<u>\$ 2,230,000</u>	<u>\$ 26,245,000</u>

Exhibit 1-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2015</u>	<u>Issued</u>	<u>Retired/ Matured</u>	<u>Balance June 30, 2016</u>
Technology Equipment	1.0653%	\$ 741,683	\$ 492,122		\$ 244,757	\$ 247,365
Technology Equipment	1.30%	666,230		\$ 666,230	224,855	441,375
			<u>\$ 492,122</u>	<u>\$ 666,230</u>	<u>\$ 469,612</u>	<u>\$ 688,740</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,687,274		\$ 3,687,274	\$ 3,687,274	
State Sources:					
Debt Service Aid Type II	192,236		192,236	192,236	
Total Revenues	3,879,510		3,879,510	3,879,510	
EXPENDITURES:					
Regular Debt Service:					
Interest	1,183,000		1,183,000	1,182,876	\$ 124
Redemption of Principal	2,739,000		2,739,000	2,739,000	
Total Regular Debt Service	3,922,000		3,922,000	3,921,876	124
Total Expenditures	3,922,000		3,922,000	3,921,876	124
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(42,490)		(42,490)	(42,366)	124
Other Financing Sources:					
Transfers In - Capital Projects Fund:					
Unexpended Project Balance Canceled				2,855	2,855
Total Other Financing Sources				2,855	2,855
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	(42,490)	\$ -0-	(42,490)	(39,511)	2,979
Fund Balance, July 1	114,418		114,418	114,418	
Fund Balance, June 30	\$ 71,928	\$ -0-	\$ 71,928	\$ 74,907	\$ 2,979
<u>Recapitulation of Fund Balance at June 30, 2016:</u>					
Restricted				\$ 74,907	

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION
(UNAUDITED)

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

Contents

	<u>Exhibit</u>
<p>Financial Trends</p> <p>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</p>	J-1 thru J-5
<p>Revenue Capacity</p> <p>These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.</p>	J-6 thru J-9
<p>Debt Capacity</p> <p>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.</p>	J-10 thru J-13
<p>Demographic and Economic Information</p> <p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</p>	J-14 thru J-15
<p>Operating Information</p> <p>These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.</p>	J-16 thru J-20

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

Exhibit J-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	June 30,				
	2007	2008	2009	2010	2011
Governmental Activities:					
Net Investment in Capital Assets	\$ 44,449,702	\$ 44,770,573	\$ 45,334,164	\$ 47,315,912	\$ 52,428,846
Restricted	4,867,793	2,561,056	2,709,038	8,260,137	3,037,175
Unrestricted/(Deficit)	<u>(22,349,105)</u>	<u>(22,401,203)</u>	<u>(22,701,763)</u>	<u>(23,776,164)</u>	<u>(2,832,073)</u>
Total Governmental Activities Net Position	<u>\$ 26,968,390</u>	<u>\$ 24,930,426</u>	<u>\$ 25,341,439</u>	<u>\$ 31,799,885</u>	<u>\$ 52,633,948</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 13,313	\$ 11,500	\$ 16,288	\$ 15,064	\$ 13,840
Unrestricted	179,858	118,127	208,777	204,095	187,037
Total Business-Type Activities Net Position	<u>\$ 193,171</u>	<u>\$ 129,627</u>	<u>\$ 225,065</u>	<u>\$ 219,159</u>	<u>\$ 200,877</u>
District-wide:					
Net Investment in Capital Assets	\$ 44,463,015	\$ 44,782,073	\$ 45,350,452	\$ 47,330,976	\$ 52,442,686
Restricted	4,867,793	2,561,056	2,709,038	8,260,137	3,037,175
Unrestricted/(Deficit)	<u>(22,169,247)</u>	<u>(22,283,076)</u>	<u>(22,492,986)</u>	<u>(23,572,069)</u>	<u>(2,645,036)</u>
Total District Net Position	<u>\$ 27,161,561</u>	<u>\$ 25,060,053</u>	<u>\$ 25,566,504</u>	<u>\$ 32,019,044</u>	<u>\$ 52,834,825</u>

	June 30,				
	2012	2013	2014	2015	2016
Governmental Activities:					
Net Investment in Capital Assets	\$ 60,666,690	\$ 60,031,950	\$ 61,342,894	\$ 63,776,016	\$ 68,198,454
Restricted	865,120	2,490,180	5,760,970	9,042,935	13,829,780
Unrestricted/(Deficit)	<u>(6,040,962)</u>	<u>(3,105,874)</u>	<u>(23,806,703)</u>	<u>(20,894,336)</u>	<u>(22,420,471)</u>
Total Governmental Activities Net Position	<u>\$ 55,490,848</u>	<u>\$ 59,416,256</u>	<u>\$ 43,297,161</u>	<u>\$ 51,924,615</u>	<u>\$ 59,607,763</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 78,869	\$ 88,990	\$ 83,792	\$ 77,280	\$ 310,354
Unrestricted	204,395	184,398	349,014	592,872	447,949
Total Business-Type Activities Net Position	<u>\$ 283,264</u>	<u>\$ 273,388</u>	<u>\$ 432,806</u>	<u>\$ 670,152</u>	<u>\$ 758,303</u>
District-wide:					
Net Investment in Capital Assets	\$ 60,745,559	\$ 60,120,940	\$ 61,426,686	\$ 63,853,296	\$ 68,508,808
Restricted	865,120	2,490,180	5,760,970	9,042,935	13,829,780
Unrestricted/(Deficit)	<u>(5,836,567)</u>	<u>(2,921,476)</u>	<u>(23,457,689)</u>	<u>(20,301,464)</u>	<u>(21,972,522)</u>
Total District Net Position	<u>\$ 55,774,112</u>	<u>\$ 59,689,644</u>	<u>\$ 43,729,967</u>	<u>\$ 52,594,767</u>	<u>\$ 60,366,066</u>

Source: Bloomfield Township School District Financial Reports.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 34,852,936	\$ 35,348,513	\$ 34,593,798	\$ 36,722,399	\$ 33,710,076	\$ 34,115,372	\$ 33,960,024	\$ 39,478,694	\$ 40,340,460	\$ 43,065,514
Special Education	7,485,704	7,480,093	7,556,218	8,299,766	9,443,200	13,112,003	12,904,747	13,188,293	15,666,132	16,097,895
Other Special Instruction	1,633,273	1,889,684	2,715,708	3,199,512	3,468,866	3,667,694	3,439,282	722,575	996,635	1,438,147
Other Instruction	1,063,976	1,117,813	1,178,014	1,240,460	1,275,954	1,259,667	1,337,156	1,431,763	1,622,373	1,747,473
Support Services:										
Tuition	2,881,197	3,946,673	4,117,006	3,646,662	4,744,949	4,279,268	4,653,002	4,306,683	4,840,904	4,378,257
Student & Instruction Related Services	10,845,882	11,376,793	11,294,256	10,437,226	8,849,533	10,561,145	10,399,200	9,507,437	12,893,396	14,183,152
General Administrative Services	2,826,661	1,786,268	1,792,279	3,390,011	3,671,999	1,524,824	1,680,255	2,799,057	2,040,976	1,905,862
School Administrative Services	4,056,398	5,941,413	6,052,220	6,644,781	5,981,342	6,446,036	6,049,340	6,815,486	7,086,602	7,796,026
Central Services						1,291,750	1,385,109	1,325,042	1,294,968	1,384,862
Administrative Information Technology						1,369,652	1,132,969	1,015,376	1,543,908	1,575,821
Plant Operations and Maintenance	7,027,461	7,653,327	7,263,705	7,346,089	7,679,216	7,156,510	7,998,192	8,576,679	9,415,752	10,083,293
Pupil Transportation	4,389,194	5,003,794	4,420,181	4,779,445	4,782,816	4,697,117	4,883,438	4,717,879	4,956,834	4,623,420
Special Schools	114,913	39,833	39,526	44,989						
Charter Schools	6,519	26,625	71,332	106,956	83,567	91,358	104,686	178,640	214,522	250,043
Interest on Long-term Debt	2,024,732	2,090,375	1,785,161	1,697,405	1,586,538	1,689,231	1,373,430	1,292,071	1,222,202	1,145,204
Unallocated Depreciation	1,784,407	3,019,366	2,756,187	1,967,354	1,970,257	1,697,279	2,016,255	2,016,255	2,066,740	1,990,125
Total Governmental Activities Expenses	80,993,253	86,720,570	85,635,591	89,523,055	87,248,313	92,958,906	93,317,085	97,371,930	106,202,404	111,665,094
Business-Type Activities:										
Food Service	2,240,554	2,259,173	2,354,071	2,486,882	2,367,953	2,465,433	2,400,580	1,839,310	1,936,971	2,310,984
Summer Arts Program						33,000	56,500	32,953	35,018	37,401
Innovation Summer Institute									12,846	13,047
Total Business-Type Activities Expenses	2,240,554	2,259,173	2,354,071	2,486,882	2,367,953	2,498,433	2,457,080	1,872,263	1,984,835	2,361,432
Total District-Wide Expenses	83,233,807	88,979,743	87,989,662	92,009,937	89,616,266	95,457,339	95,774,165	99,244,193	108,187,239	114,026,526
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)						131,610	248,508	191,242	237,697	398,934
Operating Grants and Contributions	12,146,829	12,183,965	8,271,856	9,284,499	8,017,243	14,646,833	15,867,734	14,438,975	24,917,818	28,520,372
Total Governmental Activities Program Revenues	12,146,829	12,183,965	8,271,856	9,284,499	8,017,243	14,778,443	16,116,242	14,630,217	25,155,515	28,919,306

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-Type Activities:										
Charges for Services:										
Food Service and State Grants	\$ 1,744,656	\$ 1,753,844	\$ 1,787,861	\$ 1,954,454	\$ 1,851,495	\$ 836,569	\$ 715,140	\$ 791,975	\$ 800,864	\$ 853,994
Summer Arts Program						33,000	56,500	32,953	35,018	37,401
Innovation Summer Institute									18,800	12,910
Operating Grants and Contributions						1,160,877	1,119,265	1,206,753	1,367,499	1,545,278
Total Business-Type Activities Revenues	1,744,656	1,753,844	1,787,861	1,954,454	1,851,495	2,030,446	1,890,905	2,031,681	2,222,181	2,449,583
Total District-Wide Program Revenues	13,891,485	13,937,809	10,059,717	11,238,953	9,868,738	16,808,889	18,007,147	16,661,898	27,377,696	31,368,889
Net (Expense)/Revenue:										
Governmental Activities	(68,846,424)	(74,536,605)	(77,363,735)	(80,238,556)	(79,231,070)	(78,180,463)	(77,200,843)	(82,741,713)	(81,046,889)	(82,745,788)
Business-type Activities	(495,898)	(505,329)	(566,210)	(532,428)	(516,458)	(467,987)	(566,175)	159,418	237,346	88,151
Total District-Wide Net (Expense)/Revenue	(69,342,322)	(75,041,934)	(77,929,945)	(80,770,984)	(79,747,528)	(78,648,450)	(77,767,018)	(82,582,295)	(80,809,543)	(82,657,637)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	48,322,565	52,212,387	54,572,251	56,980,309	60,189,793	59,411,033	60,392,089	66,470,156	67,799,559	69,155,550
Taxes Levied for Debt Service	3,256,651	3,500,300	3,482,421	3,459,024	3,364,042	2,463,315	3,898,817	3,965,623	3,972,834	3,687,274
Restricted Grants and Contributions	26,567	11,462		1,735,417	5,950,496					
Unrestricted Grants and Contributions	14,950,718	16,602,241	19,564,529	21,668,514	12,924,191	15,398,990	16,146,139	16,891,209	17,111,512	17,059,883
Tuition	404,645	407,599	219,356							
Bonds Authorized but not Issued/Note Payable				2,914,161	(2,914,161)					
Miscellaneous Income	358,071	235,199	527,170	465,153	650,071	153,122	58,546	576,982	790,438	526,229
Transfers	(360,000)	(470,548)	(590,979)	(525,576)	(496,028)	(488,342)	(556,299)	(244,946)		
Total Governmental Activities General Revenues and Other Changes in Net Position	66,959,217	72,498,640	77,774,748	86,697,002	79,668,404	76,938,118	79,939,292	87,659,024	89,674,343	90,428,936
Business-type Activities:										
Miscellaneous	7,913	3,338	670	946	979	504				
Transfers	360,000	508,448	590,979	525,576	496,028	488,342	556,299			
Total Business-type Activities General Revenues and Other Changes in Net Position	367,913	511,786	591,649	526,522	497,007	488,846	556,299			
Total District-Wide General Revenues and Other Changes in Net Position	67,327,130	73,010,426	78,366,397	87,223,524	80,165,411	77,426,964	80,495,591	87,659,024	89,674,343	90,428,936
Change in Net Position:										
Governmental Activities	(1,887,207)	(2,037,965)	411,013	6,458,446	437,334	(1,242,345)	2,738,449	4,917,311	8,627,454	7,683,148
Business-Type Activities	(127,985)	6,456	25,439	(5,906)	(19,451)	20,859	(9,876)	159,418	237,346	88,151
Total District-Wide Change in Net Position	\$ (2,015,192)	\$ (2,031,509)	\$ 436,452	\$ 6,452,540	\$ 417,883	\$ (1,221,486)	\$ 2,728,573	\$ 5,076,729	\$ 8,864,800	\$ 7,771,299

Source: Bloomfield Township School District Financial Reports.

Exhibit J-3

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	June 30,				
	2007	2008	2009	2010	2011
General Fund:					
Reserved	\$ 1,523,980	\$ 444,074	\$ 1,469,007	\$ 2,852,978	
Unreserved/(Deficit)	(391,968)	(237,320)	(528,669)	(457,144)	
Restricted					\$ 1,196,966
Assigned					3,228,131
Unassigned/(Deficit)					(1,785,891)
Total General Fund	\$ 1,132,012	\$ 206,754	\$ 940,338	\$ 2,395,834	\$ 2,639,206
All Other Governmental Funds:					
Reserved	\$ 1,580,042	\$ 1,301,844	\$ 1,102,148	\$ 1,237,713	
Unreserved, Reported in:					
Special Revenue Fund/(Deficit)	(66,749)	(66,749)			
Capital Projects Fund	1,763,771	815,138	137,884	2,840,632	
Debt Service Fund				189,687	
Restricted					\$ 1,711,247
Committed					128,962
Total All Other Governmental Funds	\$ 3,277,064	\$ 2,050,233	\$ 1,240,032	\$ 4,268,032	\$ 1,840,209
Total Governmental Funds	\$ 4,409,076	\$ 2,256,987	\$ 2,180,370	\$ 6,663,866	\$ 4,479,415
	June 30,				
	2012	2013	2014	2015	2016
General Fund:					
Restricted	\$ 782,682	\$ 2,485,164	\$ 5,705,480	\$ 8,928,517	\$ 13,754,873
Assigned	851,078		40,065	861,725	908,261
Unassigned/(Deficit)		(194,206)			281,574
Total General Fund	\$ 1,633,760	\$ 2,290,958	\$ 5,745,545	\$ 9,790,242	\$ 14,944,708
All Other Governmental Funds:					
Restricted	\$ 82,438	\$ 5,016	\$ 55,490	\$ 114,418	\$ 74,907
Committed	17,336	17,334	419,412	2,913,718	817,268
Unassigned/(Deficit)	(1,189,030)	(967,061)	(1,140,889)	(506,145)	
Total All Other Governmental Funds	\$ (1,089,256)	\$ (944,711)	\$ (665,987)	\$ 2,521,991	\$ 892,175
Total Governmental Funds	\$ 544,504	\$ 1,346,247	\$ 5,079,558	\$ 12,312,233	\$ 15,836,883

Source: Bloomfield Township School District Financial Reports.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Tax Levy	\$ 51,579,216	\$ 55,712,687	\$ 58,054,672	\$ 60,439,333	\$ 63,553,835	\$ 61,874,348	\$ 64,290,906	\$ 70,435,779	\$ 71,772,393	\$ 72,842,824
Tuition Charges	404,645	407,599	219,356	212,553	103,034	131,610	248,508	191,242	237,697	398,934
Interest Earnings	301,454	202,658	4							
Miscellaneous	56,616	70,440	410,728	162,124	547,036	149,153	111,474	632,809	920,313	613,978
Local Sources		37,279	55,058	90,474	25,716					
State Sources	24,766,672	26,501,052	24,942,111	24,969,010	23,994,240	26,525,403	29,214,682	28,677,437	29,974,623	31,107,078
Federal Sources	2,357,442	2,259,338	2,839,216	7,719,420	2,871,974	3,512,981	2,746,263	2,596,920	2,753,315	2,695,075
Total Revenues	79,466,045	85,191,053	86,521,145	93,592,914	91,095,835	92,193,495	96,611,833	102,534,187	105,658,341	107,657,889
Expenditures:										
Instruction:										
Regular Instruction	25,106,085	25,736,570	26,441,711	27,736,649	25,097,965	24,332,374	24,593,834	25,990,938	26,027,064	26,970,319
Special Education Instruction	5,207,056	5,344,609	5,586,372	6,038,735	6,943,570	9,480,844	9,494,261	8,925,200	10,197,967	10,114,143
Other Special Instruction	1,135,051	1,331,222	2,005,813	2,327,456	2,533,148	2,566,817	2,460,712	472,987	628,334	868,179
Other Instruction	798,266	837,501	924,740	949,506	993,275	1,003,584	1,028,389	1,016,184	1,137,319	1,192,509
Support Services:										
Tuition	2,881,197	3,946,673	4,117,006	3,646,662	4,744,949	4,279,268	4,653,002	4,306,683	4,840,904	4,378,257
Student & Instruction Related Services	7,935,235	8,367,994	8,709,668	8,011,845	7,911,056	8,143,401	8,102,992	7,284,893	9,036,417	9,703,005
General Administrative Services						1,409,551	1,517,748	2,601,340	1,736,558	1,674,245
Other Administrative Services	1,169,118	1,154,905	1,258,939	3,081,239	4,410,642					
School Administrative Services	4,136,297	4,436,333	4,832,605	4,839,441	3,364,036	4,528,055	4,592,697	4,515,211	4,462,186	4,749,888
Central Services						988,887	997,365	891,145	837,583	857,456
Administrative Information Technology						1,191,132	956,409	773,663	1,117,727	1,074,172
Plant Operations and Maintenance	5,716,121	6,378,713	6,156,193	6,157,068	6,728,344	5,922,623	6,591,658	6,578,537	7,028,158	7,595,315
Pupil Transportation	3,823,539	4,409,235	3,888,719	4,156,311	4,104,291	3,931,400	3,996,588	3,602,849	3,697,330	3,492,417
Unallocated Benefits	18,050,215	19,196,770	16,822,188	19,287,775	18,492,030	21,440,300	21,861,828	26,275,850	22,238,437	23,370,129
Special Schools	80,581	29,108	30,082	33,251						
Charter Schools	6,519	26,625	71,332	106,956	83,567	91,358	104,686	178,640	214,522	250,043
Capital Outlay	8,524,782	1,682,171	1,372,800	1,422,719	1,552,610	2,619,841	718,748	1,603,788	2,452,275	5,096,516
Debt Service	3,839,955	3,956,265	3,788,615	3,702,389	3,673,063					
Debt Service:										
Principal						2,660,365	2,774,795	2,790,000	2,855,000	2,739,000
Interest and Other Charges						1,672,037	1,417,874	1,334,297	1,259,665	1,182,876
Total Expenditures	88,410,017	86,834,694	86,006,783	91,498,002	90,632,546	96,261,837	95,863,586	99,142,205	99,767,446	105,308,469

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (8,943,972)	\$ (1,643,641)	\$ 514,362	\$ 2,094,912	\$ 463,289	\$ (4,068,342)	\$ 748,247	\$ 3,391,982	\$ 5,890,895	\$ 2,349,420
Other Financing Sources (Uses):										
Proceeds from Borrowing				2,914,160						
Notes Funded by Budget Appropriation						610,365	609,795	585,000	600,000	509,000
Premium on Temporary Note								1,275	97	
Refunding Bonds Issuance Costs						11,408				
Capital Leases (non-budgeted)									741,683	666,230
Transfers In	647,442	518,762		126,813		421,442		368,609	2,884,547	1,723,692
Transfers Out	(1,007,442)	(1,027,210)	(590,979)	(652,389)	(3,410,188)	(909,784)	(556,299)	(613,555)	(2,884,547)	(1,723,692)
Total Other Financing Sources (Uses)	(360,000)	(508,448)	(590,979)	2,388,584	(3,410,188)	133,431	53,496	341,329	1,341,780	1,175,230
Net Change in Fund Balances	\$ (9,303,972)	\$ (2,152,089)	\$ (76,617)	\$ 4,483,496	\$ (2,946,899)	\$ (3,934,911)	\$ 801,743	\$ 3,733,311	\$ 7,232,675	\$ 3,524,650
Debt Service as a Percentage of Noncapital Expenditures	4.81%	4.65%	4.48%	4.11%	4.12%	4.63%	4.41%	4.23%	4.23%	3.90%

Source: Bloomfield Township School District Financial Reports.

Exhibit J-5

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Other</u>	<u>Total</u>
2007	\$ 174,115	\$ 404,645	\$ 56,616	\$ 635,376
2008	189,016	407,599	32,541	629,156
2009	153,900		56,268	210,168
2010	31,473		26,914	58,387
2011	73,276	103,034		176,310
2012	21,147	131,610	116,047	268,804
2013		248,508	58,546	307,054
2014		191,242	576,982 a	768,224
2015		237,697	790,438 b	1,028,135
2016		398,934	526,229 c	925,163

a - Includes \$145,463 of E-rate reimbursements and the return of \$333,767 which had been held by the District's previous health benefit carrier.

b - Includes \$362,603 of E-rate reimbursements and \$167,822 of prior year accounts payable canceled.

c - Includes \$360,602 of E-rate reimbursements and \$19,550 of prior year accounts payable canceled.

Source: Bloomfield Township School District Records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Add: Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2006	\$ 8,422,300	\$ 1,638,258,000	\$ -0-	\$ -0-	\$ 292,049,800	\$ 35,060,700	\$ 109,725,800	\$ 2,083,516,600	\$ 3,212,200	\$ 2,086,728,800	\$ 206,292,900	\$ 2.4200	\$ 4,281,979,303
2007	9,879,000	1,636,108,400	-0-	-0-	291,284,000	33,789,600	108,657,500	2,079,718,500	2,835,200	2,082,553,700	210,838,000	2.5800	4,919,325,154
2008	9,275,900	1,639,810,200	-0-	-0-	286,204,100	33,682,200	110,326,600	2,079,299,000	2,717,600	2,082,016,600	208,422,100	2.7300	5,270,466,086
2009	8,305,700	1,644,649,700	-0-	-0-	281,194,500	31,378,700	106,891,500	2,072,420,100	3,035,200	2,075,455,300	210,823,900	2.8600	5,284,685,279
2010 *	15,465,300	3,458,290,000	-0-	-0-	594,964,200	64,442,000	223,419,600	4,356,581,100	7,436,700	4,364,017,800	432,357,600	1.4200	5,152,499,771
2011	14,322,300	3,345,486,300	-0-	-0-	597,276,100	63,317,000	224,588,900	4,244,990,600	7,032,700	4,252,023,300	436,628,900	1.4800	4,797,547,917
2012	33,502,200	3,269,570,800	-0-	-0-	574,761,400	62,525,400	222,986,800	4,163,346,600	7,268,287	4,170,614,887	431,413,100	1.5130	4,335,918,127
2013	35,376,200	3,230,142,600	-0-	-0-	573,393,700	58,349,900	222,443,900	4,119,706,300	6,906,100	4,126,612,400	429,011,200	1.6330	4,324,990,886
2014	38,379,000	3,180,262,900	-0-	-0-	569,557,900	49,702,400	235,321,400	4,073,223,600	7,072,456	4,080,296,056	433,042,600	1.7430	4,291,827,168
2015	33,770,800	3,160,383,800	-0-	-0-	567,423,900	46,432,200	230,141,000	4,038,151,700	6,739,700	4,044,891,400	449,492,300	1.7860	4,281,009,189

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 Revaluation of Real Property was effective in this year.

a - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

b - Tax rates are per \$100 of assessed value.

Exhibit J-7

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Year Ended December 31,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Township of Bloomfield	Essex County	
2006	\$ 2.2800	\$ 0.1400	\$ 2.420	\$ 1.800	\$ 0.900	\$ 5.120
2007	2.4171	0.1629	2.580	1.950	0.920	5.450
2008	2.5585	0.1715	2.730	2.170	0.990	5.890
2009	2.6884	0.1716	2.860	2.250	0.990	6.100
2010*	1.3387	0.0813	1.420	1.170	0.480	3.070
2011	1.4017	0.0783	1.480	1.249	0.495	3.224
2012	1.4528	0.0602	1.513	1.361	0.500	3.374
2013	1.5340	0.0990	1.633	1.419	0.516	3.568
2014	1.6449	0.0981	1.743	1.463	0.549	3.755
2015	1.6470	0.0989	1.786	1.488	0.550	3.824

* - A Revaluation of Real Property was effective in this year.

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.

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 calculation.

Exhibit J-8

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Forest Hill Properties	\$ 48,934,700	1	1.21%	\$ 24,247,600	1	1.16%
BR/Prism Central Park	46,615,200	2	1.15%	20,558,000	2	0.99%
1515 Broad St. LLC.	26,033,800	3	0.64%	9,801,400	5	0.47%
Bloomfield Condo Assoc.	25,857,900	4	0.64%			
Troy Towers	23,500,000	5	0.58%	13,500,000	3	0.65%
MCB Bloomfield, LLC	16,065,200	6	0.40%			
Newels Development	13,197,400	7	0.33%	12,007,300	4	0.58%
Bloomfield Plaza Assoc.	11,710,800	8	0.29%			
DCH Investments, LLC	11,461,800	9	0.28%			
Shop-Rite	11,094,800	10	0.27%	7,610,500	9	0.36%
Hammer & Associates				7,632,700	8	0.37%
Leonard Stern/Hartz Mountain				9,394,600	6	0.45%
Bloomfield Developers				7,641,600	7	0.37%
Upper Montclair Country Club				6,126,600	10	0.29%
Total	<u>\$234,471,600</u>		<u>5.79%</u>	<u>\$118,520,300</u>		<u>5.68%</u>

NOTE - A Revaluation of Real Property was effective in 2010.

Exhibit J-9

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2007	\$ 51,579,216	\$ 51,579,216	100.00%	\$ -0-
2008	55,712,687	55,712,687	100.00%	-0-
2009	54,572,251	54,572,251	100.00%	-0-
2010	60,439,333	60,439,333	100.00%	-0-
2011	63,553,835	63,553,835	100.00%	-0-
2012	61,874,348	61,874,348	100.00%	-0-
2013	64,290,906	64,290,906	100.00%	-0-
2014	70,435,779	70,435,779	100.00%	-0-
2015	71,772,393	71,772,393	100.00%	-0-
2016	72,842,824	72,842,824	100.00%	-0-

a - School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	School Facilities Loans	Capital Leases				
2007	\$ 45,008,000	\$ -0-	\$ 254,988	\$ -0-	\$ -0-	\$ -0-	\$45,262,988	2.00%	\$ 1,028.89	
2008	43,168,000	-0-	436,921	-0-	-0-	-0-	43,604,921	1.88%	998.24	
2009	41,220,000	-0-	496,383	-0-	-0-	-0-	41,716,383	1.86%	953.34	
2010	39,190,000	-0-	226,887	-0-	-0-	-0-	39,416,887	1.59%	832.07	
2011	37,195,000	-0-	265,948	2,914,160	-0-	-0-	40,375,108	1.54%	848.48	
2012	35,100,000	-0-	108,357	2,303,795	-0-	-0-	37,512,152	1.42%	789.16	
2013	32,935,000	-0-	-0-	1,694,000	-0-	-0-	34,629,000	1.31%	728.51	
2014	30,730,000	-0-	-0-	1,109,000	-0-	-0-	31,839,000	1.20%	666.28	
2015	28,475,000	-0-	492,122	509,000	-0-	-0-	29,476,122	1.05%	614.62	
2016	26,245,000	-0-	688,740	-0-	-0-	-0-	26,933,740	0.96%	557.91	

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

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

Source: Bloomfield Township School District Financial Reports.

Exhibit J-11

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2007	\$ 45,008,000	\$ -0-	\$ 45,008,000	2.161%	1,023.10
2008	43,168,000	-0-	43,168,000	2.073%	988.23
2009	41,220,000	-0-	41,220,000	1.986%	942.00
2010	39,190,000	-0-	39,190,000	0.898%	827.28
2011	37,195,000	-0-	37,195,000	0.875%	781.65
2012	35,100,000	-0-	35,100,000	0.825%	738.42
2013	32,935,000	-0-	32,935,000	0.790%	692.87
2014	30,730,000	-0-	30,730,000	0.745%	643.08
2015	28,475,000	-0-	28,475,000	0.698%	593.75
2016	26,245,000	-0-	26,245,000	0.649%	543.64

a - See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b - See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: Bloomfield Township District Financial Reports.

Exhibit J-12

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2015
UNAUDITED

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Bloomfield Township	\$ 61,836,306	100.00%	\$ 61,836,306
Essex County General Obligation Debt	463,895,104	5.18%	<u>24,008,078</u>
Subtotal, Overlapping Debt			85,844,384
Bloomfield Township School District Direct Debt			<u>26,905,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 112,749,384</u></u>

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

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 residents and businesses of Bloomfield Township. This process recognizes that, when considering the District's ability to issue and repay long-term, 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 unit.

Sources: Assessed value data used to estimate applicable percentages provided by the Essex County Board of Taxation; debt outstanding data provided by each governmental unit.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2016

Year Ended December 31,	Equalized Valuation Basis
2013	\$ 4,303,014,727
2014	4,279,495,272
2015	4,239,576,225
	<u>\$ 12,822,086,224</u>
Average Equalized Valuation of Taxable Property	<u>\$ 4,274,028,741</u>
Debt Limit (4% of Average Equalization Value) ^a	\$ 170,961,150
Net Bonded School Debt	<u>26,245,000</u>
Legal Debt Margin	<u>\$ 144,716,150</u>

	Fiscal Year				
	2007	2008	2009	2010	2011
Debt Limit	\$ 170,929,567	\$ 191,703,664	\$ 204,838,025	\$ 207,760,970	\$ 203,117,629
Total Net Debt Applicable to Limit	45,698,000	43,118,000	41,220,000	39,190,000	37,195,000
Legal Debt Margin	<u>\$ 125,231,567</u>	<u>\$ 148,585,664</u>	<u>\$ 163,618,025</u>	<u>\$ 168,570,970</u>	<u>\$ 165,922,629</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	26.73%	22.49%	20.12%	18.86%	18.31%

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 193,673,392	\$ 183,341,818	\$ 175,703,878	\$ 172,144,907	\$ 170,961,150
Total Net Debt Applicable to Limit	35,100,000	32,935,000	30,730,000	28,475,000	26,245,000
Legal Debt Margin	<u>\$ 158,573,392</u>	<u>\$ 150,406,818</u>	<u>\$ 144,973,878</u>	<u>\$ 143,669,907</u>	<u>\$ 144,716,150</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.12%	17.96%	17.49%	16.54%	15.35%

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

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

Exhibit J-14

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Year	Population ^a	Essex County Per Capita Personal Income ^b	Personal Income ^c	Township Unemployment Rate ^d
2006	44,523	\$ 49,158	\$ 2,188,661,634	4.6%
2007	43,992	51,568	2,268,579,456	4.2%
2008	43,682	53,136	2,321,086,752	5.4%
2009	43,758	51,288	2,244,260,304	9.5%
2010	47,372	52,324	2,478,692,528	9.5%
2011	47,585	55,014	2,617,841,190	8.9%
2012	47,534	55,404	2,633,573,736	8.8%
2013	47,786	55,692	2,661,297,912	7.9%
2014	47,958	58,319	2,796,862,602	6.7%
2015	48,276	58,319 *	2,815,408,044 *	5.6%

* - Latest Essex County per capita personal income (2014) and population data available was used for calculation purposes.

Source:

- a** - Population information provided by the US Department of Census - Population Division.
- b** - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.
- c** - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.
- d** - Unemployment data provided by the NJ Department of Labor and Workforce Development.

Exhibit J-15

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF ESSEX
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2015		
	Employees	Rank	Percentage of Total Employment
St. Barnabas Health Care System	23,000	1	6.56%
Verizon	17,100	2	4.88%
Prudential Ins. Co. of America	16,850	3	4.81%
Rutgers University-Newark Campus	15,500	4	4.42%
Continental Airlines	11,000	5	3.14%
Newark Board of Education	7,050	6	2.01%
Automatic Data Processing	5,649	7	1.61%
New Jersey Transit	4,000	8	1.14%
City of Newark	4,000	9	1.14%
Essex County	3,500	10	1.00%
	<u>107,649</u>		<u>30.72%</u>
Total Employment	<u>350,404</u>		

Employer	2006		
	Employees	Rank (Optional)	Percentage of Total Employment
St. Barnabas Health Care System	22,300	1	6.36%
Verizon	18,148	2	5.18%
Prudential Ins. Co. of America	17,487	3	4.99%
Continental Airlines	11,200	4	3.20%
PSE&G	11,000	5	3.14%
Ricoh Corporation	5,500	6	1.57%
Automatic Data Processing	5,300	7	1.51%
Horizon Blue Cross/Blue Shield	4,735	8	1.35%
Essex County	4,500	9	1.28%
UMDNJ University Hospital	2,730	10	0.78%
	<u>102,900</u>		<u>29.37%</u>
Total Employment	<u>343,012</u>		

Source: Essex County Economic Development Corporation

Exhibit J-16

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Instruction:					
Regular	467	485	487	476	530
Special Education/Other Special Instruction	83	83	55	57	64
Support Services:					
Health Services	16	16	16	15	15
Administration Information Technology	4	4	4	4	7
General Administrative Services	1	5	6	5	5
Related Services	4	4	4	2	6
Guidance-Professional/Support	26	26	26	25	30
Child Study Team/Support	31	31	33	33	35.5
Supervisors	13	13	10	11	
Plant Operations and Maintenance	74	76	71	70	53
Pupil Transportation	16	40	40	40	42
Central Services	13	16	12	8	11
Media Services Technology	8	8	16	16	10
Principals/School Administrative	48	48	47	45	16
Total	804	855	827	807	824.5

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Instruction:					
Regular	532	542	558	563	571
Special Education/Other Special Instruction	66	67	67	67	67
Support Services:					
Health Services	14	13	13	14	13
Administration Information Technology	6.5	6	6	6	9
General Administrative Services	5	5	5	5	5
Related Services	6	8	8	8	
Guidance-Professional/Support	30	32	32	32	29
Child Study Team/Support	35.5	33	33	33	30
Supervisors					
Plant Operations and Maintenance	69	70	70	70	56
Pupil Transportation	46	73	60	59	72
Central Services	11	13	13	13	10
Media Services Technology	10	11	11	11	12
Principals/School Administrative	62	48	48	48	48
Total	893	921	924	929	922

Source: Bloomfield Township School District Personnel Records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff ^d	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^e	Average Daily Attendance (ADA) ^e	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2007	5,962	\$ 76,045,281	\$ 12,755	9.99%	494	10:1	10:1	11:1	5,962	5,598	-1.11%	93.89%
2008	5,836	81,196,258	13,913	9.08%	513	14:1	10:1	10:1	5,836	5,518	-2.11%	94.55%
2009	5,921	80,845,368	13,654	-1.86%	501	14:1	10:1	10:1	5,930	5,551	1.61%	93.61%
2010	5,934	81,867,657	13,796	1.04%	533	14:1	10:1	10:1	5,934	5,564	0.07%	93.76%
2011	5,938	80,000,090	13,473	-2.35%	530	14:1	10:1	10:1	5,976	*	0.71%	*
2012	6,174	89,309,594	14,465	7.37%	553	14:1	10:1	10:1	5,822	5,489	-2.58%	94.28%
2013	6,194	90,952,169	14,684	1.51%	542	14:1	14:1	10:1	6,183	5,842	6.20%	94.48%
2014	6,208	93,414,120	15,047	2.48%	558	14:1	14:1	10:1	6,176	5,839	-0.11%	94.55%
2015	6,299	93,200,506	14,796	-1.67%	563	14:1	14:1	10:1	6,299	5,983	1.99%	94.99%
2016	6,515	96,290,077	14,780	-0.11%	561	14:1	14:1	10:1	6,221	5,922	-1.24%	95.20%

* Data not provided by the school district

a - Enrollment is obtained from October 15 Enrollment Summary, including students placed out of district.

b - Operating expenditures equal total expenditures less debt service and capital outlay.

c - Cost per pupil is calculated based upon enrollment and operating expenditures as presented and may not be the same as other (State) cost per pupil calculations.

d - Teaching staff includes only full-time equivalents of certificated staff.

e - Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Bloomfield Township School District records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>District Building</u>										
<u>Elementary Schools:</u>										
Berkeley										
Square Feet	62,805	62,805	62,805	62,805	62,805	62,805	62,805	72,280	72,280	72,280
Capacity (students)	300	300	300	300	300	400	400	400	464	464
Enrollment	462	434	458	*	*	403	417	460	438	470
Brookdale										
Square Feet	53,952	53,952	53,952	53,952	53,952	53,952	53,952	54,480	54,480	54,480
Capacity (students)	300	300	300	300	300	350	350	350	332	332
Enrollment	299	290	282	*	*	354	356	352	368	398
Carteret										
Square Feet	54,867	54,867	54,867	54,867	54,867	54,867	54,867	61,120	61,120	61,120
Capacity (students)	300	300	300	300	300	450	450	450	410	410
Enrollment	445	419	414	*	*	427	445	447	454	460
Demarest										
Square Feet	61,061	61,061	61,061	61,061	61,061	61,061	61,061	72,260	72,260	72,260
Capacity (students)	300	300	300	300	300	500	500	500	412	412
Enrollment	447	456	468	*	*	486	486	502	511	573
Fairview										
Square Feet	50,264	50,264	50,264	50,264	50,264	50,264	50,264	57,950	57,950	57,950
Capacity (students)	300	300	300	300	300	450	450	450	502	502
Enrollment	487	478	477	*	*	522	512	533	538	600
Forest Glen										
Square Feet	28,539	28,539	28,539	28,539	28,539	28,539	28,539	30,120	30,120	30,120
Capacity (students)	50	50	50	50	50	80	80	80	80	80
Enrollment	37	28	41	*	*	31	20	29	92	172
Franklin										
Square Feet	28,070	28,070	28,070	28,070	28,070	28,070	28,070	40,510	40,510	40,510
Capacity (students)	300	300	300	300	300	380	380	380	344	344
Enrollment	346	360	370	*	*	398	377	367	341	362

* - Data was not provided by School District

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>District Building</u>										
Oak View										
Square Feet	41,255	41,255	41,255	41,255	41,255	41,255	41,255	53,870	53,870	53,870
Capacity (students)	300	300	300	300	300	400	400	400	398	398
Enrollment	361	344	348	*	*	363	369	366	368	418
Watsessing										
Square Feet	56,153	56,153	56,153	56,153	56,153	56,153	56,153	63,627	63,627	63,627
Capacity (students)	300	300	300	300	300	400	400	400	297	298
Enrollment	395	290	305	*	*	314	325	335	290	334
<u>Middle School:</u>										
Square Feet	99,032	99,032	99,032	99,032	99,032	99,032	99,032	153,380	153,380	153,380
Capacity (students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	926	930	908	*	*	934	880	916	936	905
<u>High School:</u>										
Square Feet	160,000	160,000	160,000	160,000	160,000	435,150	435,150	435,150	435,150	435,150
Capacity (students)	2,000	2,200	2,200	2,200	2,200	2,400	2,400	2,400	2,400	2,400
Enrollment	1,856	1,807	1,846	*	*	1,787	1,945	1,901	1,963	1,823

Number of Schools at June 30, 2016

Elementary School = 9

Middle School = 1

High School = 1

* - Data was not provided by School District

Source: Bloomfield Township School District.

Exhibit J-19

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance
 For School Facilities - Account #11-000-261-XXX:

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
High School	N/A	\$ 304,952	\$ 216,657	\$ 167,092	\$ 239,635	\$ 256,171
Middle School	N/A	167,020	89,465	89,108	138,987	148,577
Berkeley	N/A	59,423	75,263	109,899	73,363	78,425
Brookdale	N/A	55,648	83,541	89,398	88,847	94,978
Carteret	N/A	63,886	75,617	74,325	99,648	106,524
Demarest	N/A	97,360	102,859	86,324	78,634	84,060
Fairview	N/A	49,845	89,544	87,345	73,393	78,457
Forest Glen	N/A	25,145	55,412	69,134	95,682	102,284
Franklin	N/A	32,422	81,579	85,328	80,283	85,823
Oak View	N/A	36,189	105,787	87,883	77,242	82,572
Watsessing	N/A	69,177	92,656	83,901	66,907	71,524
Administration Building	N/A	233,345	69,817	70,550	67,694	72,365
Service Center	N/A	8,862	43,656	120,962	111,860	119,579
Total School Facilities		<u>1,203,274</u>	<u>1,181,853</u>	<u>1,221,249</u>	<u>1,292,175</u>	<u>1,381,339</u>
Grand Total		<u>\$ 1,203,274</u>	<u>\$ 1,181,853</u>	<u>\$ 1,221,249</u>	<u>\$ 1,292,175</u>	<u>\$ 1,381,339</u>

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
High School	N/A	\$ 160,742	\$ 534,738	\$ 374,326	\$ 482,533	\$ 642,090
Middle School	N/A	110,533	84,637	144,424	224,251	410,073
Berkeley	N/A	132,297	284,624	71,935	99,406	124,316
Brookdale	N/A	70,890	113,171	42,898	51,032	179,092
Carteret	N/A	78,126	59,727	48,634	75,532	160,730
Demarest	N/A	112,082	90,620	74,574	85,664	73,390
Fairview	N/A	109,236	86,271	61,918	72,100	56,572
Forest Glen	N/A	173,779	32,108	66,321	63,551	38,403
Franklin	N/A	96,133	34,949	52,926	77,161	163,948
Oak View	N/A	69,934	36,700	53,639	63,787	98,174
Watsessing	N/A	78,325	41,307	56,655	86,068	76,565
Administration Building	N/A	71,766	16,633	15,084	37,144	25,960
Service Center	N/A	91,328	111,208	19,926	24,000	45,712
Total School Facilities		<u>1,355,171</u>	<u>1,526,693</u>	<u>1,083,260</u>	<u>1,442,229</u>	<u>2,095,025</u>
Other Facilities	N/A	<u>17,282</u>	<u>34,293</u>			
Grand Total		<u>\$ 1,372,453</u>	<u>\$ 1,560,986</u>	<u>\$ 1,083,260</u>	<u>\$ 1,442,229</u>	<u>\$ 2,095,025</u>

N/A - Not Applicable.

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

Source: Bloomfield Township School District records.

Exhibit J-20

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2016
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
NJSIG:		
Property Blanket Building and Contents	\$ 400,000,000	\$ 5,000
Equipment Breakdown	100,000,000	5,000
Electronic Data Processing	1,000,000	1,000
General Liability:		
Bodily Injury & Property Damage	31,000,000	
Sexual Abuse	17,000,000	
Personal Injury	31,000,000	
Employee Benefits Liability	31,000,000	1,000
Medical Payments	5,000	
Automotive Coverage:		
Liability	31,000,000	
Physical Damage:		
Symbol 7 Comprehensive		1,000
Collision		1,000
Crime Coverage:		
Public Employee Dishonesty	1,000,000	1,000
Theft, Disappearance and Destruction (Inside and Out)	100,000	500
Theft, Disappearance and Destruction (Money Orders & Counterfeit Paper Currency)	100,000	500
Forgery or Alteration	100,000	500
Computer Fraud	100,000	500
Commercial Flood: 3300 John F. Kennedy Dr. N		
Building	500,000	5,000
Contents	41,000	5,000
Commercial Flood: 71 Prospect Street		
Building	500,000	25,000
Contents	105,000	25,000
Fidelity Bonds:		
School Business Administrator/Board Secretary	500,000	1,000
Treasurer	500,000	1,000
Diploma Joint Insurance Fund:		
Workers' Compensation	Statutory	

Source: Bloomfield Township School District records.

SINGLE AUDIT SECTION



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

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Bloomfield Township School District, in the County of Essex (the "District") as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2016.

Internal Control Over Financial Reporting

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

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

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mount Arlington, New Jersey
October 28, 2016

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant



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Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Bloomfield Township School District (the "District's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2016. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 2

Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2016.

Report on Internal Control Over Compliance

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

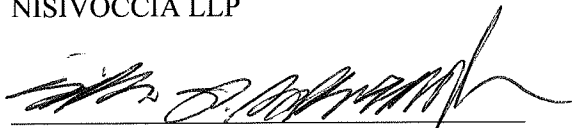
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

Mount Arlington, New Jersey
October 28, 2016

NISIVOCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2015			Budgetary Expenditures	Repayment of Prior Years' Balances	Adjustment	Balance at June 30, 2016			Amount Provided to Subrecipients
			From	To		Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received				(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education:															
Passed-through State Department of Education:															
Special Revenue Fund:															
Special Education Cluster:															
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-0410-16	7/1/15	6/30/16	\$ 1,795,857			\$ 908,790	\$ (1,436,592)			\$ (527,802)			
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-0410-15	7/1/14	6/30/15	1,660,839	\$ (273,648)		273,648							
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-0410-14	7/1/13	6/30/14	1,565,992		\$ 1,225						\$ 1,225		
I.D.E.A. - Part B, Preschool	84.173	IDEA-0410-16	7/1/15	6/30/16	46,587				(40,157)			(40,157)			
I.D.E.A. - Part B, Preschool	84.173	IDEA-0410-15	7/1/14	6/30/15	38,430	(3,653)		3,653							
Subtotal Special Education Cluster						(277,301)	1,225	1,186,091	(1,476,749)			(567,959)	1,225		
No Child Left Behind:															
Title I	84.010	NCLB-0410-16	7/1/15	6/30/16	1,080,221			361,448	(909,023)		\$ (3,499)	(551,074)			
Title I	84.010	NCLB-0410-15	7/1/14	6/30/15	1,232,292	(261,638)		258,139			3,499				
Title I	84.010	NCLB-0410-14	7/1/13	6/30/14	647,900		3,031						3,031		
Title I	84.010	NCLB-0410-13	9/1/12	8/31/13	893,875		194			\$ (194)					
Title II A	84.367A	NCLB-0410-16	7/1/15	6/30/16	174,253			45,200	(147,795)			(102,595)			
Title II A	84.367A	NCLB-0410-15	7/1/14	6/30/15	174,579	(38,320)		38,320							
Title II A	84.367A	NCLB-0410-14	7/1/13	6/30/14	120,364		300						300		
Title II A	84.367A	NCLB-0410-13	9/1/12	8/31/13	145,000		2,401			(2,401)					
Title III	84.365A	NCLB-0410-16	7/1/15	6/30/16	73,030			24,093	(59,507)			(35,414)			
Title III	84.365A	NCLB-0410-15	7/1/14	6/30/15	78,618	(14,927)		14,927							
Title III - Immigrant	84.365A	NCLB-0410-15	7/1/14	6/30/15	9,801	(3,733)		3,733							
Carl D. Perkins Vocational Education	84.048A	PERK-0410-16	7/1/15	6/30/16	41,525				(25,064)			(25,064)			
Carl D. Perkins Vocational Education	84.048A	PERK-0410-15	7/1/14	6/30/15	52,901	(38,908)		44,604					5,696		
Alternative Education for Academically Challenged Students	84.294A	U215K100268	9/1/10	8/31/14	300,000		3,507						3,507		
Total Special Revenue Fund						(634,827)	10,658	1,976,555	(2,618,138)	(2,595)		(1,282,106)	13,759		
Total U.S. Department of Education						(634,827)	10,658	1,976,555	(2,618,138)	(2,595)		(1,282,106)	13,759		

N/A - Not Available/Applicable

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2015			Budgetary Expenditures	Repayment of Prior Years' Balances	Adjustment	Balance at June 30, 2016			Amount Provided to Subrecipients
			From	To		Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received				(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:															
Medical Assistance Program (SEMI)	93.778	N/A	7/1/15	6/30/16	\$ 92,404			\$ 88,352	\$ (92,404)			\$ (4,052)			
Medical Assistance Program (SEMI)	93.778	N/A	7/1/14	6/30/15	132,029	\$ (38,155)		38,155							
Total General Fund						(38,155)		126,507	(92,404)			(4,052)			
Total U.S. Department of Health and Human Services						(38,155)		126,507	(92,404)			(4,052)			
U.S. Department of Agriculture - Passed-through State Department of Agriculture:															
Child Nutrition Cluster:															
School Breakfast Program	10.553	N/A	7/1/15	6/30/16	132,170			120,051	(132,170)			(12,119)			
School Breakfast Program	10.553	N/A	7/1/14	6/30/15	87,516	(9,582)		9,582							
National School Lunch Program	10.555	N/A	7/1/15	6/30/16	1,207,073			1,125,252	(1,207,073)			(82,774)		\$ 953	
National School Lunch Program	10.555	N/A	7/1/14	6/30/15	1,133,907	(91,368)		91,368							
Federal Food Distribution Program	10.555	N/A	7/1/15	6/30/16	176,349			176,349	(176,349)						
Subtotal Child Nutrition Cluster						(100,950)		1,522,602	(1,515,592)			(94,893)		953	
Total U.S. Department of Agriculture						(100,950)		1,522,602	(1,515,592)			(94,893)		953	
TOTAL FEDERAL AWARDS						\$ (773,932)	\$ 10,658	\$ 3,625,664	\$ (4,226,134)	\$ (2,595)	\$ -0-	\$ (1,381,051)	\$ -0-	\$ 14,712	\$ -0-

N/A - Not Available/Applicable

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2015			Repayment of Prior Years' Balances	Balance at June 30, 2016			MEMO		
		From	To		Budgetary Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received		Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:														
General Fund:														
Equalization Aid	16-495-034-5120-078	7/1/15	6/30/16	\$15,125,042									\$ 1,435,868	\$ 15,125,042
Equalization Aid	15-495-034-5120-078	7/1/14	6/30/15	15,125,042	\$(1,456,928)									
Special Education Categorical Aid	16-495-034-5120-089	7/1/15	6/30/16	3,681,307									349,478	3,681,307
Special Education Categorical Aid	15-495-034-5120-089	7/1/14	6/30/15	3,681,307	(354,604)									
Categorical Security Aid	16-495-034-5120-084	7/1/15	6/30/16	1,192,046									113,165	1,192,046
Categorical Security Aid	15-495-034-5120-084	7/1/14	6/30/15	1,192,046	(114,824)									
Transportation Aid	16-495-034-5120-014	7/1/15	6/30/16	200,619									19,045	200,619
Transportation Aid	15-495-034-5120-014	7/1/14	6/30/15	200,619	(19,325)									
Under Adequacy Aid	16-495-034-5120-083	7/1/15	6/30/16	500,000									47,467	500,000
Under Adequacy Aid	15-495-034-5120-083	7/1/14	6/30/15	500,000	(48,163)									
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15	6/30/16	63,400									6,019	63,400
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14	6/30/15	63,400	(6,107)									
PARCC Readiness Aid	16-495-034-5120-098	7/1/15	6/30/16	63,400									6,019	63,400
PARCC Readiness Aid	15-495-034-5120-098	7/1/14	6/30/15	63,400	(6,107)									
Extraordinary Special Education Costs Aid	16-495-034-5120-044	7/1/15	6/30/16	764,422									764,422	764,422
Extraordinary Special Education Costs Aid	15-495-034-5120-044	7/1/14	6/30/15	602,819	(602,819)									
Nonpublic School Transportation Costs	16-495-034-5120-014	7/1/15	6/30/16	58,116									58,116	58,116
Nonpublic School Transportation Costs	15-495-034-5120-014	7/1/14	6/30/15	84,564	(84,564)									
TPAF Social Security Aid	16-495-034-5094-003	7/1/15	6/30/16	2,926,018									146,875	2,926,018
TPAF Social Security Aid	15-495-034-5094-003	7/1/14	6/30/15	2,871,738	(144,486)									
Total General Fund State Aid					(2,837,927)								2,946,474	24,574,370
Special Revenue Fund:														
NJ Nonpublic Aid:														
Textbook Aid (Chapter 194)	16-100-034-5120-064	7/1/15	6/30/16	12,448									\$ 1,394	11,054
Textbook Aid (Chapter 194)	15-100-034-5120-064	7/1/14	6/30/15	14,894		\$ 1,768								
Nursing Services (Chapter 226)	16-100-034-5120-070	7/1/15	6/30/16	19,620										19,620
Auxiliary Services (Chapter 192):														
Compensatory Education	16-100-034-5120-067	7/1/15	6/30/16	31,303									848	30,455
Compensatory Education	15-100-034-5120-067	7/1/14	6/30/15	30,009		1,612								
Handicapped Services (Chapter 193):														
Supplementary Instruction	16-100-034-5120-066	7/1/15	6/30/16	20,792									3,269	17,523
Supplementary Instruction	15-100-034-5120-066	7/1/14	6/30/15	21,187		2,040								
Examination and Classification	16-100-034-5120-066	7/1/15	6/30/16	26,926									10,388	16,538
Examination and Classification	15-100-034-5120-066	7/1/14	6/30/15	29,353		8,636								
Examination and Classification	14-100-034-5120-066	7/1/13	6/30/14	39,322		4,781								
Corrective Speech	16-100-034-5120-066	7/1/15	6/30/16	19,230									7,526	11,704
Corrective Speech	15-100-034-5120-066	7/1/14	6/30/15	22,088		5,037								
Security Aid	16-100-034-5120-509	7/1/15	6/30/16	5,450									500	4,950
Technology Initiative	16-100-034-5120-373	7/1/15	6/30/16	5,668									5,668	
Technology Initiative	15-100-034-5120-373	7/1/14	6/30/15	8,000		626								
Technology Initiative	14-100-034-5120-373	7/1/13	6/30/14	4,580		9								
Total Special Revenue Fund						24,509							29,593	111,844
Debt Service Fund:														
Debt Service Aid Type II	16-100-034-5120-125	7/1/15	6/30/16	192,236										192,236
Total Debt Service Fund														192,236

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2015			Repayment of Prior Years' Balances	Balance at June 30, 2016			MEMO		
		From	To		Budgetary Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received		Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:														
Enterprise Fund:														
State School Lunch Program	15-100-010-3350-023	7/1/14	6/30/15	\$ 25,195	\$ (1,998)	\$ 1,998								
State School Lunch Program	16-100-010-3350-023	7/1/15	6/30/16	27,671		25,790	\$ (27,671)	\$ (1,886)		\$ 5	\$ 1,886	\$ 27,671		
State School Lunch Program - Supplemental	15-100-010-3350-023	7/1/14	6/30/15	751	(751)	751								
Supplemental	16-100-010-3350-023	7/1/15	6/30/16	2,015			(2,015)	(2,015)			2,015	2,015		
Total Enterprise Fund					(2,749)	28,539	(29,686)	(3,901)		5	3,901	29,686		
Schools Development Authority:														
Capital Projects Fund:														
Educational Facilities Construction & Financing Act	SP-0410-050-14-1006	6/9/14	6/30/15	68,631	(34,744)							34,744		
Total Capital Projects Fund					(34,744)							34,744		
TOTAL STATE AWARDS					<u>\$ (2,875,420)</u>	<u>\$ 24,509</u>	<u>\$ 24,828,035</u>	<u>\$ (24,908,136)</u>	<u>\$ (24,509)</u>	<u>\$ (973,314)</u>	<u>\$ -0-</u>	<u>\$ 29,598</u>	<u>\$ 2,985,119</u>	<u>\$ 24,908,136</u>

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") include the federal and state grant activity of the Township of Bloomfield School District under programs of the federal and state governments for the fiscal year ended June 30, 2016. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

The District has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4. 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 June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes these payments are not recognized until the subsequent budget year due to the state deferral and recording of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. The special revenue fund also does not recognize the June state aid payments in the current year. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$28,997 for the general fund and \$(12,354) for the special revenue fund (of which \$2,034 is attributable to prior year encumbrances for local grants which are not included on the schedules of expenditures of state and federal awards). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Pension Contributions and Post Retirement Contributions revenue of \$2,829,454 and \$3,369,098, respectively. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as on the following page.

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 92,404	\$ 30,801,919	\$ 30,894,323
Special Revenue Fund	2,602,671	112,923	2,715,594
Debt Service Fund		192,236	192,236
Food Service Enterprise Fund	1,515,592	29,686	1,545,278
Total Financial Assistance	<u>\$ 4,210,667</u>	<u>\$ 31,136,764</u>	<u>\$ 35,347,431</u>

NOTE 5. 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 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2016. Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

NOTE 7. SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANT

The District has been awarded a \$68,631 grant from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2016, \$-0- of the grant funds have been expended and requested for reimbursement and \$34,744 is receivable on the budgetary basis.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's federal and state programs tested as major for the current fiscal year were the following:

	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Child Nutrition Cluster:				
School Breakfast Program	10.553	7/1/15-6/30/16	\$ 132,170	\$ 132,170
National School Lunch Program	10.555	7/1/15-6/30/16	1,207,073	1,207,073
Federal Food Distribution	10.555	7/1/15-6/30/16	176,349	176,349
<u>State:</u>				
Equalization Aid	16-495-034-5120-078	7/1/15-6/30/16	15,125,042	15,125,042
Special Education				
Categorical Aid	16-495-034-5120-089	7/1/15-6/30/16	3,681,307	3,681,307
Categorical Security Aid	16-495-034-5120-084	7/1/15-6/30/16	1,192,046	1,192,046
Under Adequacy Aid	16-495-034-5120-083	7/1/15-6/30/16	500,000	500,000
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15-6/30/16	63,400	63,400
PARCC Readiness Aid	16-495-034-5120-098	7/1/15-6/30/16	63,400	63,400
TPAF Social Security Aid	16-495-034-5094-003	7/1/15-6/30/16	2,926,018	2,926,018

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Summary of Auditors' Results: (Cont'd)

- The threshold used for distinguishing between both state and federal Type A and Type B programs was \$750,000.
- The single audit threshold identified in the Uniform Guidance and New Jersey's OMB Circular 15-08 was \$750,000.
- The District was determined to be a "low-risk" auditee for both state and federal programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under General Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Status of Prior Year Findings:

There were no prior year audit findings.