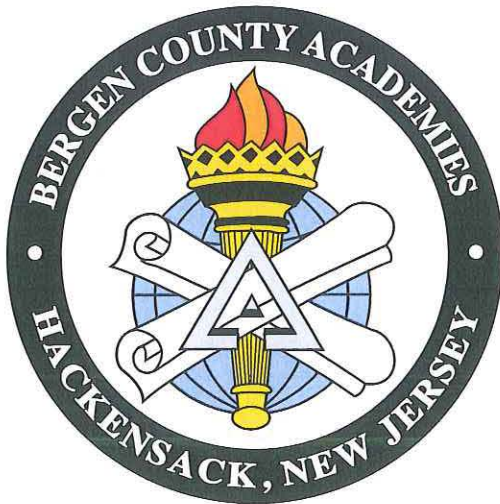
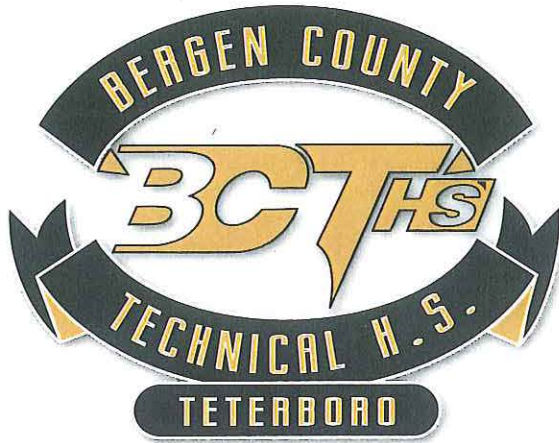


# Bergen County Technical Schools

A Component Unit of The County of Bergen



**Comprehensive Annual Financial Report  
For The Fiscal Year Ended JUNE 30, 2017**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**of the**

**Bergen County Technical and Vocational High School  
Board of Education**

**(A Component Unit of the County of Bergen)**

**New Jersey**

**For The Fiscal Year Ended June 30, 2017**

**Prepared by**

**Business Department**

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## **INTRODUCTORY SECTION**





BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

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District Administration Office

540 Farview Avenue, Paramus, New Jersey 07652 • Tel. (201) 343-6000 • Fax (201) 225-9067

December 1, 2017

Honorable President and  
Members of the Board of Education  
Bergen County Technical and Vocational High School  
County of Bergen, New Jersey

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2017.

This report consists of management's representations concerning the finances of the Bergen County Technical and Vocational High School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Bergen County Technical and Vocational High School District has established a comprehensive internal control framework that is designed both to protect the School District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Bergen County Technical and Vocational High School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Bergen County Technical and Vocational High School District's comprehensive framework or internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Bergen County Technical and Vocational High School District's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Technical and Vocational High School



District's financial statements for the fiscal year ended June 30, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Bergen County Technical and Vocational High School District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grant agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Bergen County Technical and Vocational High School District's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Bergen County Technical & Vocational High School District's MD&A can be found immediately following the report of the independent auditors.

The district operates four high schools: Bergen County Academies in Hackensack, including seven magnet high school programs with a career focus; Bergen County Technical High School – Teterboro, with eleven technical concentrations; Bergen County Technical High School – Paramus, with eleven concentrations, including full-time options for students with special learning needs and shared-time options for general education students and students with special learning needs, who remain at their local sending districts for academics and select part-time technical education in the county school; and Applied Technology High School, a CTE program in partnership with Bergen Community College, currently offering an engineering technology concentration, with an additional concentration—Health Professions—beginning in school year 2018-19.

Bergen County Technical Schools also offer an array of postsecondary programs. These include full-time day training programs and part-time evening and apprenticeship courses through the Adult & Continuing Education Division, training for emergency medical service and heavy rescue workers through the Emergency Medical Services Training Center, and career readiness and training through the Bergen Workforce Center which offers programs that qualify under the workforce development programs dating back to the Manpower Development and Training Act of 1962. Through the years, the school district has operated the training component, in full or in part, for all of these programs. Since 1995, the district has also served as the administrative agent for these programs, beginning with the federal Job Training Partnership Act (JTPA), which was later replaced by the current Workforce Investment Act.

The District completed the 2016-17 fiscal year with an enrollment of 2,342 secondary students, which is 65 students more than the previous year. The following details changes in District enrollment over the last ten years:

	<u>Enrollment</u>	
2016-17		2,342
2015/16		2,277
2014/15		2,208
2013/14		2,260
2012/13		2,231
2011/12		2,276

2010/11	2,226
2009/10	2,182
2008/09	2,142
2007/08	2,186

The District continues its administrative partnership with Bergen County Special Services, facilitating an efficient and productive sharing of resources including central office administrations, professional development sources and opportunities, pedagogical and technological expertise, and other peripheral support services. The district also provides as-needed personnel and special project support to the Bergen County Workforce Investment Act.

**ECONOMIC CONDITION AND OUTLOOK:**

Located in Northeastern New Jersey in close proximity to New York City, Bergen County is an important economic entity. Although Bergen County comprises only 3% of New Jersey's total land area, it has the largest number of workers, private-sector jobs, and highest per capital income in the state. Its 900,000 residents live in 70 municipalities, which include 56 boroughs, 9 townships, 3 cities, and 2 villages.

According to the Bergen County Economic Development Corporation, Bergen has over 14% of the states jobs (487,000) and over 14% of New Jersey's manufacturing jobs - both records for the state, at \$15 billion. Hackensack, the County Seat, is home to Bergen's top employer, Hackensack University Medical Center. This state-of-the-art teaching and research hospital is the largest provider of inpatient and outpatient services in the state. The New Jersey Sports and Exposition Authority (Met Life Stadium, Meadowlands Racetrack, Izod Center) and the Valley Hospital System round out the top three employers in the county. Other leading employers include: Quest Diagnostics, Englewood Hospital & Medical Center, Bergen Regional Medical Center, Cingular Wireless, Holy Name Hospital, The County of Bergen, and Mercedes-Benz.

**MAJOR INITIATIVES:**

The district has intensified its efforts towards offering early college options on all campuses. These programs are designed for motivated students who are interested in challenging themselves by enrolling in college level courses. Onsite at the Hackensack and Teterboro campuses, students can take Honors and Advanced Placement (AP) courses; International Baccalaureate (IB) courses are offered on the Hackensack campus. Through successful completion of AP and IB courses, students have the opportunity to earn credit or advanced standing at most of the nation's colleges and universities. In addition, there are a number of articulation agreements with Fairleigh Dickinson University and New Jersey Institute of Technology which offer select graduating students sophomore standing at the partnering school. Students are also able to take a number of college courses off-site prior to graduating high school at Fairleigh Dickinson University and Bergen Community College.

### **MAJOR INITIATIVES: (Continued)**

At the special needs campus in Paramus, students are able to pursue certifications in all eleven technical concentrations. Articulation agreements allow students to earn either college credits or advanced standing upon successful completion of courses offered by eight postsecondary institutions.

At Applied Technology High School, dual enrollment courses taught by Bergen Community College instructors afford students the opportunity to earn up to 30 college credits upon graduation. These credits can be applied to an A.S. or A.A.S. degree at Bergen Community College, enabling students to earn their degrees in one year at the college, or may be transferred to a four-year college or university.

The district's most current initiative is focused on preparing students for continued globalization. By preparing students to enter higher education institutions with a head start on their peers, we believe that they will have the advantage of being the first to create new innovations for the globalizing market. In addition, new courses are being offered to increase our students' knowledge of foreign investment and language in emerging markets. To complement classes in Mandarin and International Business, student exchange programs with other nations have been initiated.

### **INTERNAL ACCOUNTING CONTROLS:**

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

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

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

### **BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimates. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open

encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2017.

**DEBT ADMINISTRATION:**

At June 30, 2017, the District has no debt service. All bonded long-term debt is included in the County of Bergen's financial statements.

**CASH MANAGEMENT:**

By agreement with the Bergen County Administrator, the Board requests payment of enough funds to meet immediate obligations and maintain a low cash balance. The Board relies on the county administrator for an appropriate investment policy. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**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, and a self-insured health benefits plan and unemployment fund.

**ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Board of Education and the Bergen County Executive and Board of Chosen Freeholders for their concern in providing fiscal accountability to the citizens and to 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 accounting staff.

Respectfully submitted,

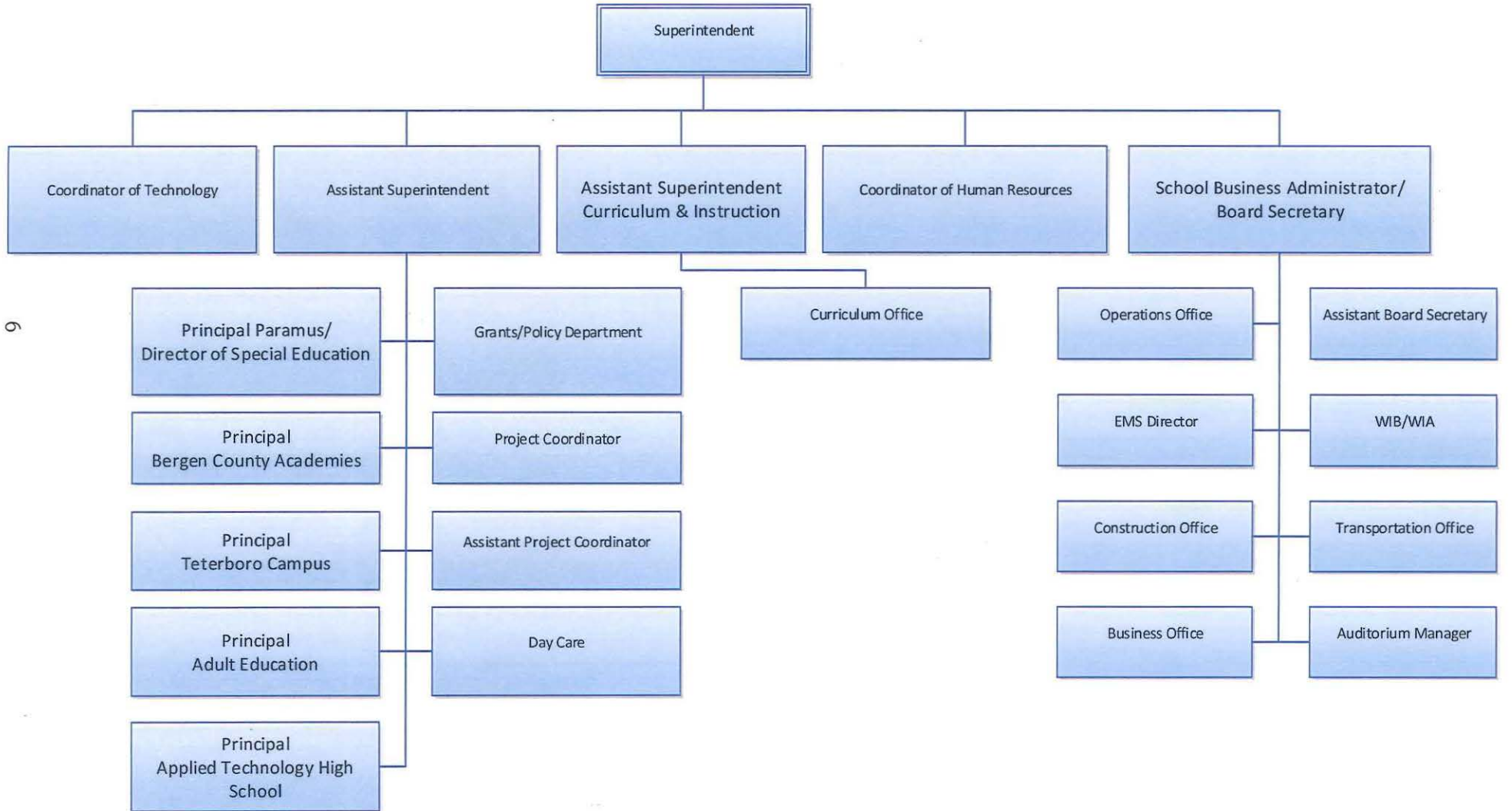


Dr. Howard Lerner  
Superintendent



John Susino  
Business Administrator/Board Secretary

# Bergen County Technical Schools Administrative Plan 2016-2017



BERGEN COUNTY TECHNICAL SCHOOLS  
BERGEN COUNTY, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2017

**COUNTY EXECUTIVE**

James J. Tedesco III

**MEMBERS OF THE BOARD OF CHOSEN FREEHOLDERS**

Tracey Silna Zur – Chairwoman  
Thomas J. Sullivan Jr. – Vice Chairman  
Joan Voss – Chair Pro Tempore  
Mary J. Amoroso  
David Ganz  
Germaine Ortiz  
Steve Tanelli

**BOARD OF EDUCATION**

President

Dr. William Meisner

Vice-President

Raymond Hryczyk

Members of the Board of Education

Jason Kim  
Lawrence Meyerson  
Norah Peck

Executive County Superintendent  
Bergen County Office of Education

**OTHER OFFICIALS**

Superintendent  
Assistant Superintendent  
Board Secretary /Business Administrator  
Director of Personnel  
Director of Special Education  
Director of Workforce Investment Board  
Director, Bergen County One Stop  
Career Center (WIA)  
Principal, Academies  
Principal, BCTEC, Paramus  
Principal, BCVHS, Paramus  
Principal, BCTEC, BCVHS, BCTHS, Teterboro  
Principal, Adult and Continuing Education

Dr. Howard Lerner  
Andrea Sheridan  
John Susino  
Gary Hall  
Carole Terrizzi  
Tammy Molinelli  
  
Gregory Janz  
Russ Davis  
Carole Terrizzi  
Carole Terrizzi  
David Tankard  
Paul Castiglia



**BERGEN COUNTY TECHNICAL SCHOOL  
BERGEN COUNTY, NEW JERSEY**

**Consultants and Advisors**

**Architect**

DMR Architects  
Settembrino Architects  
Rivaro, Schnitzer, Capazzi  
Netta Architects  
Lan Architects

**Audit Firm**

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

**Attorney**

Nowell, P.A.  
155 Polifly Road  
Hackensack, NJ 07601

**Official Depository**

Santander Bank  
Florham Park, NJ 07932

**Engineers**

CHA Associates  
Neglia Engineering Assoc.  
CME Associates  
T & M Engineering  
Boswell Engineering

**FINANCIAL SECTION**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, PSA  
DEBORAH K. LERCH, CPA, PSA  
RALPH M. PICONE, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
CINDY JANACEK, CPA, RMA  
MARK SACO, CPA  
SHERYL M. NICOLOSI, CPA, PSA

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Trustees  
Bergen County Technical and Vocational High School District  
Bergen County, 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 Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of June 30, 2017, 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, budgetary comparison information and pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

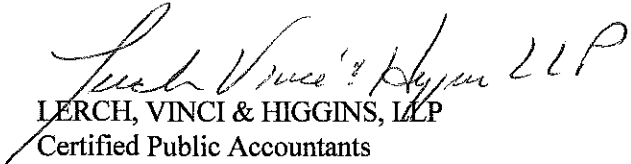
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical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

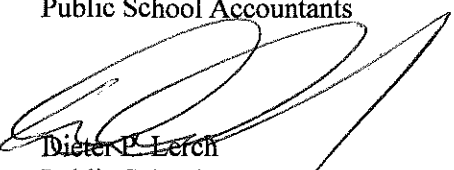
The combining fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2017 on our consideration of the Bergen County Technical and Vocational High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control over financial reporting and compliance.

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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
December 1, 2017

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2017

This section of Bergen County Technical and Vocational School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2017. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2016-2017) and the prior year (2015-2016) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2016-2017 fiscal year include the following:

- The assets and deferred outflows of resources of the Bergen County Technical and Vocational High School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$16,678,842 (net position).
- Overall district-wide revenues were \$98,112,093, which was \$3,985,902 less than expenses.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$9,500,622.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

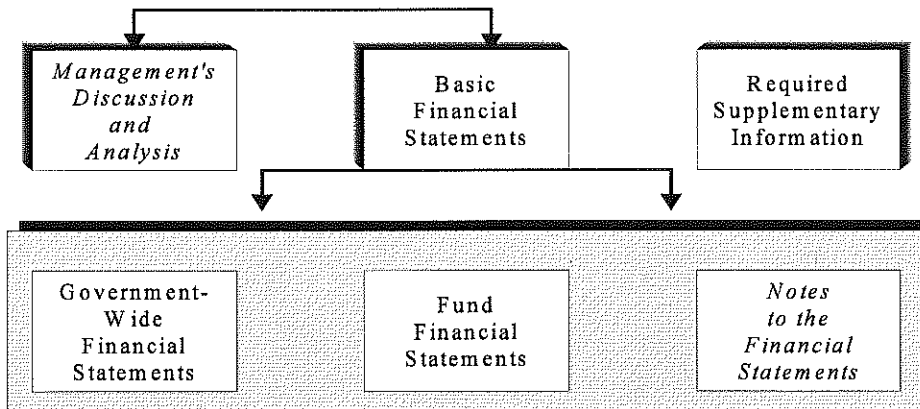
BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017

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

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

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 the structure and contents of each of the statements.

**Figure A-2**  
Major Features of the Government-Wide and Fund Financial Statements

	Government-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 vocational education and building maintenance, and community education	Activities the district operates similar to private businesses: Internal Service and Enterprise funds	Instances in which the District administers resources on behalf of someone else, such as Unemployment, Payroll agency, and Scholarships
Required financial statements	Statements of net position Statement of activities	Balance Sheet Statement of Revenue, Expenditures and changes in fund balances	Statement of Net Position Statement of revenue, expenses, and changes in fund net position Statement of cash flows	Statements of Fiduciary net position Statement of changes in fiduciary net position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting And economic resources Focus
Type of asset/liability/deferred resource information	All assets and liabilities, deferred outflows/ Inflows of resources, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, deferred outflows/inflows of resources, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

**Government-wide financial statements**

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

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

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2017

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

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

- *Governmental activities* – Most of the District's basic services are included here, such as vocational education, transportation, administration, and community education. County taxes and tuition charged to other school districts are also reflected here.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

### 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.
- The District establishes other funds in accordance with the State of New Jersey Uniform Chart of Accounts to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

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

The District uses *internal service funds* to report activities that provide supplies and services for the District's other programs and activities. The district currently has five internal service funds for the following:

- Management Agreement-BCSSD
- Extended Year
- WIA Administration
- Compensated Absences
- Interlocal Agreements

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2017

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

- Food Service (Cafeteria)
- Academy After Hours
- Technology Services
- Summer Science Funds
- Summer Writing
- Explorations
- Day Care Center
- Educational Technology Training Center
- Auditorium Rentals
- Math Camp Funds
- Teterboro Summer
- High School Enrichment

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

### Notes to the financial statements

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

### Other Information

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

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

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16,678,842 as of June 30, 2017. See Table A-1.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

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

**Table A-1  
Net Position  
as of June 30, 2017 and 2016**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$ 16,429,592	\$ 14,294,850	\$ 1,059,702	\$ 1,051,505	\$ 17,489,294	\$ 15,346,355
Capital Assets	48,611,395	50,030,937	320,044	367,596	48,931,439	50,398,533
<b>Total Assets</b>	<u>65,040,987</u>	<u>64,325,787</u>	<u>1,379,746</u>	<u>1,419,101</u>	<u>66,420,733</u>	<u>65,744,888</u>
<b>Deferred Outflows of Resources</b>	<u>18,164,090</u>	<u>6,995,953</u>	<u>-</u>	<u>-</u>	<u>18,164,090</u>	<u>6,995,953</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>83,205,077</u>	<u>71,321,740</u>	<u>1,379,746</u>	<u>1,419,101</u>	<u>84,584,823</u>	<u>72,740,841</u>
Other Liabilities	3,843,355	3,438,541	309,703	204,599	4,153,058	3,643,140
Noncurrent Liabilities	63,752,423	47,716,603	-	-	63,752,423	47,716,603
<b>Total Liabilities</b>	<u>67,595,778</u>	<u>51,155,144</u>	<u>309,703</u>	<u>204,599</u>	<u>67,905,481</u>	<u>51,359,743</u>
<b>Deferred Inflows of Resources</b>	<u>-</u>	<u>716,354</u>	<u>500</u>	<u>-</u>	<u>500</u>	<u>716,354</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>67,595,778</u>	<u>51,871,498</u>	<u>310,203</u>	<u>204,599</u>	<u>67,905,981</u>	<u>52,076,097</u>
<b>Net Position</b>						
Net Investment in						
Capital Assets	48,611,395	50,030,937	320,044	367,596	48,931,439	50,398,533
Restricted	5,745,989	4,544,625			5,745,989	4,544,625
Unrestricted	(38,748,085)	(35,125,320)	749,499	846,906	(37,998,586)	(34,278,414)
<b>Total Net Position</b>	<u>\$ 15,609,299</u>	<u>\$ 19,450,242</u>	<u>\$ 1,069,543</u>	<u>\$ 1,214,502</u>	<u>\$ 16,678,842</u>	<u>\$ 20,664,744</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

**Table A-2  
Change in Net Position  
For the Fiscal Years Ended June 30, 2017 and 2016**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Revenues</b>						
Program Revenues						
Tuition	\$ 27,666,393	\$ 26,904,443			\$ 27,666,393	\$ 26,904,443
Charges for Services	2,852,241	2,623,841	\$ 2,980,898	\$ 3,231,576	5,833,139	5,855,417
Operating Grants and Contributions	27,954,315	23,441,351	157,106	163,382	28,111,421	23,604,733
General Revenues						
County Property Taxes	30,010,408	29,566,905			30,010,408	29,566,905
County Aid	1,210,577	836,534			1,210,577	836,534
State and Federal Aid	5,122,254	5,080,816			5,122,254	5,080,816
Miscellaneous	157,901	382,054	-	-	157,901	382,054
<b>Total Revenues</b>	<b><u>94,974,089</u></b>	<b><u>88,835,944</u></b>	<b><u>3,138,004</u></b>	<b><u>3,394,958</u></b>	<b><u>98,112,093</u></b>	<b><u>92,230,902</u></b>
<b>Expenses</b>						
Instruction						
Regular	23,941,523	21,615,596			23,941,523	21,615,596
Other Special Instruction	1,259,523	1,417,698			1,259,523	1,417,698
Vocational Education	24,578,919	23,049,247			24,578,919	23,049,247
Other Instruction	3,809,101	3,083,333			3,809,101	3,083,333
Adult/Continuing Education	914,306	630,782			914,306	630,782
Support Services						
Student and Instruction Related Services	15,353,581	14,820,193			15,353,581	14,820,193
School Administrative Services	4,827,057	4,534,126			4,827,057	4,534,126
General Administrative Services	2,882,626	2,674,123			2,882,626	2,674,123
Business/Central Other Support Services	9,163,851	8,481,150			9,163,851	8,481,150
Plant Operations and Maintenance	10,947,900	10,594,482			10,947,900	10,594,482
Pupil Transportation	1,136,645	1,080,865			1,136,645	1,080,865
Interest		5,539			-	5,539
Food Services			807,823	754,158	807,823	754,158
Other-Business Activities	-	-	2,475,140	2,730,645	2,475,140	2,730,645
<b>Total Expenses</b>	<b><u>98,815,032</u></b>	<b><u>91,987,134</u></b>	<b><u>3,282,963</u></b>	<b><u>3,484,803</u></b>	<b><u>102,097,995</u></b>	<b><u>95,471,937</u></b>
<b>Change in Net Position Before Transfers</b>	<b><u>(3,840,943)</u></b>	<b><u>(3,151,190)</u></b>	<b><u>(144,959)</u></b>	<b><u>(89,845)</u></b>	<b><u>(3,985,902)</u></b>	<b><u>(3,241,035)</u></b>
<b>Transfer</b>	<b><u>-</u></b>	<b><u>50,000</u></b>	<b><u>-</u></b>	<b><u>(50,000)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Change in Net Position</b>	<b><u>(3,840,943)</u></b>	<b><u>(3,101,190)</u></b>	<b><u>(144,959)</u></b>	<b><u>(139,845)</u></b>	<b><u>(3,985,902)</u></b>	<b><u>(3,241,035)</u></b>
<b>Net Position, Beginning of Year</b>	<b><u>19,450,242</u></b>	<b><u>22,551,432</u></b>	<b><u>1,214,502</u></b>	<b><u>1,354,347</u></b>	<b><u>20,664,744</u></b>	<b><u>23,905,779</u></b>
<b>Net Position, End of Year</b>	<b><u>\$ 15,609,299</u></b>	<b><u>\$ 19,450,242</u></b>	<b><u>\$ 1,069,543</u></b>	<b><u>\$ 1,214,502</u></b>	<b><u>\$ 16,678,842</u></b>	<b><u>\$ 20,664,744</u></b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

**Governmental Activities.** The District's total governmental activities revenues were \$94,974,089 for the year ended June 30, 2017. Tuition and other charges to districts accounted for 32 percent of total revenues. County taxes and aid account for 33 percent of total revenue for the year. Operating grants and contributions account for 29 percent of revenues. Another 5 percent came from other operating revenues consisting of unrestricted and restricted federal/state aid for capital outlay. The remaining 1 percent of revenues include investment earnings and other miscellaneous revenues.

The total cost of all governmental activities programs and services was \$98,815,032. The District's expenses are predominantly related to educating and caring for students.

Total governmental activities revenues and transfers were less than expenses decreasing net position \$3,840,943 from the last year.

Table A-3 Revenues by Source- Governmental Activities  
For Fiscal Year 2017

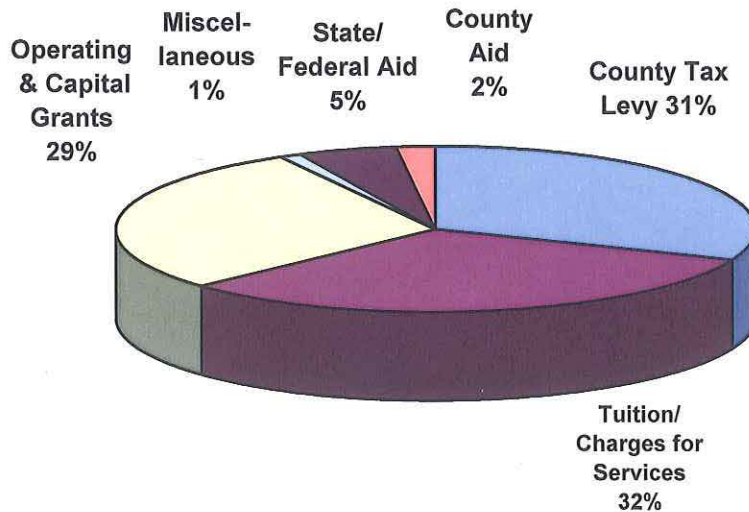
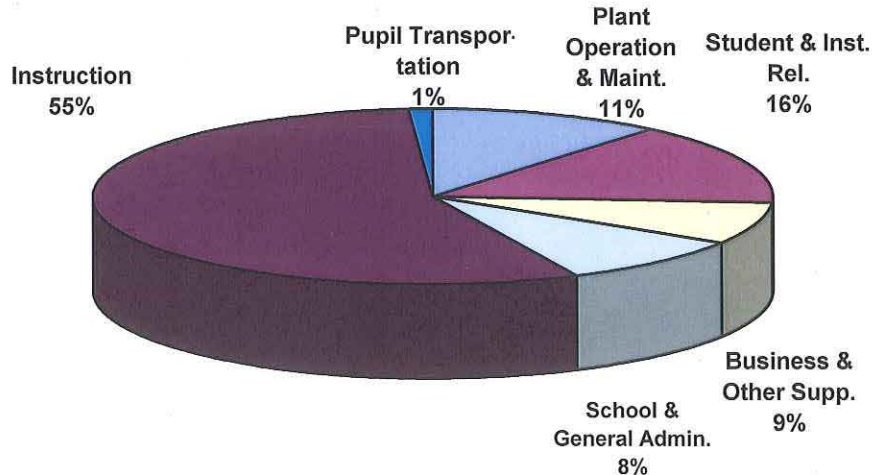


Table A-4 Expenditures by Type- Governmental Activities  
For Fiscal Year 2017



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

**Total and Net Cost of Governmental Activities.** The District's total cost of services was \$98,644,632 for the fiscal year ended June 30, 2017. After applying program revenues, derived from tuition and charges for services of \$30,518,634 and operating grants and contributions of \$27,954,315, the net cost of services of the District was \$40,171,683 for the fiscal year ended June 30, 2017. See Table A-5.

**Table A-5  
Total and Net Cost of Governmental Activities  
For the Fiscal Years Ended June 30, 2017 and 2016**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Instruction				
Regular	\$ 23,941,523	\$ 21,615,596	\$ 6,044,753	\$ 5,370,028
Other Special Instruction	1,259,523	1,417,698	(182,411)	(491,934)
Vocational Education	24,578,919	23,049,247	(184,591)	1,582,372
Other Instruction	3,809,101	3,083,333	2,220,935	2,087,802
Adult/Continuing Education	914,306	630,782	(195,710)	(483,113)
Support Services				
Student and Instruction Related Services	15,353,581	14,820,193	7,401,798	6,811,833
School Administrative Services	4,827,057	4,534,126	3,602,863	3,684,354
General Administrative Services	2,882,626	2,674,123	2,128,877	1,904,059
Business and Other Support Services	9,163,851	8,481,150	7,877,071	7,413,810
Plant Operations and Maintenance	10,947,900	10,594,482	10,591,357	10,152,320
Pupil Transportation	1,136,645	1,080,865	1,037,141	980,429
Interest	-	5,539	-	5,539
<b>Total</b>	<b><u>\$ 98,815,032</u></b>	<b><u>\$ 91,987,134</u></b>	<b><u>\$ 40,342,083</u></b>	<b><u>\$ 39,017,499</u></b>

**Business-Type Activities** – The District's total business-type activities revenues were \$3,138,004 for the fiscal year ended June 30, 2017. Charges for services accounted for 95% of total revenues. Operating and capital grants and contributions accounted for 5% of total revenue for the year.

The total cost of all business-type activities programs and services was \$3,282,963 for the fiscal year ended June 30, 2017. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and various other business type services.

Total business-type activities revenues were less than expenses and transfers, decreasing net position by \$144,959 from the prior year.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

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

**Governmental Funds**

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$9,500,622, which is \$1,606,396 more than last year's fund balance of \$7,894,226.

Revenues for the District's governmental funds were \$81,072,692 while total expenses were \$79,525,024 resulting in an increase of \$1,547,668 in fund balance. A transfer from the Compensated Absences Internal Service Fund of \$58,728 resulted in a total net increase of \$1,606,396 in fund balance.

**General Fund** - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

The following schedule presents a comparison of General Fund Revenues for the fiscal year ended June 30, 2017 and 2016.

	<u>Fiscal Year Ended June 30, 2017</u>	<u>Fiscal Year Ended June 30, 2016</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Local Sources				
County Property Taxes	\$ 30,010,408	\$ 29,566,905	443,503	1%
Tuition	27,666,393	26,904,443	761,950	3%
Miscellaneous	484,773	698,649	(213,876)	-31%
State/Federal Sources	<u>12,465,223</u>	<u>11,634,158</u>	<u>831,065</u>	7%
Total General Fund Revenues	<u>\$ 70,626,797</u>	<u>\$ 68,804,155</u>	<u>\$ 1,822,642</u>	<u>2.65%</u>

Total General Fund Revenues increased by \$1,822,642 or 2.7% over the previous year. County property taxes increased by 1%. Tuition, which represents 39% of total general fund revenues, increased by 3%.

State/Federal sources increased by \$831,065 or 7% from the previous year. The increase was mainly due to an increase of State on-behalf TPAF contributions/reimbursements.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2017 and 2016.

	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction and Support Services	\$ 67,699,924	\$ 68,291,563	\$ (591,639)	-1%
Capital Outlay and Debt Service	<u>808,912</u>	<u>700,110</u>	<u>108,802</u>	16%
Total Expenditures	<u>\$ 68,508,836</u>	<u>\$ 68,991,673</u>	<u>\$ (482,837)</u>	<u>-0.70%</u>

Total General Fund expenditures decreased \$482,837 or less than 1% from the previous year.

In 2016-2017 General Fund revenues were more than expenditures by \$2,117,961 before net transfers out of \$368,268. Therefore, total fund balance increased by \$1,749,693. The fund balance increased from \$6,759,772 at June 30, 2016 to \$8,509,465 at June 30, 2017.

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

Revenues of the Special Revenue Fund were \$9,235,139, for the year ended June 30, 2017. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 77% of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$438,978 or 5% from the previous year. State sources decreased \$425,980 or 18%, while Federal sources increased \$3,648 or less than 1%. Revenues from local sources decreased \$16,646.

Expenditures of the Special Revenue Fund were \$9,235,139.

**Capital Projects** - The capital projects revenues and transfers were less than expenses by \$143,476 decreasing fund balance to \$890,616 at June 30, 2017.

**Permanent Fund** - The Permanent Fund accounts for the assets held under the terms of a formal trust agreement. In the case of the District, the principal portion is reserved for scholarships. The total fund balance at June 30, 2017 is \$100,541, of which \$100,000 is nonspendable and \$541 is restricted for scholarships.



# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2017

### Proprietary Funds

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

**Enterprise Fund** - The District uses Enterprise Funds to report activities related to the Food Services program as well as other business-type activities. The District's Enterprise Fund provides the same type of information found in the government-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

**Internal Service Fund** - The District uses internal service funds to report activities that provide services and supplies for the District's other programs and activities, as well as services provided on behalf of other districts. The internal service fund is also utilized to account for the District's liabilities relating to compensated absences.

The internal service fund has a fund balance of \$268,453 at June 30, 2017.

### GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants, reinstating prior year purchase orders being carried over, and budgeting for clearing, resale, and gifts.
- Increases in appropriations for significant unbudgeted costs.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

**CAPITAL ASSETS**

The District's investment in capital assets for its governmental and business type activities as of June 30, 2017 amounts to \$48,931,439 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2016-2017 amounted to \$3,821,947 for governmental activities and \$71,174 for business-type activities.

Table 6  
Capital assets at June 30, 2017 and 2016  
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land Improvements	\$ 202,242	\$ 173,948			\$ 202,242	\$ 173,948
Building and Building Improvements	42,260,792	43,259,115			42,260,792	43,259,115
Machinery and Equipment	<u>6,148,361</u>	<u>6,597,874</u>	<u>\$ 320,044</u>	<u>\$ 367,596</u>	<u>6,468,405</u>	<u>6,965,470</u>
<b>Total Capital Assets, Net</b>	<u>\$ 48,611,395</u>	<u>\$ 50,030,937</u>	<u>\$ 320,044</u>	<u>\$ 367,596</u>	<u>\$ 48,931,439</u>	<u>\$ 50,398,533</u>

Additional information on the District's capital assets are presented in the "Notes to the Financial Statements".

**LONG TERM LIABILITIES**

At year end, the District's long-term liabilities consisted of compensated absences of \$2,817,162 and net pension liability of \$60,935,261.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2017**

***ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES***

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

***CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT***

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Bergen County Technical and Vocational High School, 540 Fairview Avenue, Paramus, NJ 07652.

**BASIC FINANCIAL STATEMENTS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2017**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 9,410,482	\$ 732,313	\$ 10,142,795
Receivables, Net	7,009,110	327,532	7,336,642
Internal Balances	10,000	(10,000)	-
Inventories	-	9,857	9,857
Capital Assets, Being Depreciated	<u>48,611,395</u>	<u>320,044</u>	<u>48,931,439</u>
 Total Assets	 <u>65,040,987</u>	 <u>1,379,746</u>	 <u>66,420,733</u>
 <b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>18,164,090</u>	<u>-</u>	<u>18,164,090</u>
 Total Assets and Deferred Outflow of Resources	 <u>83,205,077</u>	 <u>1,379,746</u>	 <u>84,584,823</u>
 <b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	3,176,827	44,090	3,220,917
Intergovernmental Advances and Payables	7,723		7,723
Unearned Revenue	658,805	265,613	924,418
Noncurrent Liabilities			
Due within one year	-		-
Due beyond one year	<u>63,752,423</u>	<u>-</u>	<u>63,752,423</u>
 Total Liabilities	 <u>67,595,778</u>	 <u>309,703</u>	 <u>67,905,481</u>
 <b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Commodities Revenue		500	500
Deferred Amounts on Net Pension Liability	<u>-</u>	<u>-</u>	<u>-</u>
 Total Liabilities and Deferred Inflow of Resources	 <u>67,595,778</u>	 <u>310,203</u>	 <u>67,905,981</u>
 <b>NET POSITION</b>			
Net Investment in Capital Assets	48,611,395	320,044	48,931,439
Restricted for:			
Capital Projects	4,964,029		4,964,029
Maintenance	681,419		681,419
Other Purposes- Permanent Endowment	100,541		100,541
Unrestricted	<u>(38,748,085)</u>	<u>749,499</u>	<u>(37,998,586)</u>
 Total Net Position	 <u>\$ 15,609,299</u>	 <u>\$ 1,069,543</u>	 <u>\$ 16,678,842</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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
<b>Governmental activities</b>							
Instruction:							
Regular	\$ 23,941,523	\$ 9,567,603	\$ 8,329,167		\$ (6,044,753)		\$ (6,044,753)
Other Special Instruction	1,259,523	-	1,441,934		182,411		182,411
Vocational	24,578,919	16,790,824	7,972,686		184,591		184,591
Other Instruction	3,809,101	331,603	1,256,563		(2,220,935)		(2,220,935)
Adult/Continuing Education Programs	914,306	1,037,414	72,602		195,710		195,710
Support Services:							
Student & Instruction Related Services	15,353,581	392,741	7,559,042		(7,401,798)		(7,401,798)
School Administrative Services	4,827,057	56,472	1,167,722		(3,602,863)		(3,602,863)
General Administrative Services	2,882,626	753,749			(2,128,877)		(2,128,877)
Business/Central & Other Support Services	9,163,851	1,286,780			(7,877,071)		(7,877,071)
Plant Operations and Maintenance	10,947,900	201,944	154,599		(10,591,357)		(10,591,357)
Pupil Transportation	1,136,645	99,504			(1,037,141)		(1,037,141)
Interest on Debt	-	-	-	-	-	-	-
Total Governmental Activities	<u>98,815,032</u>	<u>30,518,634</u>	<u>27,954,315</u>	<u>-</u>	<u>(40,342,083)</u>	<u>-</u>	<u>(40,342,083)</u>
<b>Business - Type Activities</b>							
Food Service	807,823	614,017	157,106			\$ (36,700)	(36,700)
Other	2,475,140	2,366,881	-			(108,259)	(108,259)
Total Business Type Activities	<u>3,282,963</u>	<u>2,980,898</u>	<u>157,106</u>	<u>-</u>	<u>-</u>	<u>(144,959)</u>	<u>(144,959)</u>
Total Primary Government	<u>\$ 102,097,995</u>	<u>\$ 33,499,532</u>	<u>\$ 28,111,421</u>	<u>\$ -</u>	<u>(40,342,083)</u>	<u>(144,959)</u>	<u>(40,487,042)</u>
General Revenues:							
		County Property Tax Levy			30,010,408		30,010,408
		County Aid			1,210,577		1,210,577
		Federal and State aid unrestricted			4,403,793		4,403,793
		Federal and State aid restricted			718,461		718,461
		Investment Earnings			24,071		24,071
		Miscellaneous Income			133,830		133,830
Total General Revenues and Transfers					<u>36,501,140</u>	<u>-</u>	<u>36,501,140</u>
Change in Net Position					(3,840,943)	(144,959)	(3,985,902)
Net Position - Beginning					<u>19,450,242</u>	<u>1,214,502</u>	<u>20,664,744</u>
Net Position - Ending					<u>\$ 15,609,299</u>	<u>\$ 1,069,543</u>	<u>\$ 16,678,842</u>

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

**FUND FINANCIAL STATEMENTS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Assets					
Cash and Cash Equivalents	\$ 9,108,368	\$ 15,987	\$ 8,912	\$ 100,541	\$ 9,233,808
Due from Other Governments					
State	85,765	739,303			825,068
Federal	-	2,142,811			2,142,811
Other	2,168,996	452	1,595,356		3,764,804
Security Deposits	3,500				3,500
Due from Other Funds	<u>2,157,987</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,157,987</u>
 Total Assets	 <u>\$ 13,524,616</u>	 <u>\$ 2,898,553</u>	 <u>\$ 1,604,268</u>	 <u>\$ 100,541</u>	 <u>\$ 18,127,978</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities					
Accounts Payable	\$ 2,157,663	\$ 785,030	\$ 183,652		\$ 3,126,345
Due to Other Governments					-
Federal		481			481
State		7,242			7,242
Due to Other Funds	2,817,162	1,450,000	530,000		4,797,162
Other Payable	35,916	1,405			37,321
Due to BCSSD	-				-
Unearned Revenue	<u>4,410</u>	<u>654,395</u>	<u>-</u>	<u>-</u>	<u>658,805</u>
 Total Liabilities	 <u>5,015,151</u>	 <u>2,898,553</u>	 <u>713,652</u>	 <u>-</u>	 <u>8,627,356</u>
Fund Balances:					
Nonspendable					
Permanent Fund - Principal Portion				\$ 100,000	100,000
Restricted					
Capital Reserve	4,073,413				4,073,413
Maintenance Reserve	681,419				681,419
Permanent Fund				541	541
Capital Projects Fund			890,616		890,616
ARRA/SEMI	2,624				
Assigned					
Year-End Encumbrances	1,700,164				1,700,164
Designated for Subsequent Year's Budget	700,000				700,000
Unassigned					
General Fund	<u>1,351,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,351,845</u>
 Total Fund Balances	 <u>8,509,465</u>	 <u>-</u>	 <u>890,616</u>	 <u>100,541</u>	 <u>9,500,622</u>
 Total Liabilities and Fund Balances	 <u>\$ 13,524,616</u>	 <u>\$ 2,898,553</u>	 <u>\$ 1,604,268</u>	 <u>\$ 100,541</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$101,256,110 and the accumulated depreciation is \$52,644,715. 48,611,395

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

Deferred Outflows of Resources	\$ 18,164,090	
Deferred Inflows of Resources	<u>-</u>	18,164,090

Long term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the fund

Net Pension Liability	<u>(60,935,261)</u>	(60,935,261)
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The assets and liabilities of the internal service fund are included with governmental activities 268,453

Net position of governmental activities \$ 15,609,299

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
County Property Tax Levy	\$ 30,010,408				\$ 30,010,408
County Aid			\$ 1,210,577		1,210,577
Tuition	27,666,393				27,666,393
GED Fees	61,051				61,051
Technology Agreement	266,000				266,000
Interest on Investments	23,892			\$ 179	24,071
Miscellaneous	<u>133,830</u>	<u>\$ 100,904</u>	<u>-</u>	<u>-</u>	<u>234,734</u>
Total Local Sources	58,161,574	100,904	1,210,577	179	59,473,234
State Sources	12,378,374	1,977,707			14,356,081
Federal Sources	<u>86,849</u>	<u>7,156,528</u>	<u>-</u>	<u>-</u>	<u>7,243,377</u>
Total Revenues	<u>70,626,797</u>	<u>9,235,139</u>	<u>1,210,577</u>	<u>179</u>	<u>81,072,692</u>
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	15,323,180	957,636			16,280,816
Other Special Instruction	1,088,873				1,088,873
Vocational Education	16,743,166				16,743,166
Other Instruction	2,763,401				2,763,401
Adult/Continuing Education Programs	914,306				914,306
Support Services and Undistributed Costs					
Student & Instruction Related Services	6,629,726	7,559,042			14,188,768
School Administrative Services	3,727,076				3,727,076
General Administrative Services	2,039,452				2,039,452
Plant Operations and Maintenance	9,762,278		449,617		10,211,895
Pupil Transportation	950,997				950,997
Business /Central Svcs./ Admin. Info Technology	7,757,469				7,757,469
Debt Service					
Principal	286,000				286,000
Capital Outlay	<u>522,912</u>	<u>718,461</u>	<u>1,331,432</u>	<u>-</u>	<u>2,572,805</u>
Total Expenditures	<u>68,508,836</u>	<u>9,235,139</u>	<u>1,781,049</u>	<u>-</u>	<u>79,525,024</u>
Excess/(Deficiency) of Revenues over/(under) Expenditures	<u>2,117,961</u>	<u>-</u>	<u>(570,472)</u>	<u>179</u>	<u>1,547,668</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers Out	(426,996)				(426,996)
Transfers In	<u>58,728</u>	<u>-</u>	<u>426,996</u>	<u>-</u>	<u>485,724</u>
Total Other Financing Sources	<u>(368,268)</u>	<u>-</u>	<u>426,996</u>	<u>-</u>	<u>58,728</u>
Net Change in Fund Balances	1,749,693	-	(143,476)	179	1,606,396
Fund Balance, Beginning of Year	<u>6,759,772</u>	<u>-</u>	<u>1,034,092</u>	<u>100,362</u>	<u>7,894,226</u>
Fund Balance, End of Year	<u>\$ 8,509,465</u>	<u>\$ -</u>	<u>\$ 890,616</u>	<u>\$ 100,541</u>	<u>\$ 9,500,622</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH 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, 2017**

**Total Net Change in Fund Balances - Governmental Funds (B-2)** \$ 1,606,396

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

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

Depreciation Expense	\$	(3,821,947)	
Loss on Disposal of Capital Assets		(170,400)	
Capital Outlays		<u>2,572,805</u>	(1,419,542)

In the statement of activities, certain operating expenses - pension expense is measured by the amounts earned during the year. In the governmental funds, however, expenditures for this item is measured by the amount of financial resources used (paid):

Increase in Pension Expenses	(4,496,057)
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Repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but the repayment reduces long term liabilities in the statement of net position and is not reported in the statement of activities.

Pension Obligation	286,000
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Internal Service funds are used by the District's management to charge the costs of various programs/ services to other governmental activities. The net loss of the internal service fund is reported with governmental activities.

Net Income Before Transfers	240,988		
Transfers to General Fund		<u>(58,728)</u>	182,260
Change in Net Position			<u>182,260</u>

**Change in Net Position of Governmental Activities** **\$ (3,840,943)**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2017**

EXHIBIT B-4

	Business Type Activities												Governmental Internal Service Fund	Other Governmental Services
	Food Service	Day Care	Summer- Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Auditorium Rentals	Totals	
<b>ASSETS</b>														
Current Assets														
Cash and Cash Equivalents	\$ 119,699	\$ 432	\$ 47,636	\$ 96,893	\$ 4,004	\$ -	\$ 24,345	\$ 320,160	\$ 505	\$ 36,848	\$ 25,377	\$ 56,414	\$ 732,313	\$ 176,674
Intergovernmental Receivable	8,291	-	-	-	-	-	-	-	-	-	-	-	8,291	-
Other Accounts Receivable	-	-	-	-	267,780	-	-	-	-	-	-	48,002	315,782	-
Due from B.C.S.S.D.	3,459	-	-	-	-	-	-	-	-	-	-	-	3,459	103,613
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	167,314
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	2,817,162
Inventories	9,837	-	-	-	-	-	-	-	-	-	-	-	9,837	-
<b>Total Current Assets</b>	<b>141,306</b>	<b>432</b>	<b>47,636</b>	<b>96,893</b>	<b>271,784</b>	<b>-</b>	<b>24,345</b>	<b>320,160</b>	<b>505</b>	<b>36,848</b>	<b>25,377</b>	<b>104,416</b>	<b>1,069,702</b>	<b>3,264,763</b>
Capital Assets														
Furniture, machinery & equipment	633,013	-	-	871	1,233,536	23,295	-	-	-	-	-	82,414	1,973,129	-
Less: Accumulated Depreciation	(492,429)	-	-	(871)	(1,097,648)	(23,295)	-	-	-	-	-	(38,842)	(1,653,089)	-
<b>Total Capital Assets, Net</b>	<b>140,584</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135,888</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,572</b>	<b>320,044</b>	<b>-</b>
<b>Total Assets</b>	<b>281,890</b>	<b>432</b>	<b>47,636</b>	<b>96,893</b>	<b>407,672</b>	<b>-</b>	<b>24,345</b>	<b>320,160</b>	<b>505</b>	<b>36,848</b>	<b>25,377</b>	<b>147,988</b>	<b>1,389,746</b>	<b>3,264,763</b>
<b>LIABILITIES</b>														
Current Liabilities														
Accounts Payable	-	3,584	2,423	1,956	7,611	-	-	-	-	-	-	24,976	40,550	13,161
Other Payable	-	-	-	-	3,215	-	-	-	-	-	-	325	3,540	-
Interfund Payable	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000	165,987
Unearned Revenue	-	-	37,100	58,099	-	-	7,500	114,012	-	37,302	11,600	-	265,613	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>13,584</b>	<b>39,523</b>	<b>60,055</b>	<b>10,826</b>	<b>-</b>	<b>7,500</b>	<b>114,012</b>	<b>-</b>	<b>37,302</b>	<b>11,600</b>	<b>25,301</b>	<b>319,703</b>	<b>179,148</b>
Noncurrent Liabilities														
Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	2,817,162
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,817,162</b>
<b>Total Liabilities</b>	<b>-</b>	<b>13,584</b>	<b>39,523</b>	<b>60,055</b>	<b>10,826</b>	<b>-</b>	<b>7,500</b>	<b>114,012</b>	<b>-</b>	<b>37,302</b>	<b>11,600</b>	<b>25,301</b>	<b>319,703</b>	<b>2,996,310</b>
<b>DEFERRED INFLOW OF RESOURCES</b>														
Deferred Commodities Revenue	500	-	-	-	-	-	-	-	-	-	-	-	500	-
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>500</b>	<b>13,584</b>	<b>39,523</b>	<b>60,055</b>	<b>10,826</b>	<b>-</b>	<b>7,500</b>	<b>114,012</b>	<b>-</b>	<b>37,302</b>	<b>11,600</b>	<b>25,301</b>	<b>320,203</b>	<b>2,996,310</b>
<b>NET POSITION</b>														
Net Investment in Capital Assets	140,584	-	-	-	135,888	-	-	-	-	-	-	43,572	320,044	-
Unrestricted	140,806	(13,152)	8,113	36,838	260,958	-	16,845	206,148	505	(454)	13,777	79,115	749,499	268,453
<b>Total Net Position</b>	<b>\$ 281,390</b>	<b>\$ (13,152)</b>	<b>\$ 8,113</b>	<b>\$ 36,838</b>	<b>\$ 396,846</b>	<b>\$ -</b>	<b>\$ 16,845</b>	<b>\$ 206,148</b>	<b>\$ 505</b>	<b>\$ (454)</b>	<b>\$ 13,777</b>	<b>\$ 122,687</b>	<b>\$ 1,069,543</b>	<b>\$ 268,453</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business Type Activities												Governmental	
	Food Service	Day Care	Summer-Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Auditorium Rentals	Totals	Internal Service Funds
<b>OPERATING REVENUES</b>														
Charges for Services														
Daily sales - reimbursable programs														
Lunch Program	\$ 282,487	-	-	-	-	-	-	-	-	-	-	-	\$ 282,487	
Breakfast Program	8,938	-	-	-	-	-	-	-	-	-	-	-	8,938	
Daily sales - nonreimbursable programs	293,673	-	-	-	-	-	-	-	-	-	-	-	293,673	
Special Functions	28,919	-	-	-	-	-	-	-	-	-	-	-	28,919	
Charges and Fees	-	\$ 212,552	\$ 34,300	\$ 215,304	\$ 1,388,973	-	20,100	\$ 80,483	\$ -	\$ 39,575	\$ 11,050	\$ 364,544	2,366,881	\$ 2,525,190
<b>Total Operating Revenues</b>	<b>614,017</b>	<b>212,552</b>	<b>34,300</b>	<b>215,304</b>	<b>1,388,973</b>	<b>-</b>	<b>20,100</b>	<b>80,483</b>	<b>-</b>	<b>39,575</b>	<b>11,050</b>	<b>364,544</b>	<b>2,980,898</b>	<b>2,525,190</b>
<b>OPERATING EXPENSES</b>														
Cost of Sales - reimbursable programs	223,089	-	-	-	-	-	-	-	-	-	-	-	223,089	
Cost of Sales - nonreimbursable programs	100,991	-	-	-	-	-	-	-	-	-	-	-	100,991	
Salaries/Salaries of Teachers	265,973	253,905	20,827	221,841	947,958	-	4,180	54,463	-	39,248	7,430	324,031	2,139,856	1,795,597
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits	81,365	-	-	16,010	391,973	-	320	4,167	-	891	569	46,176	541,471	393,127
Purchased Prof-Ednc. Service	-	-	-	-	-	-	-	8,937	-	-	-	-	8,937	-
Other Purchased Services	84,794	6,897	-	12,448	(32,517)	-	4,200	-	-	-	-	7,167	82,989	93,295
Supplies and Materials	35,254	3,784	11,293	2,878	-	-	-	-	-	-	-	60,622	113,831	2,183
Depreciation	16,357	-	-	-	48,689	\$ 284	\$ -	-	-	-	-	5,844	71,174	-
Other Objects	-	405	-	-	220	-	-	-	-	-	-	-	625	-
<b>Total Operating Expenses</b>	<b>807,823</b>	<b>264,991</b>	<b>32,120</b>	<b>253,177</b>	<b>1,356,323</b>	<b>284</b>	<b>8,700</b>	<b>67,567</b>	<b>-</b>	<b>40,139</b>	<b>7,999</b>	<b>443,840</b>	<b>3,282,963</b>	<b>2,284,202</b>
<b>Operating Income (Loss)</b>	<b>(193,806)</b>	<b>(52,439)</b>	<b>2,180</b>	<b>(37,873)</b>	<b>32,650</b>	<b>(284)</b>	<b>11,400</b>	<b>12,916</b>	<b>-</b>	<b>(564)</b>	<b>3,051</b>	<b>(79,296)</b>	<b>(302,065)</b>	<b>240,988</b>
<b>NONOPERATING REVENUES</b>														
State Sources														
State School Lunch Program	4,382	-	-	-	-	-	-	-	-	-	-	-	4,382	-
Federal Sources														
National School Lunch Program	96,599	-	-	-	-	-	-	-	-	-	-	-	96,599	-
National School Lunch Program - PB	6,033	-	-	-	-	-	-	-	-	-	-	-	6,033	-
Commodities Program	36,540	-	-	-	-	-	-	-	-	-	-	-	36,540	-
National School Breakfast Program	13,552	-	-	-	-	-	-	-	-	-	-	-	13,552	-
<b>Total Non-Operating Revenues</b>	<b>157,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>157,106</b>	<b>-</b>
<b>Net Income (Loss)</b>	<b>(36,700)</b>	<b>(52,439)</b>	<b>2,180</b>	<b>(37,873)</b>	<b>32,650</b>	<b>(284)</b>	<b>11,400</b>	<b>12,916</b>	<b>-</b>	<b>(564)</b>	<b>3,051</b>	<b>(79,296)</b>	<b>(144,959)</b>	<b>240,988</b>
Transfers														
Transfers In/Out	-	-	-	-	-	-	-	-	-	-	-	-	-	(58,728)
<b>Change in Net Position</b>	<b>(36,700)</b>	<b>(52,439)</b>	<b>2,180</b>	<b>(37,873)</b>	<b>32,650</b>	<b>(284)</b>	<b>11,400</b>	<b>12,916</b>	<b>-</b>	<b>(564)</b>	<b>3,051</b>	<b>(79,296)</b>	<b>(144,959)</b>	<b>182,260</b>
<b>Total Net Position - Beginning</b>	<b>318,090</b>	<b>39,287</b>	<b>5,933</b>	<b>74,711</b>	<b>364,196</b>	<b>284</b>	<b>5,445</b>	<b>193,232</b>	<b>505</b>	<b>110</b>	<b>10,726</b>	<b>201,983</b>	<b>1,214,502</b>	<b>86,193</b>
<b>Total Net Position - Ending</b>	<b>\$ 281,390</b>	<b>\$ (13,152)</b>	<b>\$ 8,113</b>	<b>\$ 36,838</b>	<b>\$ 396,846</b>	<b>\$ -</b>	<b>\$ 16,845</b>	<b>\$ 206,148</b>	<b>\$ 505</b>	<b>\$ (454)</b>	<b>\$ 13,777</b>	<b>\$ 122,687</b>	<b>\$ 1,069,543</b>	<b>\$ 268,453</b>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Business Type Activities											Other Governmental Internal Service Fund	
	Fund Services	Day Care	Summer Science Fund	Academy After Hours	Technology Services	ELLIC	Summer Writing	Math Camp Events	High School Enrollment	Tee-shirt Summit	Education		Auditorium Rental
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>													
Receipts from Customers	\$ 610,588	\$ 212,552	\$ 71,400	\$ 192,512	\$ 1,271,342	-	7,950	\$ 143,162	\$ -	\$ 37,377	\$ 22,650	\$ 354,433	\$ 2,923,956
Payments to Employees	(265,973)	(253,905)	(20,827)	(271,841)	(947,998)	-	(4,180)	(54,463)	-	(39,248)	(7,430)	(324,031)	(2,139,856)
Payments for Health Benefits	(81,165)	-	-	(16,010)	(391,973)	-	(320)	(4,167)	-	(891)	(569)	(66,176)	(341,471)
Payments to Suppliers	(465,276)	(10,074)	(8,870)	(13,370)	(30,755)	-	(4,230)	(6,937)	-	-	-	(39,273)	(648,817)
Net Cash Provided by (Used for) operating activities	(12,156)	(51,427)	41,702	(38,709)	(37,824)	-	(750)	75,595	-	(2,762)	14,651	(65,027)	(216,719)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>													
Proceeds from Federal Sources	4,391	-	-	-	-	-	-	116,520	-	-	-	-	4,391
Interfund Transfers-General Fund	116,520	10,000	-	-	-	-	-	10,000	-	-	-	-	116,520
Net cash provided by (used for) noncapital financing activities	120,911	10,000	-	-	-	-	-	10,000	-	-	-	-	130,911
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>													
Purchases of capital assets	(23,622)	-	-	-	-	-	-	-	-	-	-	-	(23,622)
Net cash provided by (used for) capital and related financing activities	(23,622)	-	-	-	-	-	-	-	-	-	-	-	(23,622)
Net increase (decrease) in cash and cash equivalents	(44,867)	(41,427)	41,702	(38,709)	(37,824)	-	(750)	75,595	-	(2,762)	14,651	(65,027)	(109,427)
Cash and Cash Equivalents - Beginning of Year	164,266	41,852	5,933	153,602	41,838	-	25,085	244,865	595	39,616	10,726	111,441	841,740
Cash and Cash Equivalents - End of Year	\$ 119,399	\$ 432	\$ 47,636	\$ 96,893	\$ 4,014	\$ -	\$ 24,345	\$ 320,460	\$ 595	\$ 36,854	\$ 25,377	\$ 56,414	\$ 732,313
<b>Reconciliation of Operating Income (Loss) to net cash provided (used) by operating activities</b>													
Operating Income (Loss)	\$ (193,806)	\$ (32,439)	\$ 2,180	\$ (37,873)	\$ 32,650	\$ (284)	\$ 11,400	\$ 12,216	\$ -	\$ (564)	\$ 3,051	\$ (79,206)	\$ (302,045)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities													
Depreciation	16,337	-	-	-	48,689	284	-	-	-	-	-	5,844	71,174
Food Distribution (USDA Commodities) - National School Lunch Program	2,676	-	-	-	(120,846)	-	-	-	-	-	-	(5,376)	(120,846)
(Increase)/Decrease in receivables, net	(3,459)	-	-	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in inventories	1,712	-	-	-	-	-	-	-	-	-	-	-	1,712
(Increase)/Decrease in increased revenue	-	-	37,100	(22,792)	-	-	(12,130)	62,679	-	(2,198)	11,600	(1,500)	72,139
(Increase)/Decrease in Other Payable	-	1,237	-	-	3,215	-	-	-	-	-	-	325	4,777
Increase/(Decrease) in accounts payable	-	(225)	2,423	1,956	(1,542)	-	-	-	-	-	-	24,976	27,588
Total adjustments	51,650	1,012	39,523	(20,830)	(70,484)	284	(12,130)	62,679	-	(2,198)	11,600	24,269	85,349
Net cash provided by (used for) operating activities	\$ (142,156)	\$ (31,427)	\$ 41,702	\$ (38,709)	\$ (37,824)	\$ -	\$ (750)	\$ 75,595	\$ -	\$ (2,762)	\$ 14,651	\$ (65,027)	\$ (216,719)
Noncash Investing, Capital and Financing Activities													
Fair Value of Food Distribution Program- National School Lunch	\$ 37,040	-	-	-	-	-	-	-	-	-	-	-	-

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
AS OF JUNE 30, 2017**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 431,401	\$ 32,463	\$ 760,870
Total Assets	<u>\$ 431,401</u>	<u>\$ 32,463</u>	<u>\$ 760,870</u>
<b>LIABILITIES</b>			
Due to State of New Jersey	\$ 928		
Payroll deductions and withholdings			\$ 26,751
Due to Other Funds			2,000
Payable to student groups	<u>-</u>	<u>-</u>	<u>732,119</u>
Total Liabilities	<u>928</u>	<u>-</u>	<u>\$ 760,870</u>
<b>NET POSITION</b>			
Held in trust for unemployment claims and other purposes	<u>\$ 430,473</u>		
Reserved for scholarships		<u>\$ 32,463</u>	

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Scholarship Fund</b>
<b>ADDITIONS</b>		
Contributions:		
Plan Member	\$ 57,958	
Donations	<u>-</u>	\$ <u>342</u>
Total Contributions	<u>57,958</u>	<u>342</u>
Investment Earnings:		
Interest	<u>160</u>	<u>63</u>
Net investment earnings	<u>160</u>	<u>63</u>
Total Additions	<u>58,118</u>	<u>405</u>
<b>DEDUCTIONS</b>		
Unemployment Claims	19,368	-
Withdrawals	<u>-</u>	<u>3,900</u>
Total Deductions	<u>19,368</u>	<u>3,900</u>
Change in Net Position	38,750	(3,495)
Net Position, Beginning of Year	<u>391,723</u>	<u>35,958</u>
Net Position, End of the Year	<u>\$ 430,473</u>	<u>\$ 32,463</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Bergen County Technical and Vocational High School District (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of five elected officials approved by the Board of Chosen Freeholders and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Bergen County Technical and Vocational High School District this includes general operations, food service, before and after school child care and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. However, the District would be considered a component unit of the County of Bergen on the basis of such criteria.

**B. New Accounting Standards**

During fiscal year 2017, the District adopted the following GASB statements:

- GASB No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB No. 77, *Tax Abatement Disclosures*. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.
- GASB No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14. *The Financial Reporting Entity, as amended*.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB No. 82, *Pension Issues – An Amendment of GASB Statements No.67, No.68, and No.73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pension*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

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

- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 85, *Omnibus 2017*, will be effective with the fiscal year ending June 30, 2018. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits (OPEB)).
- GASB No. 86, *Certain Debt Extinguishment Issues*, will be effective with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.
- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements**

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

**District-Wide Financial Statements**

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

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

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

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements (Continued)**

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

The *permanent fund* accounts for the proceeds from scholarship donations held under the terms of a formal trust agreement whereby the District is under obligation to maintain the principal.

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

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

The *other enterprise funds* accounts for the operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the government reports the following fund types:

The *internal service fund* accounts for the financing of goods and services provided to other departments or agencies of the District, or to other Boards of Education on a cost reimbursement basis. These activities include services related to Bergen County Special Services School District, the extended school year program, WIA Administration, interlocal agreements and compensated absences.

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, for private donations for scholarship awards, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

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

**Reclassifications**

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting**

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

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

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

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

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

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

**1. *Cash, Cash Equivalents and Investments***

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

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

**2. *Receivables***

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**3. Inventories**

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

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

**4. Capital Assets**

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Building Improvements	25
Improvements other than Buildings	20
Heavy Equipment	10-20
Office Equipment and Furniture	10
Computer Equipment	5

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**5. *Deferred Outflows/Inflows of Resources***

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

In additions to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

**6. *Compensated Absences***

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

**7. *Pensions***

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**8. *Long-Term Obligations***

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

**9. *Net Position/Fund Balance***

**District-Wide Statements**

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

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

**Governmental Fund Statements**

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

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

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

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

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

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**9. *Net Position/Fund Balance (Continued)***

**Governmental Fund Statements (Continued)**

**Restricted Fund Balance (Continued)**

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

Permanent Fund - The fund represents a donation to the Board, the funds are utilized to award scholarships.

ARRA/SEMI – Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of the ARRA/SEMI revenue that is unexpended at June 30, 2017 that will be appropriated in the adopted 2017/2018 budget certified for taxes.

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

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2017/2018 District budget certified for taxes.

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

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

**F. Revenues and Expenditures/Expenses**

**1. *Program Revenues***

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

**2. *Property Taxes***

County property taxes are levied pursuant to law and are collected by the County Treasurer and are transferred to the District as requested. County tax revenue is recognized in the year they are levied and become available. County taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed by the County Treasurer and are levied and due in four quarterly installments on February 15, May 15, August 15 and November 15. The County has the ability to charge interest on payments remitted after these due dates. State statutes do not permit liens to be placed against the municipalities by the County for unpaid property taxes.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**3. *Tuition Revenues***

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

**4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses***

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and is approved by the Board of School Estimate.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2016/2017. Also, during 2016/2017 the Board increased the original budget by \$3,534,572. The increase was funded by additional surplus appropriated, grant awards and the reappropriation of prior year general fund encumbrances.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**B. Capital Reserve**

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2017 is as follows:

Balance, July 1, 2016		\$ 2,828,752
Increased by:		
Deposits Approved by Board Resolution	\$ 1,800,000	
Interest	<u>811</u>	
		<u>1,800,811</u>
		4,629,563
Decreased by:		
Withdrawal Approved by Board Resolution		<u>(556,150)</u>
Balance, June 30, 2017		<u>\$ 4,073,413</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Maintenance Reserve**

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2017 is as follows:

Balance, July 1, 2016	\$ 581,419
Increased by	
Deposits Approved by Board Resolution	<u>600,000</u>
Total Increases	1,181,419
Withdrawals	
Approved by Board Resolution	<u>(500,000)</u>
Balance, June 30, 2017	<u>\$ 681,419</u>

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2017, the book value of the Board's deposits were \$11,367,529 and bank and brokerage firm balances of the Board's deposits amounted to \$13,770,074. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<b><u>Depository Account</u></b>	<b><u>Bank Balance</u></b>
Insured	\$ <u>13,770,074</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2017 none of the Board's bank balances were exposed to custodial credit risk.

**Investments**

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2017, the Board had no outstanding investments.

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Board places no limit in the amount the District may invest in any one issuer.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Receivables**

Receivables as of June 30, 2017 for the district's individual major funds and internal service, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Special Revenue	Capital Projects	Food Service	Technology Services Enterprise	Auditorium Rentals- Enterprise	B.C.S.S. Management Agreement- Technology Services	Interlocal Agreement Technology Services	WIA Administrative Services	Total
Receivables:										
Accounts					\$ 267,780	\$ 48,002				\$ 315,782
Intergovernmental-	\$ 2,254,761	\$ 2,882,566	\$ 1,595,356	\$ 11,750	-	-	\$ 103,613	\$ 102,000	\$ 65,314	7,015,360
Gross Receivables	<u>2,254,761</u>	<u>2,882,566</u>	<u>1,595,356</u>	<u>11,750</u>	<u>267,780</u>	<u>48,002</u>	<u>103,613</u>	<u>102,000</u>	<u>65,314</u>	<u>7,331,142</u>
Less: Allowance for Uncollectibles	-	-	-	-	-	-	-	-	-	-
Net Total Receivables	<u>\$ 2,254,761</u>	<u>\$ 2,882,566</u>	<u>\$ 1,595,356</u>	<u>\$ 11,750</u>	<u>\$ 267,780</u>	<u>\$ 48,002</u>	<u>\$ 103,613</u>	<u>\$ 102,000</u>	<u>\$ 65,314</u>	<u>\$ 7,331,142</u>

**C. Unearned Revenue**

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

General Fund	
Tuition	\$ 4,410
Special Revenue Fund	
Unencumbered grant draw downs	93,226
Grant draw downs reserved for encumbrances	<u>561,169</u>
 Total unearned revenue for governmental funds	 <u>\$ 658,805</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	<u>Balance, July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2017</u>
<b>Governmental Activities:</b>				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 1,525,822	\$ 43,858		\$ 1,569,680
Buildings and Building Improvements	72,145,553	1,406,104	\$ (710,000)	72,841,657
Machinery and Equipment	25,741,909	1,122,843	(19,979)	26,844,773
Total Capital Assets Being Depreciated	<u>99,413,284</u>	<u>2,572,805</u>	<u>(729,979)</u>	<u>101,256,110</u>
Less Accumulated Depreciation for:				
Land and Land Improvements	(1,351,874)	(15,564)		(1,367,438)
Buildings and Building Improvements	(28,886,438)	(2,234,027)	539,600	(30,580,865)
Machinery and Equipment	(19,144,035)	(1,572,356)	19,979	(20,696,412)
Total Accumulated Depreciation	<u>(49,382,347)</u>	<u>(3,821,947)</u>	<u>559,579</u>	<u>(52,644,715)</u>
Total Capital Assets, Being Depreciated, Net	<u>50,030,937</u>	<u>(1,249,142)</u>	<u>(170,400)</u>	<u>48,611,395</u>
Governmental Activities Capital Assets, Net	<u>\$ 50,030,937</u>	<u>\$ (1,249,142)</u>	<u>\$ (170,400)</u>	<u>\$ 48,611,395</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 1,949,507	\$ 23,622	-	\$ 1,973,129
Total Capital Assets Being Depreciated	<u>1,949,507</u>	<u>23,622</u>	<u>-</u>	<u>1,973,129</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(1,581,911)	(71,174)	-	(1,653,085)
Total Accumulated Depreciation	<u>(1,581,911)</u>	<u>(71,174)</u>	<u>-</u>	<u>(1,653,085)</u>
Total Capital Assets, Being Depreciated, Net	<u>367,596</u>	<u>(47,552)</u>	<u>-</u>	<u>320,044</u>
Business-Type Activities Capital Assets, Net	<u>\$ 367,596</u>	<u>\$ (47,552)</u>	<u>\$ -</u>	<u>\$ 320,044</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

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

**Governmental activities:**

Instruction	
Regular	\$ 1,689,331
Vocational Education	<u>1,689,331</u>
Total Instruction	<u>3,378,662</u>
Support Services	
Student and Instruction Related Services	226,778
General Administration	28,823
School Administration	28,823
Operations and Maintenance of Plant	80,068
Student Transportation	21,148
Business and Other Support Services	<u>57,645</u>
Total Support Services	<u>443,285</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,821,947</u>

**Business-Type Activities:**

Food Service Fund	\$ 16,357
Technology Services Fund	48,689
ETTC Fund	284
Auditorium Rentals Fund	<u>5,844</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 71,174</u>



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2017:

<u>Project</u>	<u>Remaining Commitment</u>
Horticulture/Landscape Facility Building - Paramus Campus	\$ 153,365
Design and Prep Services for Auto Shop Renovations	70,046
Replacement of De-aeration Tank - Academies Campus	117,375
Baseball Field Improvements- Academies Campus	283,140
Domestic Hot Water Plant and Appurtenances	13,215
Architectural Services - Culinary Academy Addition & Renovation	<u>87,250</u>
	<u>\$ 724,391</u>

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2017, is as follows:

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,450,000
General Fund	Capital Projects Fund	530,000
General Fund	Internal Service Funds	165,987
General Fund	Enterprise Funds	10,000
General Fund	Agency Funds	<u>2,000</u>
		<u>\$ 2,157,987</u>
Compensated Absences - Internal Service Fund	General Fund	<u>\$ 2,817,162</u>

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

The District expects all interfund balances to be liquidated within one year except between General and Compensated Absences Internal Service Funds.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

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

**Interfund transfers**

	<u>General Fund</u>	<u>Transfer In: Capital Projects Fund</u>	<u>Total</u>
Transfer Out:			
General Fund		\$ 426,996	\$ 426,996
Enterprise Funds:			
Internal Services Fund	\$ 58,728	-	58,728
	<u>\$ 58,728</u>	<u>\$ 426,996</u>	<u>\$ 485,724</u>

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

**F. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 2,875,890	\$ -	\$ 58,728	\$ 2,817,162	
Pension Obligation Payable	286,000	-	286,000	-	-
Net Pension Liability	<u>44,554,713</u>	<u>18,208,342</u>	<u>1,827,794</u>	<u>60,935,261</u>	-
Governmental activity Long-term liabilities	<u>\$ 47,716,603</u>	<u>\$ 18,208,342</u>	<u>\$ 2,172,522</u>	<u>\$ 63,752,423</u>	<u>\$ -</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, the liabilities for compensated absences, pension obligations and net pension liability are generally liquidated by the general fund.

The school district adopted an early retirement incentive program (ERI Program) for eligible employees covered by the Public Employees' Retirement Fund and the Teachers' Pension and Annuity Fund and as a result created an unfunded liability with respect to the applicable pension system. There was no remaining balance as of June 30, 2017

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

The District is a member of the County of Bergen’s Self Insurance pool for property, general liability, workers compensation and automobile liability.

The relationship between the Board and the County of Bergen is governed by a contract and by-laws that have been adopted by resolution of the unit's governing body. The Board has agreed to pay an annual installment based on a computation of the Board’s share of the County’s premium as provided by the County. In return for this, the County of Bergen administers the Board’s insurance funds.

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2017	-	\$ 57,958	\$ 19,368	\$ 430,473
2016	-	55,976	100,113	391,723
2015	-	57,801	36,045	435,044

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2017, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans**

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

**Public Employees' Retirement System (PERS)** – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. PERS is a cost sharing multi-employer defined benefit pension plan.

**Teachers' Pension and Annuity Fund (TPAF)** – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. TPAF is a cost sharing plan with special funding situations.

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

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

**Other Pension Funds**

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Basis of Accounting**

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

**Investment Valuation**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

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

**Funding Status and Funding Progress**

As of July 1, 2015, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 28 percent with an unfunded actuarial accrued liability of \$108.6 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 22.33 percent and \$79.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 40.14 percent and \$29.6 billion, respectively.

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

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

**Actuarial Methods and Assumptions**

In the July 1, 2015 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.65 percent and (b) projected salary increases applied through the year 2026 of 1.65-5.15 percent based on age for the PERS and varying percentages based on experience for TPAF.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.06% for PERS, 7.06% for TPAF and 5.50% for DCRP of the employee's annual compensation.

**Annual Pension Costs (APC)**

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2017 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2017, 2016 and 2015 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2017	\$ 1,827,794	\$ 2,697,183	\$ 12,512
2016	1,706,393	1,906,328	-
2015	1,578,674	1,277,658	2,395

In addition for fiscal year 2016/2017 the District contributed \$9,367 for PERS and the State contributed \$5,065 for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 24. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,732,143 during the fiscal year ended June 30, 2017 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS)**

At June 30, 2017, the District reported in the statement of net position (accrual basis) a liability of \$60,935,261 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2016, the District's proportionate share was 0.20574 percent, which was an increase of 0.00727 percent from its proportionate share measured as of June 30, 2015 of 0.19847 percent.

For the fiscal year ended June 30, 2017, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$6,323,851 for PERS. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>2016</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 1,133,211	
Changes of Assumptions	12,622,531	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,323,517	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>2,084,831</u>	<u>-</u>
Total	<u>\$ 18,164,090</u>	<u>\$ -</u>

At June 30, 2017, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2018	\$ 4,129,495
2019	4,129,495
2020	4,668,026
2021	3,947,023
2022	1,290,051
Thereafter	<u>-</u>
	<u>\$ 18,164,090</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

*Actuarial Assumptions*

The District's total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	3.08%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.65%
Mortality Rate Table	RP-2000

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

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%

***Discount Rate***

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

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF)**

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

For the fiscal year ended June 30, 2017, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$14,073,390 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2017 the State's proportionate share of the net pension liability attributable to the District is \$187,305,346. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2016. At June 30, 2016, the state's share of the net pension liability attributable to the District was 0.23810 percent, which was an increase of 0.00178 percent from its proportionate share measured as of June 30, 2015 of 0.23632 percent.

**Actuarial Assumptions**

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.65%

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Long-Term Expected Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.39%
US Government Bonds	1.50%	1.28%
US Credit Bonds	13.00%	2.76%
US Mortgages	2.00%	2.38%
US Inflation-Indexed Bonds	1.50%	1.41%
US High Yield Bonds	2.00%	4.70%
US Equity Market	26.00%	5.14%
Foreign-Developed Equity	13.25%	5.91%
Emerging Markets Equity	6.50%	8.16%
Private Real Estate Property	5.25%	3.64%
Timber	1.00%	3.86%
Farmland	1.00%	4.39%
Private Equity	9.00%	8.97%
Commodities	0.50%	2.87%
Hedge Funds - MultiStrategy	5.00%	3.70%
Hedge Funds - Equity Hedge	3.75%	4.72%
Hedge Funds - Distressed	3.75%	3.49%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Discount Rate***

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

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

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

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2029
Municipal Bond Rate *	From July 1, 2029 and Thereafter

\* The municipal bond return rate used is 2.85% as of the measurement date of June 30, 2016. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

***Sensitivity of Net Pension Liability***

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 3.22%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.22 percent) or 1-percentage-point higher (4.22 percent) than the current rate:

	<b>1% Decrease (2.22%)</b>	<b>Current Discount Rate (3.22%)</b>	<b>1% Increase (4.22%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 223,684,441</u>	<u>\$ 187,305,346</u>	<u>\$ 157,597,120</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2016. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2016 was not provided by the pension system.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Pension Plan Fiduciary Net Position***

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

**D. Post-Retirement Medical Benefits**

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are classified as either single employer plans or cost sharing multiple employer defined benefit plans depending on the plan the eligible employee is covered under.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 584 state and local participating employers and contributing entities for Fiscal Year 2016.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

**Health Benefits Program Fund (HBPF) – Local Education** (including Prescription Drug Program Fund) – The State of New Jersey provides paid coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides paid coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for state paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

**Basis of Accounting**

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

**Significant Legislation**

P.L. 2011, c.78, effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

**Funded Status and Funding Progress**

As of July 1, 2015, the most recent actuarial valuation date, the State had a \$84.3 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$25.9 billion for state active and retired members and \$41.6 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

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

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

**Actuarial Methods and Assumptions**

In the July 1, 2015, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

**Post-Retirement Medical Benefits Contributions**

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2016, there were 110,512, retirees receiving post-retirement medical benefits and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (ABP) who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at: <http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2017, 2016 and 2015 were \$2,247,367, \$2,269,911 and \$2,028,283, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.



**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
<b>Local Sources</b>					
County Property Tax Levy	\$ 30,010,408		\$ 30,010,408	\$ 30,010,408	
Tuition-Other LEAs	25,921,092		25,921,002	26,358,427	\$ 437,425
Tuition - Post Secondary	725,000		725,000	542,612	(182,388)
Tuition - EMS	453,400		453,400	331,603	(121,797)
Tuition - Adult Evening	385,000		385,000	414,266	29,266
Tuition - Adult Evening Makerspace	3,500	\$ 16,000	19,500	19,485	(15)
Interest on Investments	25,000		25,000	23,081	(1,919)
Interest on Capital Reserve	-		-	811	811
GED Testing Fees	113,542		113,542	61,051	(52,491)
Technology Agreement	266,000		266,000	266,000	-
Miscellaneous	334,000		334,000	133,830	(200,170)
<b>Total Local Sources</b>	<b>58,236,852</b>	<b>16,000</b>	<b>58,252,852</b>	<b>58,161,574</b>	<b>(91,278)</b>
<b>State Sources</b>					
Adjustment Aid	4,194,257		4,194,257	4,194,257	-
Categorical Special Education Aid	1,264,693		1,264,693	1,264,693	-
Categorical Security Aid	171,777		171,777	171,777	-
Other School Aid	64,820	-	64,820	64,820	-
On-Behalf TPAF Pension System Contributions- NCGI (Non-Budgeted)				94,308	94,308
On-Behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				5,065	5,065
On-Behalf TPAF Pension System Contributions- Normal Contributions (Non-Budgeted)				2,602,875	2,602,875
On-Behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,247,367	2,247,367
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				1,732,143	1,732,143
<b>Total State Sources</b>	<b>5,695,547</b>	<b>-</b>	<b>5,695,547</b>	<b>12,377,305</b>	<b>6,681,758</b>
<b>Federal Sources</b>					
ARRA/SEMI				2,624	2,624
Medicaid Reimbursement	28,912	-	28,912	84,225	55,313
<b>Total Federal Sources</b>	<b>28,912</b>	<b>-</b>	<b>28,912</b>	<b>86,849</b>	<b>57,937</b>
<b>Total Revenues</b>	<b>63,961,311</b>	<b>16,000</b>	<b>63,977,311</b>	<b>70,625,728</b>	<b>6,648,417</b>
<b>EXPENDITURES:</b>					
<b>Regular Programs- Instruction</b>					
Salaries of Teachers	8,887,540	-	8,887,540	8,878,641	8,899
Other Salaries for Instruction	194,674	\$ 10,000	204,674	192,449	12,225
Purchased Prof. - Educ. Service	90,000	22,200	112,200	112,200	-
Rentals	30,000	(6,500)	23,500	23,016	484
Travel	10,000	31,440	41,440	3,533	37,907
General Supplies	639,000	19,788	658,788	589,209	69,579
Textbooks	90,000	31,000	121,000	89,135	31,865
Other Objects	20,000	-	20,000	14,810	5,190
<b>Total Regular Programs- Instruction</b>	<b>9,961,214</b>	<b>107,928</b>	<b>10,069,142</b>	<b>9,902,993</b>	<b>166,149</b>
<b>Regular Programs- Home Instruction</b>					
Salaries of Teachers	25,000	10,000	35,000	34,761	239
Purchased Professional Educational Service	15,000	10,000	25,000	20,292	4,708
<b>Total Regular Programs- Home Instruction</b>	<b>40,000</b>	<b>20,000</b>	<b>60,000</b>	<b>55,053</b>	<b>4,947</b>
<b>Total Regular Programs- Instruction</b>	<b>10,001,214</b>	<b>127,928</b>	<b>10,129,142</b>	<b>9,958,046</b>	<b>171,096</b>
<b>Basic Skills/Remedial</b>					
Salaries of Teachers	183,759	-	183,759	182,681	1,078
<b>Total Basic Skills/Remedial</b>	<b>183,759</b>	<b>-</b>	<b>183,759</b>	<b>182,681</b>	<b>1,078</b>
<b>Bilingual Education</b>					
Salaries of Teachers	84,629	600	85,229	85,201	28
<b>Total Bilingual Education</b>	<b>84,629</b>	<b>600</b>	<b>85,229</b>	<b>85,201</b>	<b>28</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>Other Special Programs</b>					
<b>Regular Vocational Programs- Instruction</b>					
Salaries of Teachers	\$ 5,459,188	\$ (600)	\$ 5,458,588	\$ 5,351,634	\$ 106,954
Purchased Professional Educational Services	-	2,740	2,740	2,637	103
Rentals	47,000	(3,400)	43,600	26,140	17,460
Travel	8,700	445	9,145	3,522	5,623
General Supplies	729,200	57,556	786,756	618,812	167,944
Textbooks	78,000	32,005	110,005	107,275	2,730
Other Objects	25,000	(4,000)	21,000	15,332	5,668
<b>Total Regular Vocational Programs- Instruction</b>	<b>6,347,088</b>	<b>84,746</b>	<b>6,431,834</b>	<b>6,125,352</b>	<b>306,482</b>
<b>Special Vocational Programs- Instruction</b>					
Salaries of Teachers	4,648,129	(93,000)	4,555,129	4,496,805	58,324
Purchased Professional Educational Services	580,000	(10,000)	570,000	513,000	57,000
Travel	4,000	7,000	11,000	4,592	6,408
General Supplies	195,000	47,761	242,761	221,204	21,557
Textbooks	30,000	16,224	46,224	41,832	4,392
Other Objects	20,000	-	20,000	8,967	11,033
<b>Total Special Vocational Programs- Instruction</b>	<b>5,477,129</b>	<b>(32,015)</b>	<b>5,445,114</b>	<b>5,286,400</b>	<b>158,714</b>
<b>Total Vocational Programs</b>	<b>11,824,217</b>	<b>52,731</b>	<b>11,876,948</b>	<b>11,411,752</b>	<b>465,196</b>
<b>Other Instructional Programs</b>					
<b>School Sponsored Co/Extra Curricular Activities</b>					
Salaries	699,000	148,200	847,200	847,107	93
Travel	1,700	-	1,700	-	1,700
Other Objects	41,000	(12,867)	28,133	18,471	9,662
<b>Total School Sponsored Co/Extra Curricular Activities</b>	<b>741,700</b>	<b>135,333</b>	<b>877,033</b>	<b>865,578</b>	<b>11,455</b>
<b>School Sponsored Athletics</b>					
Salaries	549,042	3,400	552,442	552,400	42
Purchased Services	75,000	19,939	94,939	94,920	19
Travel	1,000	2,661	3,661	3,660	1
Supplies and Materials	105,000	6,819	111,819	100,661	11,158
Other Objects	48,000	(31,844)	16,156	14,980	1,176
<b>Total School Sponsored Athletics</b>	<b>778,042</b>	<b>975</b>	<b>779,017</b>	<b>766,621</b>	<b>12,396</b>
<b>Other Instructional Programs- Instruction</b>					
Salaries	185,000	83,000	268,000	242,375	25,625
<b>Total Other Instructional Programs</b>	<b>185,000</b>	<b>83,000</b>	<b>268,000</b>	<b>242,375</b>	<b>25,625</b>
<b>Total Instruction</b>	<b>23,798,561</b>	<b>400,567</b>	<b>24,199,128</b>	<b>23,512,254</b>	<b>686,874</b>
xx <b>Attendance &amp; Social Work</b>					
Salaries	57,873	(6,800)	51,073	26,167	24,906
<b>Total Attendance &amp; Social Work</b>	<b>57,873</b>	<b>(6,800)</b>	<b>51,073</b>	<b>26,167</b>	<b>24,906</b>
<b>Health Services</b>					
Salaries	323,995	6,800	330,795	330,742	53
Purchased Professional and Technical Services	63,000	(900)	62,100	39,980	22,120
Supplies and Materials	7,500	(160)	7,340	3,458	3,882
Other Objects	13,000	(940)	12,060	7,701	4,359
<b>Total Health Services</b>	<b>407,495</b>	<b>4,800</b>	<b>412,295</b>	<b>381,881</b>	<b>30,414</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Speech, OT, PT and Related Services					
Salaries of Other Professional Staff	\$ 258,882	\$ 9,400	\$ 268,282	\$ 268,281	\$ 1
Total Speech, OT, PT and Related Services	258,882	9,400	268,282	268,281	1
Guidance					
Salaries of Other Professional Staff	1,553,907	(17,300)	1,536,607	1,518,554	18,053
Salaries of Secretarial and Clerical Assistants	171,738	-	171,738	169,329	2,409
Total Guidance	1,725,645	(17,300)	1,708,345	1,687,883	20,462
Child Study Teams					
Salaries of Other Professional Staff	502,848	7,900	510,748	510,718	30
Salaries of Secretarial and Clerical Assistants	164,940	-	164,940	162,251	2,689
Purchased Professional Education Services	8,000	8,000	16,000	15,308	692
Other Purchased Professional & Technical Services	7,000	(7,000)	-	-	-
Travel	3,500	(931)	2,569	1,015	1,554
Supplies and Materials	35,000	12,000	47,000	45,168	1,832
Other Objects	8,000	(2,000)	6,000	4,480	1,520
Total Child Study Teams	729,288	17,969	747,257	738,940	8,317
Improvement of Instruction Services					
Salaries of Other Professional Staff	602,350	35,800	638,150	638,055	95
Salaries of Secretarial and Clerical Assistants	198,278	(24,100)	174,178	174,134	44
Purchased Professional Educational Services	25,000	11,136	36,136	33,816	2,320
Rentals	-	3,048	3,048	3,048	-
Other Purchased Services	18,000	25,800	43,800	43,740	60
Travel	12,000	(775)	11,225	9,491	1,734
Supplies and Materials	85,000	(56,832)	28,168	27,914	254
Other Objects	53,000	6,300	59,300	57,769	1,531
Total Improvement of Instruction Services	993,628	377	994,005	987,967	6,038
Educational Media Service/School Library					
Salaries	58,181	2,100	60,281	60,214	67
Other Purchased Services	57,000	5,200	62,200	60,672	1,528
Supplies and Materials	8,000	(9,000)	(1,000)	(1,980)	980
Total Educational Media Services/School Library	123,181	(1,700)	121,481	118,906	2,575
Instructional Staff Training Services					
Travel	54,500	5,139	59,639	47,949	11,690
Other Objects	35,500	(1,650)	33,850	13,540	20,310
Total Instructional Staff Training Services	90,000	3,489	93,489	61,489	32,000
Support Services General Administration					
Salaries	478,087	-	478,087	477,034	1,053
Legal Services	275,000	-	275,000	219,582	55,418
Audit Fees	60,000	-	60,000	58,138	1,862
Expenditure and Internal Control	10,000	-	10,000	6,955	3,045
Architect/Engineering Fees	20,000	190,967	210,967	174,384	36,583
Other Purchased Professional Services	186,500	-	186,500	163,114	23,386
Rentals	7,000	-	7,000	3,242	3,758
Communications/Telephone	475,000	-	475,000	443,752	31,248
Travel	10,000	-	10,000	4,497	5,503
Other Purchased Services	174,200	(2,500)	171,700	158,647	13,053
Supplies and Materials	15,000	-	15,000	4,888	10,112
Miscellaneous Expenditures	52,000	-	52,000	51,611	389
BOE Membership Dues and Fees	1,000	-	1,000	-	1,000
Total Support Services General Administration	1,763,787	188,467	1,952,254	1,765,844	186,410
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,529,544	-	1,529,544	1,442,456	87,088
Salaries of Secretarial and Clerical Assistants	633,317	-	633,317	592,096	41,221
Travel	13,725	(9,304)	4,421	1,534	2,887
Other Purchased Services	12,600	(8,000)	4,600	2,682	1,918
Supplies and Materials	49,000	(8,788)	40,212	17,453	22,759
Other Objects	28,000	1,500	29,500	20,488	9,012
Total Support Services School Administration	2,266,186	(24,592)	2,241,594	2,076,709	164,885

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>Central Services</b>					
Salaries	\$ 1,042,460	\$ 14,400	\$ 1,056,860	\$ 1,056,822	\$ 38
Purchased Technical Services	135,200	4,900	140,100	138,639	1,461
Rentals	13,000	(5,275)	7,725	7,164	561
Travel	4,000	2,625	6,625	4,863	1,762
Supplies and Materials	20,000	53	20,053	18,641	1,412
Miscellaneous Expenditures	15,000	(500)	14,500	11,623	2,877
<b>Total Central Services</b>	<u>1,229,660</u>	<u>16,203</u>	<u>1,245,863</u>	<u>1,237,752</u>	<u>8,111</u>
<b>Admin. Info. Technology</b>					
Salaries	2,945,815	24,300	2,970,115	2,970,115	-
Purchased Professional Technical Services	96,300	(3,400)	92,900	86,670	6,230
Other Purchased Services	1,195,000	(10,285)	1,184,715	1,167,774	16,941
Travel	22,000	-	22,000	17,468	4,532
General Supplies	205,000	151,308	356,308	356,252	56
Other Objects	29,000	(19,564)	9,436	8,527	909
<b>Total Admin. Info. Technology</b>	<u>4,493,115</u>	<u>142,359</u>	<u>4,635,474</u>	<u>4,606,806</u>	<u>28,668</u>
<b>Required Maintenance for School Facilities</b>					
Salaries	780,247	(60,500)	719,747	651,309	68,438
Cleaning, Repair and Maintenance Services	350,000	2,550	352,550	314,495	38,055
Cleaning, Repair and Maintenance Services-Maintenance Reserve		500,000	500,000	500,000	-
General Supplies	125,000	4,857	129,857	129,768	89
<b>Total Required Maintenance for School Facilities</b>	<u>1,255,247</u>	<u>446,907</u>	<u>1,702,154</u>	<u>1,595,572</u>	<u>106,582</u>
<b>Custodial Services</b>					
Salaries	2,768,216	(5,700)	2,762,516	2,655,379	107,137
Purchased Professional & Technical Services	315,000	-	315,000	283,500	31,500
Cleaning, Repair and Maintenance Services	584,313	18,639	602,952	475,620	127,332
Other Purchased Property Services	110,000	-	110,000	101,948	8,052
Insurance	485,000	32,200	517,200	516,172	1,028
Travel	2,000	650	2,650	2,552	98
General Supplies	300,000	78,520	378,520	378,462	58
Energy (Natural Gas)	500,000	(120,700)	379,300	286,483	92,817
Energy (Electricity)	1,400,000	(40,000)	1,360,000	1,222,485	137,515
Energy (Gasoline)	50,000	-	50,000	(45,496)	95,496
Other Objects	25,000	(650)	24,350	8,146	16,204
<b>Total Custodial Services</b>	<u>6,539,529</u>	<u>(37,041)</u>	<u>6,502,488</u>	<u>5,885,251</u>	<u>617,237</u>
<b>Care and Upkeep of Grounds</b>					
Salaries	255,129	54,200	309,329	298,286	11,043
Cleaning, Repair and Maintenance Services	40,000	30,171	70,171	25,830	44,341
General Supplies	5,000	-	5,000	4,190	810
<b>Total Care and Upkeep of Grounds</b>	<u>300,129</u>	<u>84,371</u>	<u>384,500</u>	<u>328,306</u>	<u>56,194</u>
<b>Security</b>					
Salaries	10,000	-	10,000	3,397	6,603
Cleaning, Repair and Maintenance Services	250,000	-	250,000	237,682	12,318
General Supplies	10,000	-	10,000	-	10,000
<b>Total Security</b>	<u>270,000</u>	<u>-</u>	<u>270,000</u>	<u>241,079</u>	<u>28,921</u>
<b>Total Oper &amp; Maint of Plant Services</b>	<u>8,364,905</u>	<u>494,237</u>	<u>8,859,142</u>	<u>8,050,208</u>	<u>808,934</u>
<b>Student Transportation Services</b>					
Salaries for Pupil Transp (Oth. Than Bet. Home & School)	543,627	-	543,627	511,624	32,003
Cleaning, Repair and Maintenance Services	9,000	-	9,000	1,417	7,583
Contr. Services- Other- Vendors	218,000	(20,000)	198,000	123,609	74,391
Insurance	71,000	-	71,000	71,000	-
Travel	-	649	649	309	340
Supplies and Materials	12,000	(500)	11,500	-	11,500
Miscellaneous Expenditures	4,000	-	4,000	958	3,042
<b>Total Student Transportation Services</b>	<u>857,627</u>	<u>(19,851)</u>	<u>837,776</u>	<u>708,917</u>	<u>128,859</u>
<b>Unallocated Benefits- Employee Benefits</b>					
Social Security Contributions	1,300,000	-	1,300,000	1,247,889	52,111
Other Retirement Contribution- Regular	1,850,000	-	1,850,000	1,846,065	3,935
Workman's Compensation	540,000	(32,200)	507,800	490,000	17,800
Health Benefits	9,977,194	(362,967)	9,614,227	7,887,090	1,727,137
Tuition Reimbursement	100,000	20,000	120,000	113,811	6,189
Other Employee Benefits	276,500	160,000	436,500	435,717	783
<b>Total Unallocated Benefits- Employee Benefits</b>	<u>14,043,694</u>	<u>(215,167)</u>	<u>13,828,527</u>	<u>12,020,572</u>	<u>1,807,955</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
On-behalf TPAF Pension System Contributions- NCGI Premium (Non-Budgeted)				\$ 94,308	\$ (94,308)
On-behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				5,065	(5,065)
On-behalf TPAF Pension System Contributions- Normal Contribution (Non-Budgeted)				2,602,875	(2,602,875)
On-behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,247,367	(2,247,367)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,732,143	(1,732,143)
Total Undistributed Expenditures	\$ 37,404,966	\$ 591,891	\$ 37,996,857	\$ 41,420,080	\$ 1,526,392
Total Expenditures - Current	61,203,527	992,458	62,195,985	64,932,334	(2,736,349)
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
Instruction		126,600	126,600	121,455	5,145
Central Services		2,025	2,025	2,021	4
Admin Info Technology		29,200	29,200	29,137	63
Operations and Maintenance of Plant		24,875	24,875	24,820	55
Grounds		7,500	7,500	7,445	55
Special Schools	-	2,621	2,621	2,621	-
Total Equipment	-	192,821	192,821	187,499	5,322
<b>Facilities Acquisition and Construction Services</b>					
Architect Fees		500	500	-	500
Construction Services		423,708	423,708	335,413	88,295
Assessment for Debt Service	47,894	-	47,894	47,894	-
Total Facilities and Construction Services	47,894	424,208	472,102	383,307	88,795
Total Capital Outlay	47,894	617,029	664,923	570,806	94,117
<b>SPECIAL SCHOOLS</b>					
<b>Post- Secondary Programs- Instruction</b>					
Salaries of Teachers	340,215	5,600	345,815	345,341	474
Other Purchased Services	4,500	500	5,000	3,506	1,494
Travel	500	587	1,087	1,040	47
General Supplies	20,000	(9,000)	11,000	10,302	698
Textbooks	25,000	(10,000)	15,000	10,663	4,337
Other Objects	6,400	(1,000)	5,400	4,499	901
Total Post- Secondary Programs -Instruction	396,615	(13,313)	383,302	375,351	7,951
<b>Post- Secondary Programs- Support Services</b>					
Personal Services-Employee Benefits	113,400	-	113,400	113,400	-
Total Post Secondary Programs - Support Services	113,400	-	113,400	113,400	-
Total Post Secondary Programs	510,015	(13,313)	496,702	488,751	7,951
<b>Other Special Schools - Instruction</b>					
Salaries of Teachers	828,737	-	828,737	569,538	259,199
General Supplies	242,000	15,255	257,255	175,742	81,513
Textbooks	1,500	-	1,500	291	1,209
Total Other Special Schools - Instruction	1,072,237	15,255	1,087,492	745,571	341,921
<b>Other Special Schools - Support Services</b>					
Salaries	579,195		579,195	558,233	20,962
Purchased Professional and Technical Services	5,600		5,600	1,489	4,111
Other Purchased Services	49,000	5,152	54,152	38,181	15,971
Travel	3,000	1,196	4,196	1,388	2,808
Supplies and Materials	12,800	(2,025)	10,775	6,410	4,365
Other Objects	10,000	-	10,000	2,724	7,276
Total Other Special Schools - Support Services	659,595	4,323	663,918	608,425	55,493
Total Other Special Schools	1,731,832	19,578	1,751,410	1,353,996	397,414
<b>Vocational Evening - Local - Instruction</b>					
Salaries of Teachers	433,259	6,150	439,409	398,817	40,592
Purchased Professional and Technical Services	-	1,150	1,150	900	250
Travel	-	100	100	-	100
General Supplies	25,000	120,078	145,078	79,478	65,600
Textbooks	1,000	(1,000)	-	-	-
Other Objects	3,600	(3,600)	-	-	-
Total Vocational Evening - Local - Instruction	462,859	122,878	585,737	479,195	106,542

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Vocational Evening - Local - Support Services					
Salaries	\$ 405,142	\$ -	\$ 405,142	\$ 404,873	\$ 269
Employee Benefits	210,000	(2,500)	207,500	145,294	62,206
Rentals	-	6,768	6,768	6,768	-
Other Purchased Services	60,000	(32,768)	27,232	17,955	9,277
Travel	1,000	-	1,000	108	892
General Supplies	7,500	(4,000)	3,500	3,216	284
Other Objects	8,000	(3,500)	4,500	1,282	3,218
Total Vocational Evening - Local - Support Services	<u>691,642</u>	<u>(36,000)</u>	<u>655,642</u>	<u>579,496</u>	<u>76,146</u>
Total Vocational Evening	<u>1,154,501</u>	<u>86,878</u>	<u>1,241,379</u>	<u>1,058,691</u>	<u>182,688</u>
GED Testing Center (Other Special Schools)					
Salaries	83,042	-	83,042	74,454	8,588
Other Purchased Services	5,000	(2,500)	2,500	195	2,305
Travel	500	-	500	-	500
Supplies and Materials	25,000	5,000	30,000	29,609	391
Total Other Special Schools - Support Services	<u>113,542</u>	<u>2,500</u>	<u>116,042</u>	<u>104,258</u>	<u>11,784</u>
Total Special Schools	<u>3,509,890</u>	<u>95,643</u>	<u>3,605,533</u>	<u>3,005,696</u>	<u>599,837</u>
Total Expenditures	<u>64,761,311</u>	<u>1,705,130</u>	<u>66,466,441</u>	<u>68,508,836</u>	<u>(2,042,395)</u>
Excess (Deficiency) of Revenues and Over/(Under) Expenditures	<u>(800,000)</u>	<u>(1,689,130)</u>	<u>(2,489,130)</u>	<u>2,116,892</u>	<u>4,606,022</u>
Other Financing Sources (Uses)					
Transfers out	-	(426,996)	(426,996)	(426,996)	-
Transfers In	-	-	-	58,728	58,728
Total Other Financing Sources/(Uses)	<u>-</u>	<u>(426,996)</u>	<u>(426,996)</u>	<u>(368,268)</u>	<u>58,728</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources(Uses)	<u>(800,000)</u>	<u>(2,116,126)</u>	<u>(2,916,126)</u>	<u>1,748,624</u>	<u>4,664,750</u>
Fund Balance, Beginning of Year	<u>7,325,600</u>	<u>-</u>	<u>7,325,600</u>	<u>7,325,600</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 6,525,600</u>	<u>\$ (2,116,126)</u>	<u>\$ 4,409,474</u>	<u>\$ 9,074,224</u>	<u>\$ 4,664,750</u>
<b>Recapitulation:</b>					
<b>Restricted</b>					
Capital Reserve				\$ 4,073,413	
Maintenance Reserve				681,419	
ARRA/SEMI				2,624	
<b>Assigned</b>					
Year End Encumbrances				1,700,164	
Designated for Subsequent Year's Budget				700,000	
<b>Unassigned</b>					
Unrestricted Fund Balance				<u>1,916,604</u>	
				<u>9,074,224</u>	
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Last State Aid Payments Not Recognized on GAAP Basis				<u>(564,759)</u>	
Fund Balance per Governmental Funds (GAAP):				<u>\$ 8,509,465</u>	



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**BUDGET (NON-GAAP) AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
State Sources:	\$ 2,431,000	\$ 366,884	\$ 2,797,884	\$ 1,885,466	\$ (912,418)
Federal Sources	7,980,000	931,649	8,911,649	7,144,028	(1,767,621)
Local Sources	75,000	119,913	194,913	77,137	(117,776)
<b>Total Revenues</b>	<b>10,486,000</b>	<b>1,418,446</b>	<b>11,904,446</b>	<b>9,106,631</b>	<b>(2,797,815)</b>
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries of Teachers	2,625,000	(1,845,741)	779,259	647,376	131,883
Purchased Professional Services	195,000	(166,154)	28,846	11,130	17,716
General Supplies	-	334,069	334,069	276,164	57,905
<b>Total Instruction</b>	<b>2,820,000</b>	<b>(1,677,826)</b>	<b>1,142,174</b>	<b>934,670</b>	<b>207,504</b>
<b>Support Services</b>					
Salaries	7,666,000	(5,364,458)	2,301,542	2,131,455	170,087
Personnel Services Employee Benefits		801,666	801,666	706,121	95,545
Purchased Professional Education Services		5,289,054	5,289,054	3,900,979	1,388,075
Purchased Professional Technical Services		607,223	607,223	45,252	561,971
Other Purchased Services		460,626	460,626	301,926	158,700
Rental		298,705	298,705	280,647	18,058
Travel		37,160	37,160	28,784	8,376
Supplies and Materials		64,207	64,207	57,856	6,351
Other Objects	-	26,592	26,592	23,115	3,477
<b>Total Support Services</b>	<b>7,666,000</b>	<b>2,220,775</b>	<b>9,886,775</b>	<b>7,476,135</b>	<b>2,410,640</b>
<b>Facilities Acquisition and Construction</b>					
Buildings		86,000	86,000	-	86,000
Instructional Equipment		697,517	697,517	695,826	1,691
Non-Instructional Equipment	-	91,980	91,980	-	91,980
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>875,497</b>	<b>875,497</b>	<b>695,826</b>	<b>179,671</b>
<b>Total Expenditures</b>	<b>10,486,000</b>	<b>1,418,446</b>	<b>11,904,446</b>	<b>9,106,631</b>	<b>2,797,815</b>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Last State Aid Payment Not Recognized on GAAP Basis				\$ -	
Fund Balance per Governmental Funds (GAAP):				\$ -	

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Source/Inflows of Resources</b>		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 70,625,728	\$ 9,106,631
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2016		689,677
Encumbrances, June 30, 2017		(561,169)
Last State Aid payments recognized for GAAP purposes, not recognized for budgetary statements (2015/2016 State Aid)	565,828	
Last State Aid payments recognized for Budgetary purposes, not recognized for GAAP statements (2016/2017 State Aid)	(564,759)	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 70,626,797	\$ 9,235,139
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 68,508,836	\$ 9,106,631
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2016		689,677
Encumbrances, June 30, 2017	-	(561,169)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 68,508,836	\$ 9,235,139

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

**Last Four Fiscal Years\***

	<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.20574	%	0.19847	%	0.19306	%	0.19087
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 60,935,261		\$ 44,554,713		\$ 36,146,276		\$ 36,480,813
District's Covered-Employee Payroll	\$ 14,265,980		\$ 13,751,772		\$ 13,433,021		\$ 12,960,436
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	427.14%		323.99%		269.09%		281.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14	%	47.93	%	52.08	%	48.72

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

**Last Four Fiscal Years**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,827,794	\$ 1,706,393	\$ 1,048,496	\$ 1,567,180
Contributions in Relation to the Contractually Required Contribution	<u>1,827,794</u>	<u>1,706,393</u>	<u>1,048,496</u>	<u>1,567,180</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 14,265,980	\$ 13,751,772	\$ 13,433,021	\$ 12,960,436
Contributions as a Percentage of Covered-Employee Payroll	12.81%	12.41%	7.81%	12.09%

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

**Last Four Fiscal Years\***

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
<b>Total</b>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
District's Covered-Employee Payroll	\$ 24,753,579	\$ 24,304,151	\$ 23,902,723	\$ 23,580,067
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.71%	33.64%	33.76%

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Change of Benefit Terms:** None.

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



**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Total</u> <u>Page 2</u>	<u>Adult</u> <u>Basic</u> <u>Education</u>	<u>Displaced</u> <u>Homemaker</u>	<u>Apprentice</u> <u>Coordinator</u>	296 <u>Anti Bully</u> <u>Campaign</u>	<u>NCLB</u> <u>Title I</u>	<u>IDEIA Part</u> <u>B Basic</u>	<u>NCLB</u> <u>Title II-Pt A</u>	<u>Totals</u>
<b>REVENUES</b>									
State Sources	\$ 1,750,386		\$ 115,179	\$ 19,901					\$ 1,885,466
Federal Sources	5,395,171	\$ 1,033,761				\$ 184,279	\$ 494,981	\$ 35,836	7,144,028
Local Sources	<u>72,137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,137</u>
Total Revenues	<u>\$ 7,217,694</u>	<u>\$ 1,033,761</u>	<u>\$ 115,179</u>	<u>\$ 19,901</u>	<u>\$ 5,000</u>	<u>\$ 184,279</u>	<u>\$ 494,981</u>	<u>\$ 35,836</u>	<u>\$ 9,106,631</u>
<b>EXPENDITURES</b>									
<b>Instruction</b>									
Salaries of Teachers	\$ 105,374	\$ 384,726			-	\$ 131,945	\$ 25,331		\$ 647,376
Purchased Prof./Tech Services	9,630	1,500							11,130
General Supplies	<u>228,517</u>	<u>9,392</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,884</u>	<u>22,371</u>	<u>-</u>	<u>276,164</u>
Total Instruction	<u>343,521</u>	<u>395,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,829</u>	<u>47,702</u>	<u>-</u>	<u>934,670</u>
<b>Support Services</b>									
Salaries	1,672,496		\$ 93,721	\$ 17,013			348,225		2,131,455
Purchased Prof. Ed. Services	3,352,697	548,282							3,900,979
Purchased Prof. Tech Services	30,093	\$ -			\$ 5,000			\$ 10,159	45,252
Other Purchased Services	299,510		1,100	1,316					301,926
Personal Services Employee Benefits	489,508	64,706	15,102	1,301		36,450	99,054		706,121
Rentals	280,647								280,647
Travel	24,605	2,040	1,868	271					28,784
Supplies and Materials	30,156		2,023					25,677	57,856
Other Objects	<u>-</u>	<u>23,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,115</u>
Total Support Services	<u>6,179,712</u>	<u>638,143</u>	<u>113,814</u>	<u>19,901</u>	<u>5,000</u>	<u>36,450</u>	<u>447,279</u>	<u>35,836</u>	<u>7,476,135</u>
<b>Facilities Acquisition and Construction</b>									
Buildings	-								-
Instructional Equipment	<u>694,461</u>	<u>-</u>	<u>1,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>695,826</u>
Total Facilities Acquisition and Construction	<u>694,461</u>	<u>-</u>	<u>1,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>695,826</u>
Total Expenditures	<u>\$ 7,217,694</u>	<u>\$ 1,033,761</u>	<u>\$ 115,179</u>	<u>\$ 19,901</u>	<u>\$ 5,000</u>	<u>\$ 184,279</u>	<u>\$ 494,981</u>	<u>\$ 35,836</u>	<u>\$ 9,106,631</u>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Total Exhibit Page 3</u>	<u>County Vocational Partnership</u>	<u>BCC Health Prof</u>	<u>WFNJ Program</u>	<u>WFNJ Admin</u>	<u>Foundation Funds</u>	<u>Perkins Post- Secondary</u>	<u>Perkins Secondary</u>	<u>Perkins Secondary Reserve</u>	<u>Total Page 2</u>
<b>REVENUES</b>										
State	\$ 177,477	\$ 235,529		\$ 1,137,303	\$ 200,077					\$ 1,750,386
Federal	4,541,467						\$ 116,958	\$ 661,385	\$ 75,361	5,395,171
Other	22,360	-	13,698	-	-	\$ 36,079	-	-	-	72,137
	-									
<b>Total Revenues</b>	<b>\$ 4,741,304</b>	<b>\$ 235,529</b>	<b>\$ 13,698</b>	<b>\$ 1,137,303</b>	<b>\$ 200,077</b>	<b>\$ 36,079</b>	<b>\$ 116,958</b>	<b>\$ 661,385</b>	<b>\$ 75,361</b>	<b>\$ 7,217,694</b>
<b>EXPENDITURES</b>										
Instruction										
Salaries of Teachers	-	\$ 105,374								\$ 105,374
Purchased Prof./Tech Services	-					\$ (370)		\$ 10,000		9,630
Other Purchased Services	-									-
General Supplies	\$ 801	94,908	-	-	-	5,205	\$ -	127,603	\$ -	228,517
<b>Total Instruction</b>	<b>801</b>	<b>200,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,835</b>	<b>-</b>	<b>137,603</b>	<b>-</b>	<b>343,521</b>
Support Services										
Salaries	1,235,598			\$ 313,121	\$ 90,465		33,312	-		1,672,496
Purchased Prof. Ed. Services	2,666,483	17,334		668,021	859					3,352,697
Purchased Prof. Tech Services	25,086			1,692	3,315					30,093
Other Purchased Services	178,359		13,698	26,897	69,962	10,594				299,510
Personal Services Employee Benefits	349,151	17,913		93,937	20,179		8,328			489,508
Rentals	237,558			29,447	13,642					280,647
Travel	3,103			66	786	20,650				24,605
Supplies and Materials	25,165			4,122	869					30,156
Other Objects	-									-
Indirect Costs	-									-
<b>Total Support Services</b>	<b>4,720,503</b>	<b>35,247</b>	<b>13,698</b>	<b>1,137,303</b>	<b>200,077</b>	<b>31,244</b>	<b>41,640</b>	<b>-</b>	<b>-</b>	<b>6,179,712</b>
Facilities Acquisition and Construction										
Buildings	-									-
Instructional Equipment	20,000	-	-	-	-	-	75,318	523,782	75,361	694,461
<b>Total Facilities Acquisition and Construction</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 36,079</b>	<b>75,318</b>	<b>523,782</b>	<b>75,361</b>	<b>694,461</b>
<b>Total Expenditures</b>	<b>\$ 4,741,304</b>	<b>\$ 235,529</b>	<b>\$ 13,698</b>	<b>\$ 1,137,303</b>	<b>\$ 200,077</b>	<b>\$ 36,079</b>	<b>\$ 116,958</b>	<b>\$ 661,385</b>	<b>\$ 75,361</b>	<b>\$ 7,217,694</b>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Teterboro PPO Donate</u>	<u>Shaping NJ Healthy Community</u>	<u>Workforce Learning Link</u>	<u>WIA Adult</u>	<u>Project Search</u>	<u>WIA Youth</u>	<u>WIA Dislocated</u>	<u>Total Page 3</u>
<b>REVENUES</b>								
State		\$ 2,525	\$ 174,952					\$ 177,477
Federal				\$ 1,267,185		\$ 1,195,727	\$ 2,078,555	4,541,467
Other	20,000	-	-	-	\$ 2,360	-	-	22,360
<b>Total Revenues</b>	<u>\$ 20,000</u>	<u>\$ 2,525</u>	<u>\$ 174,952</u>	<u>\$ 1,267,185</u>	<u>\$ 2,360</u>	<u>\$ 1,195,727</u>	<u>\$ 2,078,555</u>	<u>\$ 4,741,304</u>
<b>EXPENDITURES</b>								
Instruction								
Salaries of Teachers				-				-
Purchased Prof./Tech Services								-
Other Purchased Services								-
General Supplies	\$ -	\$ 801	-	-	-	-	-	\$ 801
<b>Total Instruction</b>	<u>-</u>	<u>801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>801</u>
Support Services								
Salaries		\$ 1,601	\$ 42,774	\$ 429,490		\$ 231,924	\$ 529,809	1,235,598
Purchased Prof. Ed. Services			101,952	604,107		800,259	1,160,165	2,666,483
Purchased Prof. Tech Services				5,762		6,471	12,853	25,086
Other Purchased Services			16,713	30,171	\$ 1,460	49,596	80,419	178,359
Personal Services Employee Benefits		123	12,459	123,837		63,107	149,625	349,151
Rentals				67,413		35,523	134,622	237,558
Travel				658	900	445	1,100	3,103
Supplies and Materials			1,054	5,747		8,402	9,962	25,165
Other Objects	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	<u>-</u>	<u>1,724</u>	<u>174,952</u>	<u>1,267,185</u>	<u>2,360</u>	<u>1,195,727</u>	<u>2,078,555</u>	<u>4,720,503</u>
Facilities Acquisition and Construction								
Buildings								
Instructional Equipment	20,000	-	-	-	-	-	-	20,000
<b>Total Facilities Acquisition and Construction</b>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
<b>Total Expenditures</b>	<u>\$ 20,000</u>	<u>\$ 2,525</u>	<u>\$ 174,952</u>	<u>\$ 1,267,185</u>	<u>\$ 2,360</u>	<u>\$ 1,195,727</u>	<u>\$ 2,078,555</u>	<u>\$ 4,741,304</u>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOT APPLICABLE

**CAPITAL PROJECTS FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>Issue/Project Title</u>		<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2017</u>	
			<u>Prior Years</u>	<u>Current Year</u>		
30-423	Acq of Equipment and Various Improvements	7/13/2005	\$ 4,042,350	\$ 4,038,080	4,270	\$ -
30-424	Acq of Equipment and Various Improvements	6/8/2006	4,866,000	4,490,681	\$ 20,646	354,673
30-425	Acq of Equipment and Various Improvements	9/8/2006	4,356,000	4,354,785		1,215
30-426	Acq of Equipment and Various Improvements	7/11/2007	4,589,420	4,432,501		156,919
30-428	Acq of Equipment and Various Improvements	8/13/2008	11,371,280	9,428,184	197,604	1,745,492
30-429	Acq of Equipment and Various Improvements	7/7/2010	2,033,000	1,705,091	172,276	155,633
30-430	Acq of Equipment and Various Improvements	12/1/2010	2,715,000	2,673,630	11,527	29,843
30-431	Acq of Equipment and Various Improvements	12/1/2011	715,000	588,562	9,214	117,224
30-432	Acq of Equipment and Various Improvements	7/11/2012	735,000	519,425	53,149	162,426
30-433	Acq of Equipment and Various Improvements	7/10/2013	1,268,000	709,183	219,958	338,859
30-413	Acq of Equipment and Various Improvements	7/2014	1,205,000	481,656	112,783	610,561
30-414	Acq of Equipment and Various Improvements	10/14/2015	1,336,083	487,323	354,707	494,053
30-415	Acq of Equipment and Various Improvements	10/19/2016	<u>1,685,000</u>	<u>-</u>	<u>624,916</u>	<u>1,060,084</u>

Fund Total \$ 40,917,133    \$ 33,909,101    \$ 1,781,050    \$ 5,226,982

Project Balance, June 30, 2017 \$ 5,226,982

Unrealized Revenue - Authorized  
by the County of Bergen (4,336,366)

Fund Balance, June 30, 2017 \$ 890,616

Encumbrances Payable \$ 996,549  
Project Balances (105,933)

\$ 890,616



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Revenues and Other Financing Sources**

Transfer from General Fund - Capital Reserve	\$ 426,996
County Aid	<u>1,210,577</u>

Total Revenues	<u>1,637,573</u>
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**Expenditures and Other Financing Uses**

Construction Services	671,482
Purchased Professional and Technical Services	379,238
Equipment	280,712
Supplies and Materials	<u>449,617</u>

Total Expenditures	<u>1,781,049</u>
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Deficiency of Revenues Under Expenditures	(143,476)
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Fund Balance - Beginning of Year	<u>1,034,092</u>
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Fund Balance - End of Year	<u>\$ 890,616</u>
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**ENTERPRISE FUNDS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2017**

Business Type Activities

	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Auditorium Rentals	Totals
<b>ASSETS</b>													
<b>Current Assets</b>													
Cash and Cash Equivalents	\$ 119,699	\$ 432	\$ 47,636	\$ 96,893	\$ 4,004	\$ -	\$ 24,345	\$ 320,160	\$ 505	\$ 36,848	\$ 25,377	\$ 56,414	\$ 732,313
Intergovernmental Receivable	8,291												8,291
Other Accounts Receivable	3,439				267,780							48,002	319,241
Interfunds Receivable													-
Due from B.C.S.S.D.													-
Inventories	9,857	-	-	-	-	-	-	-	-	-	-	-	9,857
<b>Total Current Assets</b>	<b>141,306</b>	<b>432</b>	<b>47,636</b>	<b>96,893</b>	<b>271,784</b>	<b>-</b>	<b>24,345</b>	<b>320,160</b>	<b>505</b>	<b>36,848</b>	<b>25,377</b>	<b>104,416</b>	<b>1,069,702</b>
<b>Capital Assets</b>													
Furniture, machinery & equipment	633,013			871	1,233,536	23,295						82,414	1,973,129
Less: Accumulated Depreciation	(492,429)			(871)	(1,097,648)	(23,295)						(38,842)	(1,653,085)
<b>Total Capital Assets</b>	<b>140,584</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135,888</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,572</b>	<b>320,044</b>
<b>Total Assets</b>	<b>281,890</b>	<b>432</b>	<b>47,636</b>	<b>96,893</b>	<b>407,672</b>	<b>-</b>	<b>24,345</b>	<b>320,160</b>	<b>505</b>	<b>36,848</b>	<b>25,377</b>	<b>147,988</b>	<b>1,389,746</b>
<b>LIABILITIES</b>													
<b>Current Liabilities</b>													
Accounts Payable	-	3,584	2,423	1,956	7,611							24,976	40,550
Other Payable					3,215							325	3,540
Interfunds Payable		10,000											10,000
Unearned Revenue			37,100	58,099			7,500	114,012		37,302	11,600		265,613
<b>Total Current Liabilities</b>	<b>-</b>	<b>13,584</b>	<b>39,523</b>	<b>60,055</b>	<b>10,826</b>	<b>-</b>	<b>7,500</b>	<b>114,012</b>	<b>-</b>	<b>37,302</b>	<b>11,600</b>	<b>25,301</b>	<b>319,703</b>
<b>Total Liabilities</b>	<b>-</b>	<b>13,584</b>	<b>39,523</b>	<b>60,055</b>	<b>10,826</b>	<b>-</b>	<b>7,500</b>	<b>114,012</b>	<b>-</b>	<b>37,302</b>	<b>11,600</b>	<b>25,301</b>	<b>319,703</b>
<b>DEFERRED INFLOW OF RESOURCES</b>													
Deferred Commodities Revenue	500												500
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>500</b>	<b>13,584</b>	<b>39,523</b>	<b>60,055</b>	<b>10,826</b>	<b>-</b>	<b>7,500</b>	<b>114,012</b>	<b>-</b>	<b>37,302</b>	<b>11,600</b>	<b>25,301</b>	<b>320,203</b>
<b>NET POSITION</b>													
Net Investment in Capital Assets	140,584				135,888							43,572	320,044
Unrestricted	140,806	(13,152)	8,113	36,838	260,958		16,845	206,148	505	(454)	13,777	79,115	749,499
<b>Total Net Position</b>	<b>\$ 281,390</b>	<b>\$ (13,152)</b>	<b>\$ 8,113</b>	<b>\$ 36,838</b>	<b>\$ 396,846</b>	<b>\$ -</b>	<b>\$ 16,845</b>	<b>\$ 206,148</b>	<b>\$ 505</b>	<b>\$ (454)</b>	<b>\$ 13,777</b>	<b>\$ 122,687</b>	<b>\$ 1,069,543</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Business Type Activities

	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Auditorium Rentals	Totals
<b>OPERATING REVENUES</b>													
Charges for Services													
Daily sales - reimbursable programs													\$ 282,487
Lunch Program	\$ 282,487												8,938
Breakfast Program	8,938												293,673
Daily sales - nonreimbursable programs	293,673												28,919
Special Functions	28,919												
Charges and Fees	-	\$ 212,552	\$ 34,300	\$ 215,304	\$ 1,388,973	-	20,100	\$ 80,483	-	\$ 39,575	\$ 11,050	\$ 364,544	2,366,881
<b>Total Operating Revenues</b>	<b>614,017</b>	<b>212,552</b>	<b>34,300</b>	<b>215,304</b>	<b>1,388,973</b>	<b>-</b>	<b>20,100</b>	<b>80,483</b>	<b>-</b>	<b>39,575</b>	<b>11,050</b>	<b>364,544</b>	<b>2,980,898</b>
<b>OPERATING EXPENSES</b>													
Cost of Sales - reimbursable programs	223,089												223,089
Cost of Sales - nonreimbursable programs	100,991												100,991
Salaries/Salaries of Teachers	265,973	253,905	20,827	221,841	947,958		4,180	54,463	-	39,248	7,430	324,031	2,139,856
Employee Benefits	81,365	-		16,010	391,973		320	4,167	-	891	569	46,176	541,471
Other Purchased Services	84,794	6,897	-	12,448	(32,517)		4,200					7,167	82,989
Supplies and Materials	35,254	3,784	11,293	2,878	-			8,937				60,622	122,768
Depreciation	16,357				48,689	\$ 284						5,844	71,174
Other Objects	-	405	-	-	220	-	-	-	-	-	-	-	625
<b>Total Operating Expenses</b>	<b>807,823</b>	<b>264,991</b>	<b>32,120</b>	<b>253,177</b>	<b>1,356,323</b>	<b>284</b>	<b>8,700</b>	<b>67,567</b>	<b>-</b>	<b>40,139</b>	<b>7,999</b>	<b>443,840</b>	<b>3,282,963</b>
Operating Income (Loss)	(193,806)	(52,439)	2,180	(37,873)	32,650	(284)	11,400	12,916	-	(564)	3,051	(79,296)	(302,065)
<b>NONOPERATING REVENUES</b>													
State Sources													
State School Lunch Program	4,382												4,382
Federal Sources													
National School Lunch Program	96,599												96,599
National School Lunch Program-PB	6,033												6,033
Commodities Program	36,540												36,540
National School Breakfast Program	13,552												13,552
<b>Total Non-Operating Revenues</b>	<b>157,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>157,106</b>
Net Income (Loss) Before Contributions & Transfers	(36,700)	(52,439)	2,180	(37,873)	32,650	(284)	11,400	12,916	-	(564)	3,051	(79,296)	(144,959)
Transfers													
Transfers in(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Net Position	(36,700)	(52,439)	2,180	(37,873)	32,650	(284)	11,400	12,916	-	(564)	3,051	(79,296)	(144,959)
Total Net Position - Beginning of Year	318,090	39,287	5,933	74,711	364,196	284	5,445	193,232	\$ 505	110	10,726	201,983	1,214,502
Total Net Position - Ending of Year	\$ 281,390	\$ (13,152)	\$ 8,113	\$ 36,838	\$ 396,846	\$ -	\$ 16,845	\$ 206,148	\$ 505	\$ (454)	\$ 13,777	\$ 122,687	\$ 1,069,543

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Business Type Activities**

	<b>Food Service</b>	<b>Day Care</b>	<b>Summer Science Funds</b>	<b>Academy After Hours</b>	<b>Technology Services</b>	<b>ETTC</b>	<b>Summer Writing</b>	<b>Math Camp Funds</b>	<b>High School Enrichment</b>	<b>Teterboro Summer</b>	<b>Exhibitions</b>	<b>Auditorium Rentals</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>													
Receipts from Customers	\$ 610,558	\$ 212,552	\$ 71,400	\$ 192,512	\$ 1,271,342		\$ 7,950	\$ 143,162	-	\$ 37,377	\$ 22,650	\$ 354,453	\$ 2,923,956
Payments to Employees	(265,973)	(253,905)	(20,827)	(221,841)	(947,958)		(4,180)	(54,463)	-	(39,248)	(7,430)	(324,031)	(2,139,856)
Payments for Health Benefits	(81,365)	-	-	(16,010)	(391,973)		(320)	(4,167)	-	(891)	(569)	(46,176)	(541,471)
Payments to Suppliers	(405,376)	(10,074)	(8,870)	(13,370)	30,755		(4,200)	(8,937)	-	-	-	(39,273)	(459,345)
Net Cash Provided by(used for) operating activities	(142,156)	(51,427)	41,703	(58,709)	(37,834)	-	(750)	75,595	-	(2,762)	14,651	(55,027)	(216,716)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>													
State Sources	4,391												4,391
Federal Sources	116,520												116,520
Interfund Transfers	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000
Net cash provided by (used for) Noncapital financing activities	120,911	10,000	-	-	-	-	-	-	-	-	-	-	130,911
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>													
Purchases of capital assets	(23,622)	-	-	-	-	-	-	-	-	-	-	-	(23,622)
Net cash provided by(used for) capital and related financing activities	(23,622)	-	-	-	-	-	-	-	-	-	-	-	(23,622)
Net increase (decrease) in cash and cash equivalents	(44,867)	(41,427)	41,703	(58,709)	(37,834)	-	(750)	75,595	-	(2,762)	14,651	(55,027)	(109,427)
Cash and Cash Equivalents - Beginning of Year	164,566	41,859	5,933	155,602	41,838	-	25,095	244,565	\$ 505	39,610	10,726	111,441	841,740
Cash and Cash Equivalents - End of Year	\$ 119,699	\$ 432	\$ 47,636	\$ 96,893	\$ 4,004	\$ -	\$ 24,345	\$ 320,160	\$ 505	\$ 36,848	\$ 25,377	\$ 56,414	\$ 732,313
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities													
Operating Income(Loss)	\$ (193,806)	\$ (52,439)	\$ 2,180	\$ (37,873)	\$ 32,650	\$ (284)	\$ 11,400	\$ 12,916	\$ -	\$ (564)	\$ 3,051	\$ (79,296)	\$ (302,065)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities													
Depreciation	16,357				48,689	284						5,844	71,174
Food Distribution (USDA Commodities) National School Lunch Program	37,040											-	37,040
(Increase) Decrease in accounts receivable, net	(3,459)				(120,846)							(5,376)	(129,681)
(Increase) Decrease in inventories	1,712												1,712
Increase(decrease) in unearned revenues	-		37,100	(22,792)			(12,150)	62,679	-	(2,198)	11,600	(1,500)	72,739
Increase(decrease) in other payable		1,237			3,215							325	4,777
Increase(decrease) in accounts payable		(225)	2,423	1,956	(1,542)							24,976	27,588
Total adjustments	51,650	1,012	39,523	(20,836)	(70,484)	284	(12,150)	62,679	-	(2,198)	11,600	24,269	85,349
Net cash provided by (used for) operating activities	\$ (142,156)	\$ (51,427)	\$ 41,703	\$ (58,709)	\$ (37,834)	\$ -	\$ (750)	\$ 75,595	\$ -	\$ (2,762)	\$ 14,651	\$ (55,027)	\$ (216,716)
Noncash Investing, Capital and Financing Activities													
Fair Value of Food Distribution Program- National School Lunch	\$ 37,040												

**INTERNAL SERVICE FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2017**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIB County</u>	<u>Total</u>
<b>ASSETS</b>						
Current Assets						
Cash		\$ 4,548	-	\$ 167,440	\$ 4,686	\$ 176,674
Intergovernmental Receivable						
Due from B.C.S.S.D		103,613				103,613
Other				102,000	65,314	167,314
Interfund Receivable	\$ 2,817,162	-	-	-	-	2,817,162
 Total Current Assets	<u>2,817,162</u>	<u>108,161</u>	<u>-</u>	<u>269,440</u>	<u>70,000</u>	<u>3,264,763</u>
 Total Assets	<u>2,817,162</u>	<u>108,161</u>	<u>-</u>	<u>269,440</u>	<u>70,000</u>	<u>3,264,763</u>
 <b>LIABILITIES</b>						
Current Liabilities						
Accounts Payable		13,161				13,161
Interfunds Payable	-	95,000	\$ 987	-	70,000	165,987
 Total Current Liabilities	<u>-</u>	<u>108,161</u>	<u>987</u>	<u>-</u>	<u>70,000</u>	<u>179,148</u>
 Noncurrent Liabilities						
Compensated Absences	2,817,162	-	-	-	-	2,817,162
 Total Liabilities	<u>2,817,162</u>	<u>108,161</u>	<u>987</u>	<u>-</u>	<u>70,000</u>	<u>2,996,310</u>
 <b>NET POSITION</b>						
Unrestricted	-	-	(987)	269,440	-	268,453
 Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (987)</u>	<u>\$ 269,440</u>	<u>\$ -</u>	<u>\$ 268,453</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA Admin</u>	<u>Total</u>
<b>OPERATING REVENUES</b>						
Charges and Fees	-	\$ 2,034,876	-	\$ 340,000	\$ 150,314	\$ 2,525,190
Miscellaneous Income	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<u>-</u>	<u>2,034,876</u>	<u>-</u>	<u>340,000</u>	<u>150,314</u>	<u>2,525,190</u>
<b>OPERATING EXPENSES</b>						
Salaries		1,543,208		136,187	116,202	1,795,597
Employee Benefits		398,500		19,370	31,485	449,355
Compensated Absences	\$ (58,728)					(58,728)
Other Purchased Services		-		-		-
Tuition Reimbursement					2,500	2,500
Communications - Telephone		93,168				93,168
Travel					127	127
Supplies and Materials	-	-	-	2,183	-	2,183
<b>Total Operating Expenses</b>	<u>(58,728)</u>	<u>2,034,876</u>	<u>-</u>	<u>157,740</u>	<u>150,314</u>	<u>2,284,202</u>
Operating Income	58,728	-	-	182,260	-	240,988
Other Financing Sources						
Transfer In (Out)	<u>(58,728)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(58,728)</u>
Net Position, Beginning of Year	<u>-</u>	<u>-</u>	<u>\$ (987)</u>	<u>87,180</u>	<u>-</u>	<u>86,193</u>
Net Position, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (987)</u>	<u>\$ 269,440</u>	<u>\$ -</u>	<u>\$ 268,453</u>



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA/WIB Admin</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash Received from Customers		\$ 1,934,799		\$ 282,000	\$ 242,213	\$ 2,459,012
Cash Payments for Salaries and Benefits	\$ 58,728	(1,941,708)		(155,557)	(147,687)	(2,186,224)
Cash Payments to Suppliers for Goods and Services	-	(80,007)	-	(2,183)	(2,627)	(84,817)
Net Cash Provided (Used) by Operating Activities	<u>58,728</u>	<u>(86,916)</u>	<u>-</u>	<u>124,260</u>	<u>91,899</u>	<u>187,971</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Interfund Transfers - General Fund	<u>(58,728)</u>	<u>91,464</u>	<u>-</u>	<u>(44,000)</u>	<u>(87,213)</u>	<u>(98,477)</u>
Net Cash Provided(Used) by Noncapital Financing activities	<u>(58,728)</u>	<u>91,464</u>	<u>-</u>	<u>(44,000)</u>	<u>(87,213)</u>	<u>(98,477)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	4,548	-	80,260	4,686	89,494
Cash and Cash Equivalents, Beginning of Year	-	-	-	87,180	-	87,180
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ 4,548</u>	<u>\$ -</u>	<u>\$ 167,440</u>	<u>\$ 4,686</u>	<u>\$ 176,674</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities</b>						
Operating Income (Loss)	\$ 58,728	-	-	182,260	-	\$ 240,988
Adjustments to reconcile operating income to net cash provided(used) by operating activities:						
(Increase)/Decrease in Intergovernmental Receivable	-	\$ (100,077)		\$ (58,000)	91,899	(66,178)
Increase/(Decrease) in Accounts Payable	-	13,161	-	-	-	13,161
Total Adjustments	<u>-</u>	<u>(86,916)</u>	<u>-</u>	<u>(58,000)</u>	<u>91,899</u>	<u>(53,017)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 58,728</u>	<u>\$ (86,916)</u>	<u>\$ -</u>	<u>\$ 124,260</u>	<u>\$ 91,899</u>	<u>\$ 187,971</u>

**FIDUCIARY FUNDS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AS OF JUNE 30, 2017**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 732,119	\$ 28,751	\$ 760,870
Total Assets	<u>\$ 732,119</u>	<u>\$ 28,751</u>	<u>\$ 760,870</u>
<b>LIABILITIES</b>			
Payroll deductions and withholdings		\$ 26,751	\$ 26,751
Due to Other Funds		2,000	2,000
Payable to student groups	<u>\$ 732,119</u>	<u>-</u>	<u>732,119</u>
Total Liabilities	<u>\$ 732,119</u>	<u>\$ 28,751</u>	<u>\$ 760,870</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Balance July 1, <u>2016</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash Disburse- <u>ments</u></b>	<b>Balance June 30, <u>2017</u></b>
SCHOOLS				
Applied Technical High School	\$ 1,963	\$ 14,404	\$ 13,698	\$ 2,669
Academy for the Advancement of Science and Technology	543,702	1,434,897	1,388,964	589,635
Teterboro Technical High School	98,686	241,307	230,477	109,516
Paramus Vocational High School	31,153	54,753	56,882	29,024
Athletic Account	<u>18,157</u>	<u>107,727</u>	<u>124,609</u>	<u>1,275</u>
	<u>\$ 693,661</u>	<u>\$ 1,853,088</u>	<u>\$ 1,814,630</u>	<u>\$ 732,119</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Balance July 1, <u>2016</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash Disburse- <u>ments</u></b>	<b>Balance June 30, <u>2017</u></b>
Payroll Deductions and Withholdings	\$ 28,454	\$ 24,163,646	\$ 24,165,349	\$ 26,751
Due to Other Funds		2,000		2,000
Accrued Salaries and Wages	<u>30</u>	<u>25,645,244</u>	<u>25,645,274</u>	<u>-</u>
	<b><u>\$ 28,484</u></b>	<b><u>\$ 49,810,890</u></b>	<b><u>\$ 49,810,623</u></b>	<b><u>\$ 28,751</u></b>

**LONG-TERM DEBT**

**EXHIBIT I-1**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF PAYABLE BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOT APPLICABLE**

**EXHIBIT I-2**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOT APPLICABLE**

**EXHIBIT I-3**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOT APPLICABLE**



## STATISTICAL SECTION

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

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
(Unaudited)  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014 (Restated)	2015	2016	2017
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 47,174,928	\$ 49,489,446	\$ 43,808,410	\$ 43,421,022	\$ 50,008,514	\$ 50,867,900	\$ 49,277,231	\$ 49,479,630	\$ 50,030,937	\$ 48,611,395
Restricted	100,001	100,001	1,100,001	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989
Unrestricted	(5,847,079)	(2,956,411)	2,072,520	2,836,911	2,631,444	4,704,881	(32,517,594)	(33,085,751)	(35,125,320)	(38,748,085)
<b>Total Governmental Activities Net Position</b>	<b>\$ 41,427,850</b>	<b>\$ 46,633,036</b>	<b>\$ 46,980,931</b>	<b>\$ 47,727,938</b>	<b>\$ 54,111,948</b>	<b>\$ 57,954,657</b>	<b>\$ 20,862,313</b>	<b>\$ 22,551,432</b>	<b>\$ 19,450,242</b>	<b>\$ 15,609,299</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 695,954	\$ 592,625	\$ 550,886	\$ 521,640	\$ 467,977	\$ 418,441	\$ 497,126	\$ 417,011	\$ 367,596	\$ 320,044
Restricted										
Unrestricted	653,622	896,791	900,064	1,196,433	1,378,912	1,840,925	1,081,403	937,336	846,906	749,499
<b>Total Business-Type Activities Net Position</b>	<b>\$ 1,349,576</b>	<b>\$ 1,489,416</b>	<b>\$ 1,450,950</b>	<b>\$ 1,718,073</b>	<b>\$ 1,846,889</b>	<b>\$ 2,259,366</b>	<b>\$ 1,578,529</b>	<b>\$ 1,354,347</b>	<b>\$ 1,214,502</b>	<b>\$ 1,069,543</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 47,870,882	\$ 50,082,071	\$ 44,359,296	\$ 43,942,662	\$ 50,476,491	\$ 51,286,341	\$ 49,774,357	\$ 49,896,641	\$ 50,398,533	\$ 48,931,439
Restricted	100,001	100,001	1,100,001	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989
Unrestricted	(5,193,457)	(2,059,620)	2,972,584	4,033,344	4,010,356	6,545,806	(31,436,191)	(32,148,415)	(34,278,414)	(37,998,586)
<b>Total District Net Position</b>	<b>\$ 42,777,426</b>	<b>\$ 48,122,452</b>	<b>\$ 48,431,881</b>	<b>\$ 49,446,011</b>	<b>\$ 55,958,837</b>	<b>\$ 60,214,023</b>	<b>\$ 22,440,842</b>	<b>\$ 23,905,779</b>	<b>\$ 20,664,744</b>	<b>\$ 16,678,842</b>

Source: District's financial statements

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(Unaudited)  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
<b>Governmental Activities</b>										
Instruction										
Regular	\$ 15,462,760	\$ 14,796,395	\$ 16,672,216	\$ 15,488,402	\$ 16,296,880	\$ 15,766,744	\$ 16,175,172	\$ 19,292,897	\$ 21,615,596	\$ 23,771,123
Other Special Education	954,935	434,382	382,892	1,273,493	1,623,324	1,361,059	1,202,646	1,207,686	1,417,698	1,259,523
Vocational	16,639,604	15,102,316	15,129,724	15,694,495	16,425,873	17,385,957	17,203,275	20,727,275	23,049,247	24,578,919
Other Instruction	4,474,825	4,158,396	5,766,856	2,584,804	2,350,887	2,145,071	2,101,112	2,738,122	3,083,333	3,809,101
Adult/Continuing Education Programs	2,125,707	1,963,095	2,168,973	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306
Support Services:										
Student & Instruction Related Services	16,995,420	18,483,090	16,430,807	20,918,305	20,864,055	20,722,080	21,284,694	15,081,857	14,820,193	15,353,581
School Administrative Services	2,740,104	2,739,881	2,695,296	2,663,009	2,721,457	3,128,511	3,439,812	3,929,539	4,534,126	4,827,057
General Administration	3,069,238	2,779,729	3,017,604	2,648,016	3,501,311	3,994,765	3,582,717	3,507,357	2,674,123	2,882,626
Plant Operations And Maintenance	7,480,471	7,630,125	8,769,953	9,604,982	9,365,347	9,288,606	10,238,259	10,604,646	10,594,482	10,947,900
Pupil Transportation	701,927	684,780	538,073	565,186	628,964	643,447	641,645	2,581,110	1,080,865	1,136,645
Other Support Services	3,665,791	3,662,494	2,398,284	2,202,175	2,223,643	2,360,112	2,583,940	6,819,158	8,481,150	9,163,851
Interest	-	-	-	-	-	-	-	-	5,539	-
<b>Total Governmental Activities Expenses</b>	<b>74,310,782</b>	<b>72,434,683</b>	<b>73,970,578</b>	<b>74,650,646</b>	<b>76,908,085</b>	<b>77,286,567</b>	<b>78,989,534</b>	<b>87,024,378</b>	<b>91,987,134</b>	<b>98,644,632</b>
<b>Business-Type Activities:</b>										
Food Service	638,315	762,910	717,800	675,057	766,982	704,383	673,446	742,604	754,158	807,823
Other	1,430,793	1,465,499	1,157,362	1,334,412	1,633,916	2,098,622	2,970,621	2,411,056	2,730,645	2,475,140
<b>Total Business-Type Activities Expense</b>	<b>2,069,108</b>	<b>2,228,409</b>	<b>1,875,162</b>	<b>2,009,469</b>	<b>2,400,898</b>	<b>2,803,005</b>	<b>3,644,067</b>	<b>3,153,660</b>	<b>3,484,803</b>	<b>3,282,963</b>
<b>Total District Expenses</b>	<b>\$ 76,379,890</b>	<b>\$ 74,663,092</b>	<b>\$ 75,845,840</b>	<b>\$ 76,660,115</b>	<b>\$ 79,308,983</b>	<b>\$ 80,089,572</b>	<b>\$ 82,633,601</b>	<b>\$ 90,178,038</b>	<b>\$ 95,471,937</b>	<b>\$ 101,927,595</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges For Services:										
Regular	\$ 7,266,915	\$ 7,856,643	\$ 8,422,313	\$ 8,304,719	\$ 8,532,347	\$ 8,763,830	\$ 16,470,979	\$ 8,994,884	\$ 9,862,770	\$ 9,567,603
Other Special Education	24,389	8,190	-	-	-	-	-	-	-	-
Vocational	11,544,146	12,746,853	13,526,775	14,275,079	14,898,221	15,140,793	7,756,795	15,520,538	15,546,249	16,790,824
Other Instruction	386,185	440,540	474,370	480,111	438,572	201,995	245,530	491,371	512,980	331,603
Adult/Continuing Education Programs	1,074,518	1,294,588	933,644	1,100,066	1,234,779	1,207,791	1,258,720	1,063,649	1,058,901	1,037,414
Support Services:										
Student & Instruction Related Services	936,862	1,026,583	786,578	882,931	843,261	541,878	265,644	359,592	312,320	392,741
School Administrative Services	463,307	328,895	162,146	164,997	164,997	17,715	17,715	50,643	42,478	56,472
General Administration	1,397,047	1,111,868	1,092,432	922,340	777,998	783,994	729,192	707,152	770,064	753,749
Plant Operations And Maintenance	555,662	474,099	449,417	575,377	283,443	159,057	365,823	218,494	254,746	201,944
Pupil Transportation	145,193	145,897	96,568	110,161	125,210	129,140	95,531	93,078	100,436	99,504
Other Support Services	502,657	634,155	556,444	460,510	644,358	641,665	712,557	723,359	1,067,340	1,286,780
Operating Grants And Contributions	12,611,396	10,394,392	12,215,539	11,669,272	12,623,275	14,793,654	15,054,363	20,642,137	23,441,351	27,954,315
Capital Grants And Contributions	1,465,104	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>38,373,381</b>	<b>36,462,703</b>	<b>38,716,226</b>	<b>38,945,563</b>	<b>40,401,464</b>	<b>42,363,797</b>	<b>42,972,849</b>	<b>48,864,897</b>	<b>52,969,635</b>	<b>58,472,949</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Business-Type Activities:</b>										
Charges For Services										
Food Service	\$ 480,121	\$ 596,604	\$ 602,963	\$ 542,448	\$ 761,349	\$ 557,432	\$ 558,872	\$ 576,814	\$ 576,329	\$ 614,017
Other	1,376,616	1,511,115	1,152,365	1,648,019	1,675,776	2,558,055	2,310,881	2,250,018	2,655,247	2,366,881
Operating Grants And Contributions	102,043	110,530	131,368	136,125	142,589	149,995	143,477	152,646	163,382	157,106
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Business Type Activities Program Revenues</b>	<b>1,958,780</b>	<b>2,218,249</b>	<b>1,886,696</b>	<b>2,326,592</b>	<b>2,579,714</b>	<b>3,265,482</b>	<b>3,013,230</b>	<b>2,979,478</b>	<b>3,394,958</b>	<b>3,138,004</b>
<b>Total District Program Revenues</b>	<b>\$ 40,332,161</b>	<b>\$ 38,680,952</b>	<b>\$ 40,602,922</b>	<b>\$ 41,272,155</b>	<b>\$ 42,981,178</b>	<b>\$ 45,629,279</b>	<b>\$ 45,986,079</b>	<b>\$ 51,844,375</b>	<b>\$ 56,364,593</b>	<b>\$ 61,610,953</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (35,937,401)	\$ (35,971,980)	\$ (35,254,452)	\$ (35,705,083)	\$ (36,506,621)	\$ (34,922,770)	\$ (36,016,685)	\$ (38,159,481)	\$ (39,017,499)	\$ (40,171,683)
Business-Type Activities	(110,328)	(10,160)	11,534	317,123	178,816	462,477	(630,837)	(174,182)	(89,845)	(144,959)
<b>Total District-Wide Net Expense</b>	<b>\$ (36,047,729)</b>	<b>\$ (35,982,140)</b>	<b>\$ (35,242,918)</b>	<b>\$ (35,387,960)</b>	<b>\$ (36,327,805)</b>	<b>\$ (34,460,293)</b>	<b>\$ (36,647,522)</b>	<b>\$ (38,333,663)</b>	<b>\$ (39,107,344)</b>	<b>\$ (40,316,642)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
County Property Tax Levy	\$ 24,806,146	\$ 27,173,800	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408
County Aid	15,965,770	6,834,143	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577
Federal and State Aid Unrestricted	6,741,972	6,281,757	6,660,479	4,375,445	5,135,736	4,121,860	4,268,255	4,233,029	4,090,475	4,403,793
Federal and State Aid Restricted	976,054	767,021	494,647	515,468	879,418	654,679	571,595	646,224	990,341	718,461
Investment Earnings	190,353	47,546	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071
Miscellaneous Income	268,074	222,899	1,057,341	641,636	765,811	218,274	322,331	561,317	354,393	133,830
Transfers	83,988	(150,000)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-
Loss on Disposal of Capital Assets	-	-	-	-	-	(6,634)	-	-	-	(170,400)
<b>Total Governmental Activities</b>	<b>49,032,357</b>	<b>41,177,166</b>	<b>40,644,881</b>	<b>36,452,090</b>	<b>42,890,331</b>	<b>38,765,779</b>	<b>35,405,154</b>	<b>39,848,600</b>	<b>35,916,309</b>	<b>36,330,740</b>
Business-Type Activities:										
Transfers	(83,988)	150,000	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	-
<b>Total Business-Type Activities</b>	<b>(83,988)</b>	<b>150,000</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 48,948,369</b>	<b>\$ 41,327,166</b>	<b>\$ 40,594,881</b>	<b>\$ 36,402,090</b>	<b>\$ 42,840,331</b>	<b>\$ 38,715,779</b>	<b>\$ 35,355,154</b>	<b>\$ 39,798,600</b>	<b>\$ 35,866,309</b>	<b>\$ 36,330,740</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 13,094,956	\$ 5,205,186	\$ 5,390,429	\$ 747,007	\$ 6,383,710	\$ 3,843,009	\$ (611,531)	\$ 1,689,119	\$ (3,101,190)	\$ (3,840,943)
Business-Type Activities	(194,316)	139,840	(38,466)	267,123	128,816	412,477	(680,837)	(224,182)	(139,845)	(144,959)
<b>Total District</b>	<b>\$ 12,900,640</b>	<b>\$ 5,345,026</b>	<b>\$ 5,351,963</b>	<b>\$ 1,014,130</b>	<b>\$ 6,512,526</b>	<b>\$ 4,255,486</b>	<b>\$ (1,292,368)</b>	<b>\$ 1,464,937</b>	<b>\$ (3,241,035)</b>	<b>\$ (3,985,902)</b>

Source: District's financial statements

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Reserved	\$ 58,827	\$ 169,407	\$ 1,841,826							
Unreserved	(31,560)	764,568	3,724,644							
Restricted				\$ 1,369,001	\$ 1,371,667	\$ 2,676,695	\$ 4,001,915	\$ 2,831,174	\$ 3,410,171	\$ 4,757,456
Assigned				3,616,299	3,763,868	3,288,996	3,050,029	2,404,228	1,774,978	2,400,164
Unearned	-	-	-	1,388,774	2,075,886	2,141,872	1,772,575	1,892,562	1,574,623	1,351,845
<b>Total General Fund</b>	<u>\$ 27,267</u>	<u>\$ 933,975</u>	<u>\$ 5,566,470</u>	<u>\$ 6,374,074</u>	<u>\$ 7,211,421</u>	<u>\$ 8,107,563</u>	<u>\$ 8,824,519</u>	<u>\$ 7,127,964</u>	<u>\$ 6,759,772</u>	<u>\$ 8,509,465</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 2,095,460	\$ 2,105,555	\$ 1,045,988							
Unassigned	(5,321,913)	(4,134,953)	(1,902,950)	\$ (856,175)	\$(2,133,623)	\$ (295,398)	\$ (295,398)	\$ 3,226,167	\$ 1,034,092	\$ 890,616
Nonspendable				100,000	100,000	100,000	100,000	100,000	100,000	100,000
Restricted	-	-	-	1,004	323	579	761	212	362	541
<b>Total All Other Governmental Funds</b>	<u>\$(3,226,453)</u>	<u>\$ (2,029,398)</u>	<u>\$ (856,962)</u>	<u>\$ (755,171)</u>	<u>\$(2,033,300)</u>	<u>\$ (194,819)</u>	<u>\$ (194,637)</u>	<u>\$ 3,326,379</u>	<u>\$ 1,134,454</u>	<u>\$ 991,157</u>

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

Source: District's financial statements

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
County Property Tax Levy	\$ 24,806,146	\$ 27,173,800	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408
County Aid	15,965,770	6,834,143	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577
Tuition - LEA's	20,271,766	22,338,624	23,357,102	24,159,975	25,103,919	25,225,197	25,661,833	26,007,132	26,904,443	27,666,393
Interest Earnings	190,353	47,546	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071
Miscellaneous	268,074	263,994	1,061,440	654,787	793,612	398,416	500,345	627,600	788,688	561,785
State Sources	15,150,632	11,698,489	12,181,302	9,958,263	12,007,500	12,702,958	12,407,358	12,416,181	14,009,042	14,356,081
Federal Sources	6,643,893	5,703,586	7,185,264	6,588,771	6,603,128	6,776,305	7,379,032	7,281,286	7,181,683	7,243,377
<b>Total Revenue</b>	<b>83,296,634</b>	<b>74,060,182</b>	<b>76,167,522</b>	<b>72,231,337</b>	<b>80,567,525</b>	<b>78,830,476</b>	<b>76,141,541</b>	<b>80,690,229</b>	<b>79,314,956</b>	<b>81,072,692</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	14,419,338	13,840,027	15,263,523	14,379,171	15,127,953	14,603,327	14,862,533	15,440,334	16,687,000	16,280,816
Other Special Instruction	930,546	440,722	385,032	1,273,493	1,623,324	1,342,690	1,205,266	1,207,686	1,406,736	1,088,873
Vocational Education	15,780,535	14,149,588	14,083,080	14,624,818	15,306,181	16,186,718	15,913,948	16,572,066	17,769,053	16,743,166
Other Instruction	4,472,831	4,173,346	5,773,276	2,593,804	2,353,257	2,152,541	2,108,972	2,305,667	2,476,996	2,763,401
Adult/Continuing Education	2,125,707	1,963,095	2,168,973	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306
<b>Support Services:</b>										
Student and Inst. Related Services	15,731,426	17,042,590	15,135,725	19,566,673	19,558,096	19,755,505	20,635,759	14,345,210	14,082,440	14,188,768
General Administration	1,609,694	1,781,765	2,552,657	2,494,442	2,629,178	3,152,218	2,832,404	2,665,676	1,819,055	2,039,452
School Administrative Services	2,338,692	2,451,686	2,152,550	1,640,449	2,688,484	3,046,780	3,344,141	3,395,276	3,900,015	3,727,076
Plant Operations And Maintenance	6,926,090	7,167,761	8,323,257	8,963,114	9,062,453	9,098,463	9,801,146	10,236,125	10,113,603	10,211,895
Pupil Transportation	521,021	498,365	394,556	403,808	452,657	459,844	488,295	2,427,018	934,573	950,997
Other Support Services	3,036,935	2,947,755	1,796,166	1,650,248	1,440,304	1,547,786	1,683,122	5,822,496	7,388,132	7,757,469
Debt Service									289,539	286,000
Capital Outlay	14,235,293	5,058,211	2,227,579	2,606,881	9,926,944	4,399,639	1,960,046	3,825,524	4,296,562	2,572,805
<b>Total Expenditures</b>	<b>82,128,108</b>	<b>71,514,911</b>	<b>70,256,374</b>	<b>71,204,680</b>	<b>81,075,175</b>	<b>76,235,776</b>	<b>75,371,894</b>	<b>78,777,809</b>	<b>81,794,486</b>	<b>79,525,024</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,168,526	2,545,271	5,911,148	1,026,657	(507,650)	2,594,700	769,647	1,912,420	(2,479,530)	1,547,668
<b>Other Financing Sources (Uses)</b>										
Capital Leases (Non-Budgeted)										
Transfers In	83,988	50,000	50,000	50,000	66,868	139,923	50,000	1,337,113	150,087	485,724
Transfers Out	(231,984)	(501,508)	(146,217)	(167,262)	-	-	(102,509)	(1,425,072)	(230,674)	(426,996)
<b>Total Other Financing Sources (Uses)</b>	<b>(147,996)</b>	<b>(451,508)</b>	<b>(96,217)</b>	<b>(117,262)</b>	<b>66,868</b>	<b>139,923</b>	<b>(52,509)</b>	<b>(87,959)</b>	<b>(80,587)</b>	<b>58,728</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,020,530</b>	<b>\$ 2,093,763</b>	<b>\$ 5,814,931</b>	<b>\$ 909,395</b>	<b>\$ (440,782)</b>	<b>\$ 2,734,623</b>	<b>\$ 717,138</b>	<b>\$ 1,824,461</b>	<b>\$ (2,560,117)</b>	<b>\$ 1,606,396</b>
Debt Service as a Percentage of Noncapital Expenditures	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.35%	0.36%

N/A- Not Applicable - District does not pay debt service

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
OTHER LOCAL REVENUES-GENERAL FUND BY SOURCE\*  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Fiscal Year Ended June 30</b>	<b><u>Tuition</u></b>	<b><u>Interest</u></b>	<b><u>Miscellaneous</u></b>	<b>Special schools <u>Tuition and Fees</u></b>	<b><u>Total</u></b>
2017	\$ 27,666,393	\$ 23,892	\$ 133,830	\$ 327,051	\$ 28,151,166
2016	25,383,307	27,511	683,845	1,508,429	27,603,092
2015	24,515,421	36,518	561,317	1,555,021	26,668,277
2014	24,227,774	47,063	322,331	1,504,250	26,101,418
2013	23,904,623	36,273	307,486	1,320,574	25,568,956
2012	23,430,568	25,909	765,811	1,673,351	25,895,639
2011	22,579,798	12,369	641,636	1,580,177	24,813,980
2010	21,949,088	16,634	1,057,341	1,408,014	24,431,077
2009	20,603,526	43,949	222,868	1,735,129	22,605,472
2008	20,271,766	190,353	268,074		20,730,193

Source: School District's Financial Statements

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN YEARS**  
**(Unaudited)**

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2008	\$ 83,015,806,828	\$ 71,592,634,189	\$ 154,608,441,017	\$ 220,878,563	\$154,829,319,580	\$182,767,512,263
2009	84,021,555,288	73,867,544,583	157,889,099,871	240,884,027	158,129,983,898	185,908,798,980
2010	84,454,481,049	74,747,147,306	159,201,628,355	285,137,988	159,486,766,343	175,481,754,684
2011	83,995,183,645	75,287,323,039	159,282,506,684	265,906,193	159,548,412,877	173,258,537,441
2012	81,103,273,440	75,153,761,789	156,257,035,229	230,570,595	156,487,605,828	168,748,014,772
2013	79,070,936,935	75,049,684,025	154,120,620,960	129,981,494	154,250,602,454	165,008,934,260
2014	78,408,456,350	75,186,325,534	153,594,781,884	97,873,857	153,692,655,741	162,301,130,131
2015	77,512,874,732	75,335,444,029	152,828,462,316	96,580,480	152,925,042,796	163,570,157,295
2016	77,002,654,839	77,328,202,717	154,291,592,456	90,073,801	154,381,666,257	167,963,794,248
2017	77,502,137,732	79,190,477,789	156,692,615,521	90,385,516	156,783,001,037	172,030,836,227

Source: County Abstract of Ratables



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN YEARS**  
**(Unaudited)**  
*(rate per \$100 of true value)*

Assessment Year	General	Open Space	Total County Tax Rate
2008	\$ 0.1751	\$ 0.0100	\$ 0.1850
2009	0.1820	0.0100	0.192
2010	0.1934	0.0025	0.1959
2011	0.2032	0.0025	0.2057
2012	0.2178	0.0025	0.2203
2013	0.2248	0.0025	0.2273
2014	0.2312	0.0025	0.2337
2015	0.2377	0.0025	0.2402
2016	0.2434	0.0025	0.2459
2017	0.2417	0.0100	0.2517

Source: County Abstract of Ratables

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAXPAYERS  
 PRIOR YEAR AND NINE YEARS AGO  
 (Unaudited)**

Taxpayer	2017		2008	
	Assessed Valuation	% of County's Net Assessed Valuation	Assessed Valuation	% of County's Net Assessed Valuation

**INFORMATION NOT AVAILABLE**

Source: Bergen County

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL  
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		Collections in Subsequent Years
		Amount	Percentage of Levy	
2008	\$ 24,806,146	\$ 24,806,146	100.00%	
2009	27,173,800	27,173,800	100.00%	
2010	28,223,529	28,223,529	100.00%	
2011	29,190,098	29,190,098	100.00%	
2012	29,190,098	29,190,098	100.00%	
2013	29,190,098	29,190,098	100.00%	
2014	29,190,098	29,190,098	100.00%	
2015	29,566,905	29,566,905	100.00%	
2016	29,566,905	29,566,905	100.00%	
2017	30,010,408	30,010,408	100.00%	

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Population	Per Capita
	Capital Leases				
2008	\$ 150,440	\$	150,440	889,915	\$ 0.17
2009	54,288		54,288	895,250	0.06
2010	4,358		4,358	906,895	0.005
2011	-		-	914,018	-
2012	-		-	920,006	-
2013	-		-	926,284	-
2014	-		-	932,836	-
2015	-		-	935,806	-
2016	-		-	939,151	-
2017	-		-	939,151 (1)	-

Source: District records

(1) Estimated

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(Unaudited)**

**NOT APPLICABLE**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2016  
(Unaudited)**

Net Direct Debt of School District  
as of June 30, 2017

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 1,205,030,344

Bergen County Utilities Authority - Water Pollution (100%)

178,967,807

\$ 1,383,998,151

Total Direct and Overlapping Debt

\$ 1,383,998,151

Source:

County of Bergen Annual Debt Statement

BCUA Audit and 2016 County Equalization Table

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST NINE FISCAL YEARS  
(Unaudited)**

**Legal Debt Margin Calculation as of December 31, (County Debt)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Average equalized valuation of taxable property (last three years)	\$ 167,368,287,382	\$ 178,689,519,616	\$ 182,615,485,340	\$ 181,109,724,691	\$ 175,561,330,658	\$ 165,344,818,875	\$ 163,332,190,759	\$ 163,894,415,971	\$ 166,824,155,204
Debt limit (2% of average equalization value)	3,347,365,748	3,573,790,392	3,652,309,707	3,622,194,494	3,511,226,613	3,306,896,378	3,266,643,815	3,277,888,319	3,336,483,104
Net Debt Issued Outstanding and Authorized	<u>588,623,268</u>	<u>630,661,565</u>	<u>681,875,430</u>	<u>730,825,489</u>	<u>698,412,830</u>	<u>849,429,739</u>	<u>933,422,641</u>	<u>1,089,653,537</u>	<u>1,205,030,344</u>
Remaining Borrowing Capacity	<u>\$ 2,758,742,480</u>	<u>\$ 2,943,128,827</u>	<u>\$ 2,970,434,277</u>	<u>\$ 2,891,369,005</u>	<u>\$ 2,812,813,783</u>	<u>\$ 2,457,466,639</u>	<u>\$ 2,333,221,174</u>	<u>\$ 2,188,234,782</u>	<u>\$ 2,131,452,760</u>

Source: Annual Debt Statements

Note:

GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year only nine years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN YEARS  
 (Unaudited)**

<u>Year</u>	<u>Population</u>		<u>Per Capita Personal Income**</u>	<u>Unemployment Rate*</u>
2017	939,151	(1)	N/A	N/A
2016	939,151		N/A	4.2%
2015	938,506		\$ 75,849	4.6%
2014	932,836		73,536	5.4%
2013	926,284		70,498	7.1%
2012	820,006		71,380	8.1%
2011	914,018		68,244	7.9%
2010	906,895		65,275	8.1%
2009	895,250		64,571	7.9%
2008	889,915		68,548	4.5%

(1) Estimated  
 \* Amounts noted are for Bergen County  
 \*\* US Bureau of the Census,

Source NJ Department of Labor, Bureau of Labor Force Statistics  
 U.S. Department of Commerce, Bureau of Economic analysis  
 New Jersey Department of Labor



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS  
 PRIOR YEAR AND NINE YEARS AGO  
 (Unaudited)**

Taxpayer	2017		2008	
	Employees	% of Total County Employment	Employees	% of Total County Employment

NOT AVAILABLE

NOT AVAILABLE

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

<u>Function/Program</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>2017</u>
Instruction										
Regular	227.8	227.8	235.5	225.6	100.5	97.5	97.1	100.2	99.7	99.7
Vocational					126.1	126.7	145.6	142.5	125.2	123.4
Other instruction	71.9	71.9	78.0	37.0	3.0	3.0	2.0	3.0	3.0	3.0
Adult/continuing education programs					37.5	45.8	20.3	20.3	20.0	20.6
Support Services:										
Attendance and Social Work	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Health Services	4.0	4.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0
Student & instruction related services	41.0	41.0	42.6	38.7	37.4	38.0	39.2	39.1	42.1	40.1
Educational Media Services	20.6	20.6	16.5	36.0	38.0	39.0	40.0	39.9	1.0	1.0
General administration	1.1	1.1	0.7	3.0	3.0	3.0	2.8	2.8	2.8	2.8
School administrative services	18.9	18.9	20.9	19.9	17.9	19.2	22.2	22.2	22.2	21.2
Central services	5.5	5.5	5.6	9.6	10.3	11.1	11.1	11.1	11.5	12.1
Administrative Information Technology	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	39.0	39.4
Plant operations and maintenance	29.6	29.6	26.9	50.3	51.7	51.5	49.3	56.0	51.3	51.3
Pupil transportation	0.7	0.7	0.7	0.7		1.8	6.8	6.8	6.8	6.8
Total	<u>423.2</u>	<u>423.2</u>	<u>434.5</u>	<u>427.9</u>	<u>432.5</u>	<u>442.7</u>	<u>442.5</u>	<u>450.0</u>	<u>430.6</u>	<u>427.4</u>

Source: District Personnel Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						High School				
2008	2,186	\$ 56,708,469	\$ 25,942	5.79%	288.00	7.59	1,984.50	1,899.10	-4.57%	95.70%
2009	2,142	58,871,856	27,485	5.95%	284.00	7.54	1,508.70	1,444.50	-23.98%	95.74%
2010	2,182	57,666,544	26,428	-3.84%	280.00	7.79	2,056.10	1,979.00	36.28%	96.25%
2011	2,226	68,597,799	30,817	16.60%	278.00	8.01	2,096.10	2,013.50	1.95%	96.06%
2012	2,276	71,148,231	31,260	1.44%	281.00	8.10	2,125.50	2,042.10	1.40%	96.08%
2013	2,231	71,836,137	32,199	3.00%	273.00	8.17	2,105.00	2,017.70	-0.96%	95.85%
2014	2,260	73,411,848	32,483	0.88%	282.00	8.01	2,122.70	2,039.10	0.84%	96.06%
2015	2,208	74,952,285	33,946	4.50%	268.00	8.24	2,108.01	2,027.00	-0.69%	96.16%
2016	2,277	77,208,385	33,908	-0.11%	225.00	10.12	2,272.30	2,170.90	7.79%	95.54%
2017	2,221	76,666,219	34,519	1.80%	222.00	10.00	2,326.55	2,227.72	2.39%	95.75%

N/A - Not Applicable

Sources: District records

Note: a Enrollment based on annual October district count.  
b Operating expenditures equal total expenditures less debt service and capital outlay.  
c Cost per pupil represents operating expenditures divided by enrollment.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
(Unaudited)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>District Building</b>										
<b>High School</b>										
Hackensack Campus										
Square Feet	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692
Capacity (students)										
Enrollment	1,050	1,022	1,039	1,063	1,063	1,061	1,052	1,044	1,058	1,069
Teterboro campus										
Square Feet	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974
Capacity (students)										
Enrollment	618	619	626	647	647	635	649	665	659	677
Paramus Campus										
Square Feet	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924
Capacity (students)										
Enrollment	518	501	491	516	516	535	546	499	529	531
Applied Tech High School @ BCC										
Square Feet									N/A	N/A
Capacity (students)									N/A	N/A
Enrollment									31	59

Number of Schools at June 30, 2017  
Senior High School = 4

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES**  
**LAST TEN YEARS**  
**(Unaudited)**

	<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>2017</u>
<b>School Facilities</b>										
Bergen County Academics	\$ 114,660	\$ 213,245	\$ 306,894	\$ 308,240	\$ 493,638	\$ 497,096	\$ 740,465	\$ 765,127	\$ 915,851	\$ 859,152
Voc-Paramus Special Needs	20,685	30,461	44,251	44,447	71,189	71,679	106,772	110,328	132,061	123,880
Bergen County Technical HS Teterboro	72,091	103,585	149,064	149,728	239,779	241,466	359,684	371,663	444,864	417,306
Tech Ed Center Paramus	30,660	39,456	56,778	57,032	91,332	91,975	137,005	141,568	169,448	158,951
Workforce 60 State St., Hackensack	9,179	13,802								
Adult Education Hackensack	6,120	9,009	12,961	13,024	20,857	21,002	31,284	32,326	38,716	36,283
Parkway Facility	9,179	13,514	-	-	-	-	-	-	-	-
<b>Total School Facilities</b>	<u>\$ 262,574</u>	<u>\$ 423,072</u>	<u>\$ 569,948</u>	<u>\$ 572,471</u>	<u>\$ 916,795</u>	<u>\$ 923,218</u>	<u>\$ 1,375,210</u>	<u>\$ 1,421,012</u>	<u>\$ 1,700,940</u>	<u>\$ 1,595,572</u>

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF INSURANCE  
AS OF JUNE 30, 2017**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - County of Bergen <u>Self Insured Program</u>		
Property - Blanket Building and Contents	\$ 59,675,000	\$ 100,000
Comprehensive General Liability	1,000,000	
Comprehensive Automobile Liability	1,000,000	1,000
Commercial Crime- C N A	250,000	1,000
Educators Legal Liability - United National Directors and Officers Policy	2,000,000	50,000
Student Accident Policy- People Benefit Life	Full Excess	0

Source: School District's records

**SINGLE AUDIT SECTION**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

ELIZABETH A. SHICK, CPA, RMA, PSA  
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RALPH M. PICONE, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
CINDY JANACEK, CPA, RMA  
MARK SACO, CPA  
SHERYL M. NICOLOSI, CPA, PSA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Trustees  
Bergen County Technical and Vocational High School District  
Bergen County, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements and have issued our report thereon dated December 1, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Bergen County Technical and Vocational High School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bergen County Technical and Vocational High School 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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


### **Compliance and Other Matters**

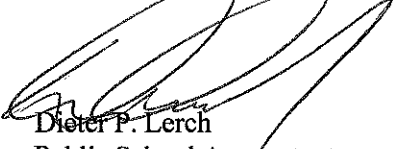
As part of obtaining reasonable assurance about whether the Bergen County Technical and Vocational High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergen County Technical and Vocational High School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 1, 2017.

### **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 Bergen County Technical and Vocational High School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
December 1, 2017



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
GARY W. HIGGINS, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
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SHERYL M. NICOLosi, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE  
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS  
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Trustees  
Bergen County Technical and Vocational High School District  
Bergen County, New Jersey

**Report on Compliance for Each Major Federal and State Program**

We have audited the Bergen County Technical and Vocational High School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bergen County Technical and Vocational High School District's major federal and state programs for the fiscal year ended June 30, 2017. The Bergen County Technical and Vocational High School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Bergen County Technical and Vocational High School District's financial statements include the operations of the Workforce Investment Act Programs, which expended \$4,541,461 in Federal awards and \$1,512,332 in State awards which are reflected in Exhibits K-3 and K-4 during the year ended June 30, 2017. Our audit, described below, did not include the operations of the Workforce Investment Act Programs since the District has contracted for a separate audit of the component unit to be performed in accordance with Uniform Guidance and the regulatory requirements promulgated by the Department of Labor and Workforce Development.

***Management's Responsibility***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Bergen County Technical and Vocational High School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, U.S. Uniform Guidance and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Bergen County Technical and Vocational High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on Each Major Federal and State Program***

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we audited the Bergen County Technical and Vocational High School District's compliance with the requirements of the Department of Labor and Workforce Development, the Bergen County Technical and Vocational High School District complied, in all material respects, with the compliance requirements referred to above that have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2017.

### ***Report on Internal Control Over Compliance***

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

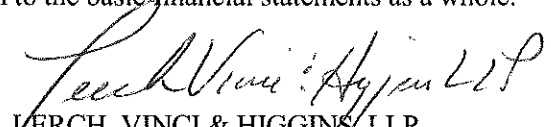
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

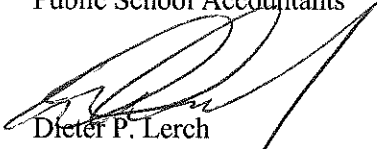
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, [a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated December 1, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
December 1, 2017

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	FAIN Number	Grant Number	Grant Period	Award Amount	Balance June 30, 2017								
						Balance June 30, 2016	Adjustment	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	(Accounts Receivable)	Unearned Revenues	Due to Grantor
U.S. Department of Agriculture Pass-through State Department of Agriculture														
<b>Enterprise Fund</b>														
National School Lunch Program	10.555		N/A											
Cash Assistance		S171NJ304N10		7/1/16-6/30/17	\$ 96,599				\$ 90,122	\$ 96,599		\$ (6,477)		
Cash Assistance				7/1/15-6/30/16	100,844	(6,785)			6,785					
Cash Assistance-PB Program				7/1/15-6/30/16	6,071	(383)			383					
Cash Assistance-PB Program		S171NJ304N10		7/1/16-6/30/17	6,033				5,660	6,033		(373)		
Non-Cash Assistance		S171NJ304N10		7/1/16-6/30/17	37,040				37,040	36,540			\$ 500	
School Breakfast Program	10.553		N/A	7/1/15-6/30/16	16,245	(1,185)			1,185					
School Breakfast Program	10.553	S171NJ304N10	N/A	7/1/16-6/30/17	13,552				12,385	13,552		(1,167)		
<b>Total Enterprise Fund</b>						<b>(8,353)</b>	<b>-</b>	<b>-</b>	<b>153,560</b>	<b>152,724</b>	<b>-</b>	<b>(8,017)</b>	<b>500</b>	<b>-</b>
U.S. Department of Education Pass-through State Department of Education														
<b>General Fund</b>														
ARRA/SEMI	93.778			7/1/16-6/30/17	2,624				2,624	2,624				
Medical Assistance Program	93.778	1705NJ5MAP		7/1/16-6/30/17	84,225	(6,482)			90,707	84,225				
<b>Total General Fund</b>						<b>(6,482)</b>	<b>-</b>	<b>-</b>	<b>93,331</b>	<b>86,849</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Revenue Fund</b>														
NCLB Title I, Carryover	84.010A	S010A150030	NCLB209016	7/1/15-8/31/16	187,599	(143,216)			143,216					
NCLB Title I	84.010A	S010A150030	NCLB209017	7/1/16 - 8/31/17	184,279				148,751	184,279		(35,548)		
IDEIA Part B-Basic, Carryover	84.027	H027A150100	IDEA029016	7/1/15-6/30/16	505,948	(110,199)			110,199					
IDEIA Part B-Basic	84.027	H027A150100	IDEA029017	7/1/16 - 6/30/17	494,981				370,691	494,981		(124,290)		
NCLB-Title II Part A	84.298A	S367A150029	NCLB209017	7/1/16 - 8/31/17	35,836				35,836	35,836				
Community Development-EMS Doors	14.219		N/A	07/01/15-6/30/16	7,000	(7,000)			7,000					
Community Development-Paramus Chair Lift	14.219		N/A	07/01/14-6/30/15	24,000	(24,000)						(24,000)		
Vocational (Perkins) Post Secondary	84.048		PKPP029017	7/1/16 - 6/30/17	116,958				116,958	116,958				
Vocational (Perkins) Secondary	84.048		PERK0216	7/1/15-6/30/16	608,077	(3,975)			3,975					
Vocational (Perkins) Secondary	84.048		PERK0217	7/1/16 - 6/30/17	662,420				641,986	661,385		(19,399)		
Vocational (Perkins) Secondary Reserve	84.048		PERK0217	7/1/16 - 6/30/17	75,361				75,361	75,361				
Adult Basic Education	84.002		154000251	7/1/15-8/31/16	1,134,170	(138,156)			126,526	(11,630)				
Adult Basic Education	84.002		164000251	7/1/16 - 8/31/17	1,076,640				831,709	1,045,391		(213,682)		
<b>Total U.S. Department of Education</b>						<b>(426,546)</b>	<b>-</b>	<b>-</b>	<b>2,612,188</b>	<b>2,602,561</b>	<b>-</b>	<b>(416,919)</b>	<b>-</b>	<b>-</b>
WIA - Adult Training														
WIA - Adult Training	17.258			7/1/16 - 6/30/17	1,244,883	(575,599)			1,211,026	1,267,185		(631,758)		
WIA - Summer Youth	17.259			7/1/16 - 6/30/17	1,169,554	(654,895)			1,281,046	1,195,727		(569,576)		
WIA - Dislocated Worker	17.278			7/1/16 - 6/30/17	2,034,524	(522,545)			2,076,542	2,078,555		(524,558)		
<b>Total U.S. Department of Labor</b>						<b>(1,753,039)</b>	<b>-</b>	<b>-</b>	<b>4,568,614</b>	<b>4,541,467</b>	<b>-</b>	<b>(1,725,892)</b>	<b>-</b>	<b>-</b>
<b>Total Special Revenue Funds</b>						<b>(2,179,585)</b>	<b>-</b>	<b>-</b>	<b>7,180,802</b>	<b>7,144,028</b>	<b>\$ -</b>	<b>(2,142,811)</b>	<b>\$ -</b>	<b>-</b>
<b>Total Federal Awards</b>						<b>\$ (2,194,420)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,427,693</b>	<b>\$ 7,383,601</b>	<b>\$ -</b>	<b>\$ (2,150,828)</b>	<b>\$ 500</b>	<b>\$ -</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2016	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2017			MEMO			
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures		
State Department of Education															
<i>General Fund</i>															
Adjustment Aid	17-495-034-5120-085	7/1/16-6/30/17	\$ 4,194,257	\$ -		\$ 3,779,627	\$ 4,194,257		\$ (414,630)					\$ 4,194,257	
Adjustment Aid	16-495-034-5120-085	7/1/15-6/30/16	4,194,257	(565,828)		565,828								-	
Categorical Special Education Aid	17-495-034-5120-089	7/1/16-6/30/17	1,264,693	-		1,138,224	1,264,693		(126,469)					1,264,693	
Categorical Security Aid	17-495-034-5120-084	7/1/16-6/30/17	171,777	-		154,599	171,777		(17,178)					171,777	
PARCC Readiness Aid	17-495-034-5120-098	7/1/16-6/30/17	21,550	-		19,395	21,550		(2,155)					21,550	
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	21,550	-		19,395	21,550		(2,155)					21,550	
Professional Learning Comm Aid	17-495-034-5120-101	7/1/16-6/30/17	21,720	-		19,548	21,720		(2,172)					21,720	
Total State Aid Public - Cluster				(565,828)		5,696,616	5,695,547		(564,759)					5,695,547	
On-Behalf TPAF Pension System Contribution- NCGI Premium	17-495-034-5095-007	7/1/16-6/30/17	94,308	-		94,308	94,308							94,308	
On-Behalf TPAF Pension System Contribution- LTDI	17-495-034-5095-007	7/1/16-6/30/17	5,065	-		5,065	5,065							5,065	
On-Behalf TPAF Pension System Contribution- Normal Contribution	17-495-034-5095-006	7/1/16-6/30/17	2,602,875	-		2,602,875	2,602,875							2,602,875	
On-Behalf TPAF Pension System Contribution- Post Retirement Medical	17-495-034-5095-001	7/1/16-6/30/17	2,247,367	-		2,247,367	2,247,367							2,247,367	
TPAF Social Security Contributions	16-495-034-5095-002	7/1/15-6/30/16	1,728,382	(85,918)		85,918								-	
TPAF Social Security Contributions	17-495-034-5095-002	7/1/16-6/30/17	1,732,143	-		1,646,378	1,732,143		(85,765)				\$ (85,765)	1,732,143	
Total General Fund				(651,746)		12,378,527	12,377,305		(650,524)					(85,765)	12,377,305
<i>Special Revenue Fund</i>															
Apprentice Coordinator	16-100-034-5062-032	7/1/15-6/30/16	25,099	(6,412)		6,412								-	
Apprentice Coordinator	17-100-034-5062-032	7/1/16 - 6/30/17	20,000			14,083	19,901		(5,818)				\$ (5,818)	19,901	
TQE Grant	N/A	9/1/04-9/30/05	2,700	1,981		-					1,981			-	
Div/Women - Displaced Homemaker	17-100-022-8051-036	7/1/16 - 6/30/17	119,575			119,575	115,179				4,396			115,179	
County Vocational Partnership	15-VE01-G06	7/1/14-6/30/17	600,000	(19,238)		114,749	235,529		(140,018)				(140,018)	235,529	
Shaping NJ/Healthy Community	BERG003	7/1/14-6/30/15	10,000	9,718			2,525							2,525	
Shaping NJ/Healthy Community	BERG003	7/1/16 - 6/30/17	10,000			10,000								-	
SDA-Paramus Boilers	0290-075-09-G0WY	7/1/14-6/30/15	210,420	(210,420)		168,336			(42,084)					-	
SFG-Paramus Technology	0290-030-14-G2ZY	7/1/14-6/30/15	33,075	(33,075)		33,075								-	
SFG-Hackensack Technology	0290-020-14-G2ZY	7/1/14-6/30/15	42,638	(42,638)		42,638								-	
SFG-Teterboro Technology	0290-070-14-G3AC	7/1/14-6/30/15	63,960	(63,960)		63,960								-	
NJ Character Education Aid	06-495-034-5120-053	7/1/05-6/30/06	5,794	803									803	-	
Total State Department of Education-Special Revenue				(363,241)		572,828	373,134		(187,920)		17,131	7,242		(187,920)	373,134
U.S. Department of Labor Pass-through County of Bergen															
<i>Special Revenue Fund</i>															
Workforce Learning Link	4545-767-062-003	7/1/15-6/30/16	136,000	(24,967)		24,967								-	
Workforce Learning Link	4545-767-062-003	7/1/16 - 6/30/17	175,000			146,474	174,952		(28,478)				(28,478)	174,952	
Workforce Development Partnership	16-780-062-4545-002	7/1/15-6/30/16	279,619	(268,954)	14,608	254,346								-	
WFNJ Administration 848V1	4545-100-062-313	7/1/15-6/30/16	198,389	(48,620)		48,620								-	
WFNJ Administration 848V1	4545-100-062-313	7/1/16 - 6/30/17	200,109			127,970	200,077		(72,107)				(72,107)	200,077	
WFNJ Program 849V1	4545-100-062-313	7/1/15-6/30/16	1,517,581	(508,169)		460,646			(47,523)				(47,523)	-	
WFNJ Program 849V1	4545-100-062-313	7/1/16 - 6/30/17	1,504,170			734,028	1,137,303		(403,275)				(403,275)	1,137,303	
Smart Steps	4545-100-062-095	7/1/15-6/30/16	4,815	(802)		802								-	
Total Department of Labor - Special Revenue				(851,512)	14,608	1,797,853	1,512,332		(551,383)					(551,383)	1,512,332
Total Special Revenue				(1,214,753)	14,608	2,370,681	1,885,466		(739,303)		17,131	7,242		(739,303)	1,885,466

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2016	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2017			MEMO	
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture													
<b>Enterprise Fund</b>													
National School Lunch Program State Share	17-100-010-3350-023	7/1/16-6/30/17	\$ 4,382			\$ 4,108	\$ 4,382		(274)			\$ (274)	4,382
National School Lunch Program State Share	16-100-010-3350-023	7/1/15-6/30/16	4,573	<u>(283)</u>	-	<u>283</u>	-	-	<u>-</u>	-	-	<u>-</u>	<u>-</u>
Total Enterprise Fund				<u>(283)</u>	-	<u>4,391</u>	<u>4,382</u>	-	<u>(274)</u>	-	-	<u>(274)</u>	<u>4,382</u>
Total State Financial Assistance				<u>(1,866,782)</u>	<u>\$ 14,608</u>	<u>\$ 14,753,599</u>	<u>14,267,153</u>	<u>\$ -</u>	<u>\$ (1,390,101)</u>	<u>\$ 17,131</u>	<u>\$ 7,242</u>	<u>\$ (825,342)</u>	<u>14,267,153</u>
Less :State Financial Assistance Not Subject to Single Audit Determination													
<b>General Fund</b>													
On-Behalf TPAF Pension System Contribution-NCGI Premium		7/1/16-6/30/17	94,308			(94,308)	(94,308)						(94,308)
On-Behalf TPAF Pension System Contribution-LTIDI		7/1/16-6/30/17	5,065			(5,065)	(5,065)						(5,065)
On-Behalf TPAF Pension System Contribution-Normal Contribution		7/1/16-6/30/17	2,602,875			(2,602,875)	(2,602,875)						(2,602,875)
On-Behalf TPAF Pension System Contribution-Post Retirement Med. Contrib.		7/1/16-6/30/17	2,247,367			(2,247,367)	(2,247,367)						(2,247,367)
Total State Financial Assistance Subject to Single Audit				<u>\$ (1,866,782)</u>	<u>\$ 14,608</u>	<u>\$ 9,803,984</u>	<u>\$ 9,317,538</u>	<u>\$ -</u>	<u>\$ (1,390,101)</u>	<u>\$ 17,131</u>	<u>\$ 7,242</u>	<u>\$ (825,342)</u>	<u>\$ 9,317,538</u>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

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

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$1,069 for the general fund and an increase of \$128,508 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 86,849	\$ 12,378,374	\$ 12,465,223
Special Revenue Fund	7,156,528	1,977,707	9,134,235
Food Service Fund	<u>152,724</u>	<u>4,382</u>	<u>157,106</u>
Total Financial Assistance	<u>\$ 7,396,101</u>	<u>\$ 14,360,463</u>	<u>\$ 21,756,564</u>



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017****NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,732,143 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2017. The amount reported as TPAF Pension System Contributions in the amount of \$2,697,183, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,247,367 and TPAF Long-Term Disability Insurance in the amount of \$5,065 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2017.

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

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified?            yes       X       no

2) Significant deficiencies identified that are not considered to be material weaknesses?            yes       X       no

Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards Section**

Internal Control over major programs:

1) Material weakness(es) identified?            yes       X       no

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

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?            yes       X       no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.048</u>	<u>Vocational (Perkins)</u>
<u>84.002</u>	<u>Adult Basic Education</u>
<u>17.258</u>	<u>WIA - Adult Training (1)</u>
<u>17.259</u>	<u>WIA - Summer Youth (1)</u>
<u>17.278</u>	<u>WIA - Dislocated Worker (1)</u>

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

Auditee qualified as low-risk auditee?       X       yes            no

Note 1 - Subject to a separate program specific audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

*Part I – Summary of Auditor’s Results*

**State Awards Section**

Dollar threshold used to determine Type A programs: \$ 750,000

Auditee qualified as low-risk auditee?  X  yes   no

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

Internal Control over major programs:

1) Material weakness(es) identified?   yes  X  no

2) Significant deficiencies identified that are not considered to be material weaknesses?   yes  X  no

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of NJ OMB 15-08?   yes  X  no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
<u>495-034-5095-002</u>	<u>TPAF Social Security Contributions</u>
<u>495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>4545-100-062-095</u>	<u>WIB Programs (1)</u>
<u>4545-100-062-313</u>	<u>WFNJ Programs (1)</u>

Note 1 - Subject to a separate program specific audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

*Part 2 – Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR STATE AWARDS**

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.