

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BLOOMINGDALE, NEW JERSEY**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2017**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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**BLOOMINGDALE BOROUGH SCHOOL DISTRICT**  
**BLOOMINGDALE, NEW JERSEY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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*FOR THE FISCAL YEAR ENDED*  
*JUNE 30, 2017*



## **INTRODUCTORY SECTION**

# Bloomingtondale Board of Education

**WALTER T. BERGEN SCHOOL**  
**225 Glenwild Avenue**  
**Bloomingtondale, NJ 07403**

Elaine Baldwin  
Interim Superintendent of Schools  
TEL: (973) 838-3282  
FAX: (973) 838-6397

George J. Hagl  
School Business Administrator/Board Secretary  
TEL: (973) 838-0555  
FAX: (973) 838-1922

Honorable President and  
Members of the Board of Education  
Bloomingtondale School District  
County of Passaic, New Jersey 07403

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Bloomingtondale School District for the fiscal year ended June 30, 2017, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Bloomingtondale Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introduction section includes this transmittal letter, the District's organization chart and a list of principal officials. The Financial section includes the management and discussion, the basic financial statements and schedules, as well as the auditor's report thereon. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08. Information related to this Single Audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels pre-kindergarten handicapped through eight. These include regular, as well as special education for handicapped students. The district completed the 2016-2017 fiscal year with an enrollment of 552 students, which is thirty students less than the previous year's enrollment. The following details the changes in the student enrollment of the District for the last 20 years.

#### Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Net Change</u>	<u>Percent Change</u>
2016-2017	552	-30	-5.15%
2015-2016	582	-10	-1.69%
2014-2015	592	-15	-2.53%
2013-2014	607	-07	-1.15%
2012-2013	614	+03	+0.49%
2011-2012	611	-17	-2.78%
2010-2011	628	+13	+2.07%
2009-2010	615	-17	-2.76%
2008-2009	632	-05	-0.79%
2007-2008	637	+05	+0.78%
2006-2007	632	+06	+0.95%
2005-2006	626	-41	-6.54%
2004-2005	667	-09	-1.40%
2003-2004	676	+04	+0.59%
2002-2003	672	+14	+2.13%
2001-2002	658	+07	+1.07%
2000-2001	651	-01	-0.15%
1999-2000	652	-35	-5.09%
1998-1999	687	-15	-2.14%
1997-1998	702	+04	+0.57%

2. **ECONOMIC CONDITION AND OUTLOOK:** The Borough of Bloomingdale has been experiencing a tax collection rate of 97.5%, indicating a strong economic base. The Borough's proximity to Route 287 and the availability of land within the borough continue to support a reasonable expectation of expansion. Such expansion may result in an increasing number of businesses relocating to the area, as well as a potential increase in the employment level. The result would be an increased tax base for the borough, along with a continuing prosperity.

3. **MAJOR INITIATIVES:**

Various initiatives are planned for the current school year in the areas of technology, curriculum improvement, professional development for staff, and continued implementation of state mandated staff evaluation models.

The updated curriculum is currently being implemented in all schools. Staff is meeting to develop and refine instructional activities that will help students meet the rigorous requirements of the New Jersey Learning Standards. Our school district is in the last year of a three year approval period, as we were reviewed by the New Jersey State Department of Education through the NJ-QSAC evaluation process and were awarded a three year approval as a "high performing" school district.

The Supervisor of Curriculum and Instruction is working with staff to improve student achievement. The Achieve 3000, a computerized reading and language arts instructional program has been successfully implemented in grades 3-8. School level objectives and action plans have been developed to address student needs as determined by our annual district wide review of the PARCC and NJASK and other standardized test results. Our Basic Skills Improvement (BSI) program is offered at the Samuel R. Donald and Walter T. Bergen Middle School.

The Board supported the relocation of a multiply disabled (MD) program, grades five through eight at the middle school during the 2014-15 school year. The MD program will be promoted through Passaic and Morris Counties, informing districts of open enrollment opportunities and provide opportunities for parents to visit the school and see the class in action as well as speak with parents of current students.

Each school has a School Improvement Panel (SIP) working with each school principal. This group leads professional development activities for the respective schools, along with providing required mentoring of new faculty members. Our student information system was converted to RealTime to enhance district data sharing.

4. **INTERNAL ACCOUNTING CONTROLS:** The Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Internal control 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 require estimates and judgments by management.

As a recipient of federal awards and state financial assistance, the District is also responsible for internal controls to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the District management. The district has completed a Standard Operating Procedure (SOP) Manual and revised its Policy Manual to conform to the School Accountability Act.

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

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

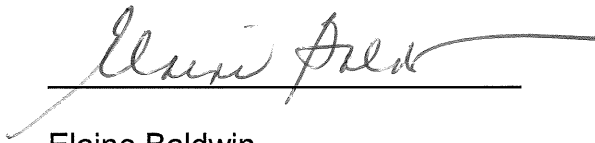
An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2017.

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to Financial Statements", Note 1.
  
7. **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The Board continuously strives to contain costs wherever possible.
  
8. **DEBT ADMINISTRATION:** As of June 30, 2017, the District has \$660,000 in outstanding debt service bonds, payable through June 30, 2025.
  
9. **CASH MANAGEMENT:** The investment policy of the district is guided in large part by state statute as detailed in "Notes to Financial Statements", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. 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.
  
10. **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.
  
11. **OTHER INFORMATION:**  
  
**Independent Audit:** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ferraioli, Wielkotz, Cerullo & Cuva, a professional association of Certified Public Accountants, was selected by the Board. In

addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments 1996 and the related Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report on the general-purpose financial statements combining individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report. Format of the financial statements may deviate from prior year audits due to the required implementation of GASB 68, Pension Reporting Standard for the 2016-2017 Fiscal Year.

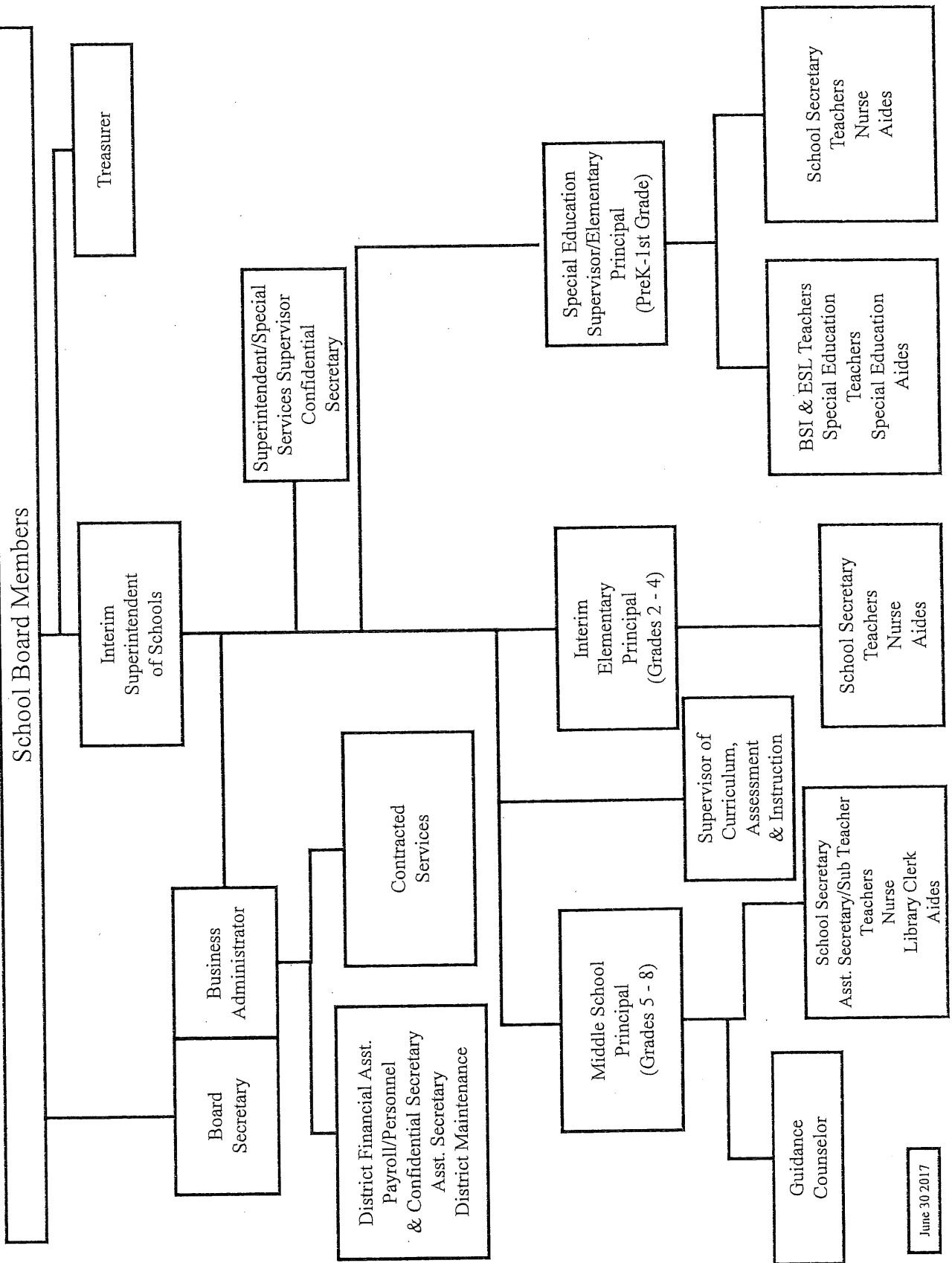
12. **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Bloomingdale Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance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

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Elaine Baldwin", is written over a horizontal line.

Elaine Baldwin  
Interim Superintendent of School

# Bloomingdale Board of Education Administrative Flow Chart



June 30 2017



**BLOOMINGDALE BOROUGH BOARD OF EDUCATION  
BLOOMINGDALE, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2017**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Lauren Grecco, President	2018
Maryann Rickelmann, Vice-President	2017
Robert Bloodgood, Esq.	2018
Sheldon Bross, Esq.	2017
Charles Caraballo	2019
Keith Ermilio	2019
James Jacobs	2019
Michael Moeller	2017
James Schalago	2018

**Other Officials**

Elaine Baldwin, Interim Superintendent of Schools

George Hagl, School Business Administrator/Board Secretary

Sherry Gallagher, Treasurer of School Moneys

Jeffrey Merlino, Esq., Board Attorney

**BLOOMINGDALE BOROUGH BOARD OF EDUCATION  
BLOOMINGDALE, NEW JERSEY**

**CONSULTANTS AND ADVISORS**  
**JUNE 30, 2017**

**Audit Firm**

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.  
401 Wanaque Avenue  
Pompton Lakes, NJ 07442

**Attorney**

Jeffrey Merlino  
Sciarrillo, Cornell, Merlino, McKeever & Osborne LLC  
238 St. Paul Street  
Westfield, NJ 07090

**Official Depository**

Lakeland Bank  
23 Main Street  
Bloomingdale, NJ 07403

**FINANCIAL SECTION**

# Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
Steven D. Wielkotz, CPA, RMA  
James J. Cerullo, CPA, RMA  
Paul J. Cuva, CPA, RMA  
Thomas M. Ferry, CPA, RMA

Certified Public Accountants  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442  
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100B Main Street  
Newton, NJ 07860  
973-579-3212  
Fax 973-579-7128

## Independent Auditor's Report

The Honorable President and  
Members of the Board of Education  
Borough of Bloomingdale School District  
County of Passaic  
Bloomingdale, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Bloomingdale School District, in the County of Passaic, State of New Jersey, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund, and the aggregate remaining fund information of the Borough of Bloomingdale Board of Education, in the County of Passaic, State of New Jersey, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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



*Other Information*

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2017 on our consideration of the Borough of Bloomingdale Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing



Honorable President and  
Members of the Board of Education  
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of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Bloomingdale Board of Education's internal control over financial reporting and compliance.



Charles J. Ferraioli, Jr., C.P.A.  
Licensed Public School Accountant  
No. 749

*Ferraioli, Wielkocz, Cerullo & Cuva, P.A.*  
Ferraioli, Wielkocz, Cerullo & Cuva, P.A.  
Certified Public Accountants

Pompton Lakes, New Jersey

October 10, 2017



**REQUIRED SUPPLEMENTARY INFORMATION  
PART 1**



BLOOMINGDALE PUBLIC SCHOOL DISTRICT  
BLOOMINGDALE BOROUGH

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

The discussion and analysis of the Bloomingdale Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and fund financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights (From Exhibit C1)**

The following provides a synopsis of the district's fund balance status for the 2016/2017 fiscal year:

Fund Balance as of June 30, 2017	<u>\$4,182,630.35</u>
Less:	
Reserve for Encumbrances	68,021.02
Unrestricted-Designated for Subsequent Year's Expenditures (FY17/18)	1,024,691.74
Excess Surplus (designated in FY 17/18 budget)	795,289.26
Excess Surplus	509,373.03
Capital Reserve Account	93,149.53
Tuition Reserve Account	<u>752,360.97</u>
Unreserved Fund Balance as of July 1, 2017	<u>\$939,744.80</u>

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Bloomingdale Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The General Fund is the most significant fund contained within these financial statements.

**Reporting the School District as a Whole**

**Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016/2017?" The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. The basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

- ◆ Governmental activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

## **Reporting the School District's Most Significant Funds**

### **Fund Financial Statements**

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

### **Governmental Funds**

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

### **Enterprise Fund**

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The Enterprise Fund is the only fund which can be described as a "for profit" (or loss) fund operated within a governmental entity.

### **The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. These financial statements are prepared in accordance with GASB Statement 34.

Table 1 provides a summary of the School District's combined net position for 2016/2017 fiscal year.

**Table 1  
Net Position**

	Governmental Activities		Business – Type Activities		Total	
	2016	2017	2016	2017	2016	2017
<b>Assets</b>						
Current and other assets	\$4,930,709.76	\$4,971,681.08	\$44,928.27	\$30,525.35	\$4,975,638.03	\$5,002,206.43
Capital assets, net	\$4,141,919.79	\$4,276,954.94	\$9,042.00	\$7,451.00	\$4,150,961.79	\$4,284,405.94
Total assets	\$9,072,629.55	\$9,248,636.02	\$53,970.27	\$37,976.35	\$9,126,599.82	\$9,286,612.37
<b>Deferred Outflows</b>						
Resources Related to PERS	\$536,452.00	\$1,186,119.00			\$536,452.00	\$1,186,119.00
<b>Liabilities</b>						
Other liabilities	\$510,889.77	\$920,739.81	\$10,879.50	\$634.48	\$521,769.27	\$921,374.29
Long term liabilities	\$4,623,042.00	\$5,391,604.00			\$4,623,042.00	\$5,391,604.00
Total liabilities	\$5,133,931.77	\$6,312,343.81	\$10,879.50	\$634.48	\$5,144,811.27	\$6,312,978.29
<b>Deferred Inflows</b>						
Resources Related to PERS	\$500,901.00	\$443,786.00			\$500,901.00	\$443,786.00
<b>Net Position</b>						
Invested in capital assets, net of debt	\$3,398,919.79	\$3,608,954.94	\$9,042.00	\$7,451.00	\$3,407,961.79	\$3,616,405.94
Restricted	\$3,442,795.29	\$3,429,730.62			\$3,442,795.29	\$3,429,730.62
Unrestricted	(\$2,867,466.30)	(\$3,360,060.35)	\$34,048.77	\$29,890.87	(\$2,833,417.53)	(\$3,330,169.48)
Total Net Position	\$3,974,248.78	\$3,678,625.21	\$43,090.77	\$37,341.87	\$4,017,339.55	\$3,715,967.08

Table 2 shows the changes in net position for the 2016/2017 fiscal year. These financial statements are prepared in accordance with GASB Statement 34.

**Table 2  
Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$29,057.40	\$20,137.44	\$111,295.18	\$103,575.41	\$140,352.58	\$123,712.85
Operating Grants and Contributions	\$356,040.38	\$339,517.00	\$78,031.86	\$84,532.11	\$434,072.24	\$424,049.11
General Revenues:						
Taxes:						
Property Taxes	\$16,052,221.00	\$16,370,717.00			\$16,052,221.00	\$16,370,717.00
Federal and State Aid not Restricted	\$4,766,792.79	\$6,008,964.39			\$4,766,792.79	\$6,008,964.39
Miscellaneous Income	\$142,163.31	\$138,741.91	\$38.35	\$47.71	\$142,201.66	\$138,789.62
<b>Total Revenue and Transfers</b>	<b>\$21,346,274.88</b>	<b>\$22,878,077.74</b>	<b>\$189,365.39</b>	<b>\$188,155.23</b>	<b>\$21,535,640.27</b>	<b>\$23,066,232.97</b>
<b>Functions / Program Expenses</b>						
Instruction:						
Regular	\$5,181,135.17	\$5,781,294.41			\$5,181,135.17	\$5,781,294.41
Special	\$1,388,568.75	\$1,679,181.81			\$1,388,568.75	\$1,679,181.81
Other Special Instruction	\$130,440.69	\$148,597.34			\$130,440.69	\$148,597.34
Other Instruction	\$104,164.72	\$106,425.84			\$104,164.72	\$106,425.84
Support Services:						
Tuition	\$6,624,806.91	\$7,638,825.86			\$6,624,806.91	\$7,638,825.86
Student & Instruction Related Services	\$3,183,338.31	\$3,720,355.85			\$3,183,338.31	\$3,720,355.85
General Administrative Services	\$377,694.19	\$367,990.65			\$377,694.19	\$367,990.65
School Administrative Services	\$420,859.71	\$479,864.85			\$420,859.71	\$479,864.85
Central Services and Admin. Info. Tech.	\$544,343.31	\$538,730.67			\$544,343.31	\$538,730.67
Plant Operations and Maintenance	\$961,869.99	\$979,827.13			\$961,869.99	\$979,827.13
Pupil Transportation	\$1,146,925.86	\$1,373,704.68			\$1,146,925.86	\$1,373,704.68

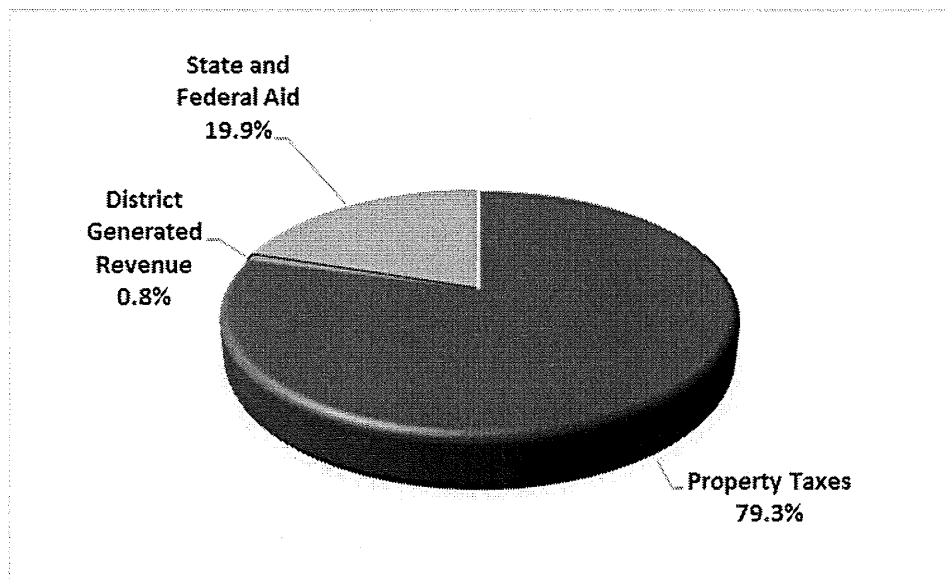
	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Capital Outlay Non Depreciable	\$1,267.00	\$1,267.00			\$1,267.00	\$1,267.00
Transfer to Charter School	\$57,233.00	\$69,608.00			\$57,233.00	\$69,608.00
Interest on Long-Term Debt	\$37,568.63	\$16,520.66			\$37,568.63	\$16,520.66
Unallocated Benefits	(\$32,011.00)	(\$2,602.00)			(\$32,011.00)	(\$2,602.00)
Unallocated Depreciation	\$140,057.00	\$274,373.56			\$140,057.00	\$274,373.56
Food Service			\$179,695.91	\$193,904.13	\$179,695.91	\$193,904.13
<b>Total Expenses and Transfers</b>	<b>\$20,268,262.24</b>	<b>\$23,173,701.31</b>	<b>\$179,695.91</b>	<b>\$193,904.13</b>	<b>\$20,447,958.15</b>	<b>\$23,367,605.44</b>
<b>Increase or (Decrease) in Net Position</b>	<b>\$1,078,012.64</b>	<b>(\$295,623.57)</b>	<b>\$9,669.48</b>	<b>(\$5,748.90)</b>	<b>\$1,087,682.12</b>	<b>(\$301,372.47)</b>

**Governmental Funds**

**Revenues**

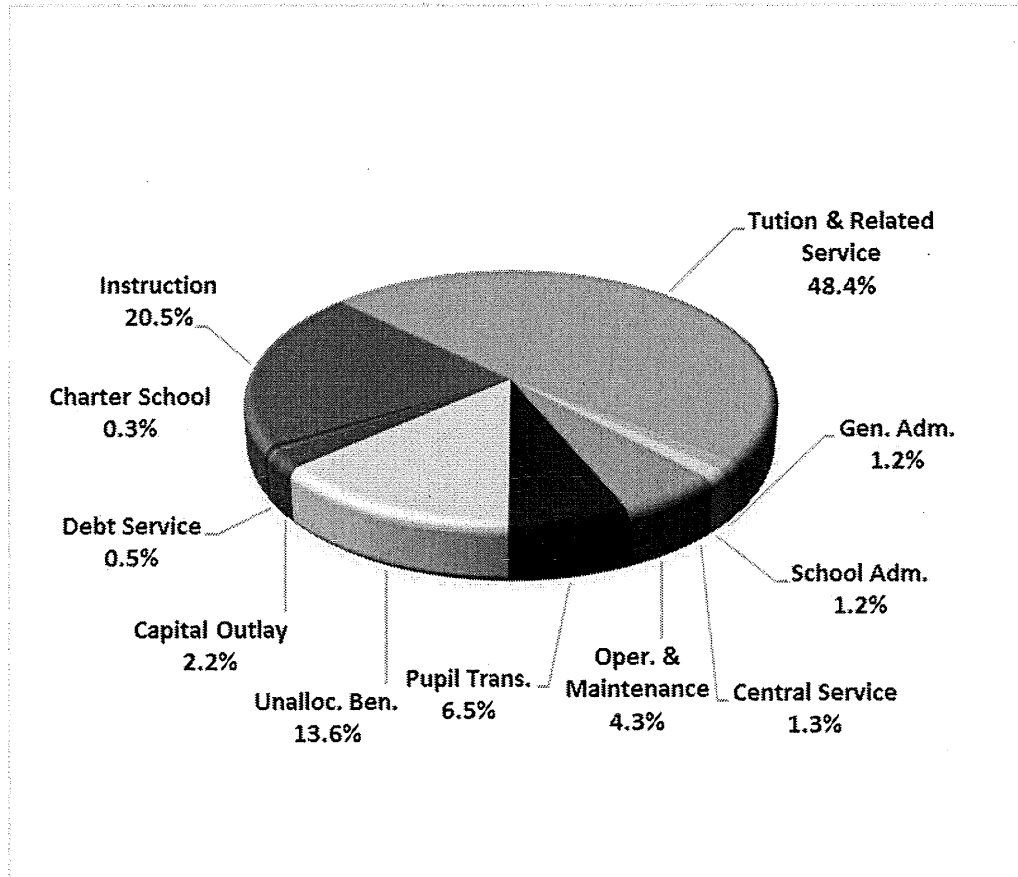
The Bloomingdale School District derived its 2016/2017 school year revenue from Property Taxes (\$16,370,717.00), District Generated Revenue (\$158,879.35), State and Federal Aid (\$4,119,727.39). Total revenues for the fiscal year ending June 30, 2017 were \$20,649,323.74. Sources of these funds are from Exhibit B-2 and are shown in figure 2.1.

**Sources of Revenues for Fiscal Year 2016/2017  
(Figure 2.1)**



Allocation of our fiscal year 2016/2017 expenditures from Exhibit B-2 stated in percentage terms are shown in figure 2.2 below:

**Expenses for Fiscal Year 2016/2017  
(Figure 2.2)**



#### **Proprietary Funds (From Exhibit B-5)**

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- ◆ Operating Revenue Service represents \$103,575.41 of revenue. This represents amounts paid by patrons for daily food services; Federal and State Aid \$84,532.11; Interest Income \$47.71.
- ◆ Operating expenses amount to \$193,904.13.
- ◆ Changes in net position was \$(5,748.90).

## Governmental Activities

The Statement of Activities (Exhibit A-2) shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's operating budget by each of these categories.

Table 3

	Total Cost of Services 2016	Net Cost of Services 2016	Total Cost of Services 2017	Net Cost of Services 2017
Instruction	\$6,804,309.33	\$6,504,853.95	\$7,715,234.40	\$7,413,080.40
Tuition & Instruction Related Services	\$9,808,145.22	\$9,722,502.82	\$11,359,181.71	\$11,301,681.27
Administration	\$1,342,897.21	\$1,342,897.21	\$1,386,586.17	\$1,386,586.17
Plant Operation and Maintenance	\$961,869.99	\$961,869.99	\$979,827.13	\$979,827.13
Pupil transportation	\$1,146,925.86	\$1,146,925.86	\$1,373,704.68	\$1,373,704.68
Capital Outlay	\$1,267.00	\$1,267.00	\$1,267.00	\$1,267.00
Transfer to Charter School	\$57,233.00	\$57,233.00	\$69,608.00	\$69,608.00
Interest on Long-Term Debt	\$37,568.63	\$37,568.63	\$16,520.66	\$16,520.66
Unallocated Benefits	(\$32,011.00)	(\$32,011.00)	(\$2,602.00)	(\$2,602.00)
Unallocated Deprec.& Amort.	\$140,057.00	\$140,057.00	\$274,373.56	\$274,373.56
Total expenses	\$20,268,262.24	\$19,883,164.46	\$23,173,701.31	\$22,814,046.87

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Tuition & Instruction Related Services include out of district tuition costs and activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

Administration includes General, School and Business Administration support staff.

Plant Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Interest on long-term debt includes the semi-annual interest payments on the School Bonds of 2014.

Unallocated benefits are payments assumed by the State of New Jersey for all of our districts TPAF employees for Pension and Social Security Contributions.

Unallocated Depreciation & Amortization is the recorded depreciation expenses in accordance with GASB 34.

## **Debt Administration**

At June 30, 2017, the District had total debt issued of \$805,000.00 with an outstanding balance of \$668,000.00. The debt was issued through serial bonds. In March 2014 the voters of Bloomingdale Borough approved a referendum to improve district facilities in the amount of \$1,341,780.00 of which \$805,000.00 was issued as debt and the balance came from state grants.

The district maintains a low proportion of debt relative to its maximum overall legal debt margin of \$24,283,345.20 at December 31, 2016.

## **For the Future**

The Bloomingdale School District is primarily a residential community with very few ratable. Thus, the tax burden is focused on homeowners.

In conclusion, the Bloomingdale Public School District prides itself on sound financial planning, budgeting, and internal financial controls. The School District plans to continue its sound fiscal management to meet the challenges of the future.

## **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Elaine Baldwin - Interim Superintendent, 29 Captolene Avenue, Bloomingdale, NJ 07403



**BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE  
FINANCIAL STATEMENTS**

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	2,920,493.03	11,161.16	2,931,654.19
Receivables, net	1,216,235.20	6,157.53	1,222,392.73
Internal Balances	(10,557.65)	10,557.65	-
Inventory		2,649.01	2,649.01
Restricted assets:			
Capital reserve account - cash	93,149.53		93,149.53
Tuition reserve account - cash	752,360.97		752,360.97
Capital Assets:			
Construction in Progress	271,696.94		271,696.94
Land	48,500.00		48,500.00
Other capital assets, net	3,956,758.00	7,451.00	3,964,209.00
<b>Total Assets</b>	<b>9,248,636.02</b>	<b>37,976.35</b>	<b>9,286,612.37</b>
<b>DEFERRED OUTFLOWS</b>			
<b>Deferred Outflows of Resources Related to PERS - Pension</b>	<b>1,186,119.00</b>		<b>1,186,119.00</b>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	763,589.81		763,589.81
Accrued Interest Payable	7,608.15		7,608.15
Other liabilities	509.50		509.50
Payable to federal government		634.48	634.48
Payable to state government	85,801.35		85,801.35
Unearned revenue	63,231.00		63,231.00
Noncurrent liabilities:			
Due within one year	77,000.00		77,000.00
Due beyond one year	5,314,604.00		5,314,604.00
<b>Total liabilities</b>	<b>6,312,343.81</b>	<b>634.48</b>	<b>6,312,978.29</b>
<b>DEFERRED INFLOWS</b>			
<b>Deferred Inflows of Resources Related to PERS - Pension</b>	<b>443,786.00</b>		<b>443,786.00</b>
<b>NET POSITION</b>			
Invested in capital assets	3,608,954.94	7,451.00	3,616,405.94
Restricted for:			
Debt Service	4.86		4.86
Capital projects	789,362.77		789,362.77
Tuition reserve	752,360.97		752,360.97
Other purposes	1,888,002.02		1,888,002.02
Unrestricted	(3,360,060.35)	29,890.87	(3,330,169.48)
<b>Total net position</b>	<b>3,678,625.21</b>	<b>37,341.87</b>	<b>3,715,967.08</b>

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
<b>Instruction:</b>							
Regular	3,258,613.64	2,522,415.77		302,154.00	(5,478,875.41)		(5,478,875.41)
Special education	900,260.97	778,920.84			(1,679,181.81)		(1,679,181.81)
Other special instruction	93,689.21	54,908.13			(148,597.34)		(148,597.34)
Other instruction	56,185.00	50,240.84			(106,425.84)		(106,425.84)
<b>Support services:</b>							
Tuition	7,638,825.86	-	20,137.44		(7,618,688.42)		(7,618,688.42)
Student & instruction related services	2,521,468.01	1,198,887.84		37,363.00	(3,682,992.85)		(3,682,992.85)
General administrative services	252,461.10	115,529.55			(367,990.65)		(367,990.65)
School administrative service	258,023.13	221,841.72			(479,864.85)		(479,864.85)
Central Services and Admin. Info. Tech.	278,309.26	260,421.41			(538,730.67)		(538,730.67)
Plant operations and maintenance	903,219.22	76,607.91			(979,827.13)		(979,827.13)
Pupil transportation	1,372,044.50	1,660.18			(1,373,704.68)		(1,373,704.68)
Capital Outlay - Non-depreciable	1,267.00	-			(1,267.00)		(1,267.00)
Transfer to Charter School	69,608.00	-			(69,608.00)		(69,608.00)
Unallocated Benefits		(2,602.00)			2,602.00		2,602.00
Interest on Long-Term Debt	16,520.66				(16,520.66)		(16,520.66)
Unallocated depreciation and amortization		274,373.56			(274,373.56)		(274,373.56)
Total governmental activities	17,620,495.56	5,553,205.75	20,137.44	339,517.00	(22,814,046.87)	-	(22,814,046.87)
<b>Business-type activities:</b>							
Food Service	193,904.13		103,575.41	84,532.11	-	(5,796.61)	(5,796.61)
Total business-type activities	193,904.13		103,575.41	84,532.11	-	(5,796.61)	(5,796.61)
<b>Total primary government</b>	<b>17,814,399.69</b>		<b>123,712.85</b>	<b>424,049.11</b>	<b>(22,814,046.87)</b>	<b>(5,796.61)</b>	<b>(22,819,843.48)</b>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes, levied for general purposes, net					16,278,291.00		16,278,291.00
Property taxes, levied for debt service					92,426.00		92,426.00
Federal and State aid not restricted					6,008,964.39		6,008,964.39
Interest Earned					10,614.45	47.71	10,662.16
Rentals					6,000.00		6,000.00
Miscellaneous Income					122,127.46		122,127.46
Total general revenues, special items, extraordinary items and transfers					22,518,423.30	47.71	22,518,471.01
Change in Net Position					(295,623.57)	(5,748.90)	(301,372.47)
<b>Net Position - Beginning</b>							4,017,339.55
<b>Net Position - ending</b>							3,715,967.08

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

**FUND FINANCIAL STATEMENTS**

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	2,760,403.76	22,184.27		137,905.00	2,920,493.03
Due from other funds	450,996.73				450,996.73
Receivables from Federal government	4,999.93				4,999.93
Receivables from State government	570,524.45		536,780.00		1,107,304.45
Receivables from other governments	47,695.29				47,695.29
Other Receivables	7,440.00				7,440.00
Restricted cash and cash equivalents	845,510.50				845,510.50
<b>Total assets</b>	<u>4,687,570.66</u>	<u>22,184.27</u>	<u>536,780.00</u>	<u>137,905.00</u>	<u>5,384,439.93</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	529,291.81	22,088.00	85,735.00		637,114.81
Accrued salaries and benefits	509.50				509.50
Interfund payable	10,557.65	96.27	264,204.79	137,900.14	412,758.85
Payable to state government	85,801.35				85,801.35
Unearned revenue	63,231.00				63,231.00
<b>Total liabilities</b>	<u>689,391.31</u>	<u>22,184.27</u>	<u>349,939.79</u>	<u>137,900.14</u>	<u>1,199,415.51</u>
<b>Fund Balances:</b>					
<b>Assigned to:</b>					
<b>Designated for subsequent year's expenditures</b>					
Other Purposes	1,024,691.74				1,024,691.74
Other Purposes	68,021.02				68,021.02
<b>Restricted for:</b>					
<b>Excess surplus</b>					
Excess surplus - designated for subsequent year's expenditures	509,373.03				509,373.03
Capital Reserve Account	795,289.26				795,289.26
Tuition Reserve Account	93,149.53				93,149.53
Capital Projects Fund	752,360.97		186,840.21		752,360.97
Capital Projects Fund					186,840.21
<b>Unassigned:</b>					
General Fund	755,293.80				755,293.80
Debt Service Fund				4.86	4.86
<b>Total fund balances</b>	<u>3,998,179.35</u>	<u>-</u>	<u>186,840.21</u>	<u>4.86</u>	<u>4,185,024.42</u>
<b>Total liabilities and fund balances</b>	<u>4,687,570.66</u>	<u>22,184.27</u>	<u>536,780.00</u>	<u>137,905.00</u>	

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

Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(7,608.15)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$8,379,087.94 and the accumulated depreciation is \$4,102,133.00.	4,276,954.94
Accounts Payable for Subsequent Pension payment is not a Payable in the Funds	(126,475.00)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred Outflows of Resources Related to PERS Pension Liability	1,186,119.00
Deferred Inflows of Resources Related to PERS Pension Liability	(443,786.00)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(5,391,604.00)
Net position of governmental activities	<u>\$ 3,678,625.21</u>

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local sources:					
Local tax levy	16,278,291.00			92,426.00	16,370,717.00
Tuition/Transportation charges	20,137.44				20,137.44
Interest earned on Investment	8,570.94				8,570.94
Interest earned on capital reserve funds	616.39				616.39
Interest earned on Tuition reserve funds	1,426.92				1,426.92
Interest earned on Flexible Spending Acct.	0.20				0.20
Rentals	6,000.00				6,000.00
Unrestricted miscellaneous revenues	122,127.46				122,127.46
Total - Local sources	16,437,170.35	-	-	92,426.00	16,529,596.35
State sources	3,753,831.00		-		3,753,831.00
Federal sources	26,379.39	339,517.00			365,896.39
Total revenues	20,217,380.74	339,517.00	-	92,426.00	20,649,323.74
<b>EXPENDITURES</b>					
Current:					
Regular instruction	2,956,459.64	302,154.00			3,258,613.64
Special education instruction	900,260.97				900,260.97
Other special instruction	93,689.21				93,689.21
Other instruction	56,185.00				56,185.00
Support services and undistributed costs:					
Tuition	7,638,825.86				7,638,825.86
Student & instruction related services	2,484,105.01	37,363.00			2,521,468.01
General administrative services	252,461.10				252,461.10
School administrative services	258,023.13				258,023.13
Central services and admin. Info. Tech.	278,309.26				278,309.26
Plant operations and maintenance	903,219.22				903,219.22
Pupil transportation	1,372,044.50				1,372,044.50
Unallocated employee benefits	2,853,431.75				2,853,431.75
Capital outlay	342,207.15		122,314.00		464,521.15
Transfer to charter schools	69,608.00				69,608.00
Debt Service:					
Principal				75,000.00	75,000.00
Interest and Other Charges				17,425.85	17,425.85
Total expenditures	20,458,829.80	339,517.00	122,314.00	92,425.85	21,013,086.65
Excess (Deficiency) of revenues over expenditures	(241,449.06)	-	(122,314.00)	0.15	(363,762.91)
Fund balance—July 1	4,239,628.41		309,154.21	4.71	4,548,787.33
Fund balance—June 30	3,998,179.35	-	186,840.21	4.86	4,185,024.42

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

**BLOOMINGDALE BOROUGH 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 (from B-2) (363,762.91)

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, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current fiscal year.

Depreciation expense	\$ (328,219.00)	
Depreciable capital outlay	<u>463,254.15</u>	135,035.15

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. In the current year, these amounts consist of:

Principal Payments on Bonds Payable	75,000.00
-------------------------------------	-----------

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

(Increase) Decrease in compensated absences payable	2,602.00
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District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	265,857.00	
Pension Expense	<u>120,454.00</u>	
(Increase)/Decrease in Pension Expense		(145,403.00)

In the statement of activities, interest on long-term debt is accrued regardless of when due. In the governmental funds, interest is reported when due. The increase in accrued interest is a (decrease) in the reconciliation. A (decrease) in accrued interest is an increase in the reconciliation.

905.19

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

Increase in On-behalf State Aid TPAF Pension	2,228,754.00
Increase in On-behalf TPAF Pension Expense	<u>(2,228,754.00)</u>

Change in net position of governmental activities (295,623.57)



**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Business-type Activities - Enterprise Funds</b>
	<b>Food Service</b>
<u>ASSETS</u>	
CURRENT ASSETS	
Cash and cash equivalents	11,161.16
Accounts receivables:	
State	183.63
Federal	5,973.90
Interfund Accounts Receivable:	
General Fund	10,557.65
Inventories	2,649.01
Total current assets	30,525.35
FIXED ASSETS:	
Furniture, machinery & equipment	52,555.00
Less accumulated depreciation	(45,104.00)
Total fixed assets	7,451.00
TOTAL ASSETS	37,976.35
<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES	
Accounts Payable:	
Federal	634.48
TOTAL CURRENT LIABILITIES	634.48
NET POSITION	
Invested in capital assets net of related debt	7,451.00
Unrestricted	29,890.87
TOTAL NET POSITION	37,341.87
TOTAL LIABILITIES AND NET POSITION	37,976.35

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Business-type Activities - Enterprise Fund</b>
	<b>Food Service</b>
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	67,707.70
Daily sales - non-reimbursable programs	34,944.50
Special functions	923.21
Total operating revenues	103,575.41
Operating expenses:	
Cost of sales - reimbursable programs	73,366.98
Cost of sales - non-reimbursable programs	22,333.63
Salaries	60,744.48
Payroll taxes	8,522.74
Repairs	2,855.00
Management Fees	7,462.00
Worker Compensation/Liability Insurance	5,673.09
Depreciation	1,591.00
Rental Equipment	3,573.00
Miscellaneous	7,782.21
Total operating expenses	193,904.13
Operating loss	(90,328.72)
Non-operating revenues (expenses):	
State sources:	
State school lunch program	2,084.25
Federal sources:	
National school lunch program	68,957.26
School Breakfast program	914.33
Food distribution programs	12,576.27
Interest and investment revenue	47.71
Total non-operating revenues (expenses)	84,579.82
Change in net position	(5,748.90)
Total Net Position - Beginning of Year	43,090.77
Total net position - End of year	37,341.87

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-type Activities - Enterprise Funds
	Food Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from customers	103,575.41
Payments to employees for services	(60,744.48)
Payments to suppliers for goods and services	(139,572.39)
Net cash provided (used for) operating activities	(96,741.46)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
State Sources	2,298.89
Federal Sources	88,353.56
Net cash provided by (used for) non-capital financing activities	90,652.45
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest on cash equivalents	47.71
Net cash provided by (used for) investing activities	47.71
Net increase (decrease) in cash and cash equivalents	(6,041.30)
Balances—beginning of year	17,202.46
Balances—end of year	11,161.16
Reconciliation of operating income (loss) to net cash provided (used for) operating activities:	
Operating income (loss)	(90,328.72)
Adjustments to reconcile operating income (loss) to net cash provided (used for) operating activities:	
Depreciation	1,591.00
(Increase )/ decrease in inventories	2,241.28
Increase /(decrease) in accounts payable	(10,245.02)
Total adjustments	(6,412.74)
Net cash provided by (used for) operating activities	(96,741.46)

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2017**

	Unemployment Compensation Trust	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	72,512.01	357,270.43
Total assets	72,512.01	357,270.43
<b>LIABILITIES</b>		
Interfund payable		48,795.53
Accrued salaries and wages		139,021.31
Flexible spending account		89.11
Payable to student groups		87,782.27
Payroll deductions and withholdings		81,582.21
Total liabilities	-	357,270.43
<b>NET POSITION</b>		
Held in trust for unemployment claims and other purposes	72,512.01	

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Unemployment Compensation Trust</u>
<b>ADDITIONS</b>	
Contributions:	
Employee Contributions	12,922.20
Board Contributions	12,952.71
Total Contributions	<u>25,874.91</u>
Investment earnings:	
Interest	131.08
Net investment earnings	<u>131.08</u>
Total additions	<u>26,005.99</u>
<b>DEDUCTIONS</b>	
Unemployment claims	16,770.04
Total deductions	<u>16,770.04</u>
Change in net position	9,235.95
Net position—beginning of the year	<u>63,276.06</u>
Net position—end of the year	<u><u>72,512.01</u></u>

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

**NOTES TO THE BASIC  
FINANCIAL STATEMENTS**

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Board of Education (“Board”) of the Borough of Bloomingdale School District (“District”) is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Bloomingdale School District is a Type II district located in the County of Passaic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-8. 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.

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Basis of Presentation**

The Board's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**District-wide Financial Statements**

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

**Fund Financial Statements**

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *government*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories: governmental, proprietary and fiduciary.



**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Basis of Presentation (continued)**

**GOVERNMENTAL FUNDS**

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

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

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

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

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

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Basis of Presentation (continued)**

**PROPRIETARY FUNDS**

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

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

The Board's Enterprise Fund is comprised of the Food Service Fund.

**FIDUCIARY FUNDS**

**Fiduciary Fund** - The Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. Fiduciary Funds include the Unemployment Compensation Insurance Fund, Student Activities Fund and Payroll Agency Fund.

**B. Measurement Focus**

**District-wide Financial Statements**

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Measurement Focus (continued)**

**Fund Financial Statements**

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

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

**C. Basis of Accounting**

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

**Revenues - Exchange and Non-exchange Transactions**

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

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants,

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Accounting (continued)**

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

entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

**Expenses/Expenditures**

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

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

**D. Budgets/Budgetary Control**

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

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Budgets/Budgetary Control (continued)**

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

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

**E. Encumbrances**

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

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

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

**F. Cash, Cash Equivalents and Investments**

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

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Cash, Cash Equivalents and Investments (continued)**

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

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

**G. Tuition Revenues/Receivable**

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

**H. Tuition Payable**

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

**I. Inventories**

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

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

**J. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Short-Term Interfund Receivables/Payables**

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

**L. Capital Assets**

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

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

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

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**M. Compensated Absences**

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

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

**N. Unearned Revenue**

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

Unearned advanced revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

**O. Accrued Liabilities and Long-term Obligations**

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

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



**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. Accounting and Financial Reporting for Pensions**

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

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

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

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. Accounting and Financial Reporting for Pensions** (continued)

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**Q. 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. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pensions.

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

**R. Fund Balances:**

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

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**R. Fund Balances:** (continued)

- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**S. Net Position**

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

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

**T. Operating Revenues and Expenses**

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

**U. Extraordinary and Special Items**

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

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**V. Allocation of Indirect Expenses**

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

**W. Use of Estimates**

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

**X. Recent Accounting Pronouncements:**

The Government Accounting Standards Board issued GASB Statement No. 72, Fair Value Measurement and Application. This Statement is effective for fiscal years beginning after June 15, 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement also provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The District had no transactions of this type for the year ended June 30, 2017.

The Government Accounting Standards Board issued GASB Statement 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. This Statement is effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for fiscal years beginning after June 15, 2016. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**X. Recent Accounting Pronouncements: (continued)**

The Government Accounting Standards Board issued GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement applies to OPEB plans and basically parallels GASB Statement 67 and replaces GASB Statement 43 and is effective for fiscal years beginning after June 15, 2016. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for fiscal years beginning after June 15, 2017. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the American Institute of Certified Public Accountants that is cleared by the GASB. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 77, *Tax Abatement Disclosures*, which improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements 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. The District believes this Statement will have no impact on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, which establishes the criteria for identifying the applicable pension plans and addresses measurement and recognition for pension liabilities, expense and expenditures; note disclosures of descriptive information about the plan, benefit terms, and contributions items; and required supplementary information presenting required contribution amounts for the past 10 fiscal years. The District is currently reviewing what effect this Statement might have on future financial statements.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**X. Recent Accounting Pronouncements: (continued)**

The Government Accounting Standards Board issued GASB Statement No. 79, *Certain External Investment Pools and Pool Participation*, which permits qualifying external investment pools to measure pool investments at amortized cost for financial reporting purposes. The District is currently reviewing what effect this Statement might have on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 80, *Blending Requirements for Certain Component Units*, which provides clarity about how certain component units incorporated as not-for-profit corporations should be presented in the financial statements of the primary state or local government. The District does not believe this Statement will have any effect on future financial statements.

In March 2016, the Government Accounting Standards Board issued GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The District does not believe this Statement will have any effect on future financial statements.

In March 2016, the Government Accounting Standards Board issued GASB Statement 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 Statement No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, 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*. This Statement is effective for reporting periods beginning after June 15, 2016. 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.

In November 2016, the Government Accounting Standards Board issued GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflows of resources for asset retirement obligations (AROs). The District does not believe this Statement will have any effect on future financial statements.

In January 2017, the Government Accounting Standards Board issued GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities. The District is currently evaluating the effects, if any, this Statement may have on future financial statements.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**X. Recent Accounting Pronouncements: (continued)**

In March 2017, the Government Accounting Standards Board issued GASB Statement No. 85, Omnibus 2017, which addresses practice issues that have been identified during the implementation and application of certain GASB statements. This Statement addresses a variety of topics including issues relating to blending component units, goodwill, fair value measurement and application, and postemployment benefits. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

In May 2017, the Governmental Accounting Standards Board issued GASB Statement No. 86, Certain Debt Extinguishment Issues, which improves 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2017, \$0- of the District's bank balance of \$5,444,334.44 was exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

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

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)**

**Credit Risks**

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

**Concentration of Credit Risk**

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

**NOTE 4. RECEIVABLES**

Receivables at June 30, 2017 consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Proprietary/ Enterprise Fund	District Wide Financial Statements
Other Governments	\$ 47,695.29	\$ -	\$ 47,695.29
State Aid	1,107,304.45	183.63	1,107,488.08
Federal Aid	4,999.93	5,973.90	10,973.83
Interfunds	450,996.73	10,557.65	48,795.53
Other	<u>7,440.00</u>	<u>-</u>	<u>7,440.00</u>
Gross Receivables	1,618,436.40	16,715.18	1,222,392.73
Less: Allowance for Uncollectables	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Receivables, Net	<u>\$1,618,436.40</u>	<u>\$ 16,715.18</u>	<u>\$1,222,392.73</u>



**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 5. INTERFUND BALANCES AND ACTIVITY**

Balance due to/from other funds at June 30, 2017 consist of the following:

Due to the General Fund from the Special Revenue Fund for the beginning balance.	\$ 97.27
Due to the General Fund from the Payroll Account for interest earned and disbursements made in the General Fund for Payroll Agency.	48,795.53
Due to the General Fund from the Capital Projects Fund for Interfund Loan to finance Capital Projects.	264,204.79
Due to General Fund from Debt Service Fund for receipts and disbursements.	137,900.14
Due to the Enterprise Fund from the General Fund for the lunch reimbursement program.	<u>10,557.65</u>
	<u>\$461,555.38</u>

It is anticipated that all interfunds will be liquidated within the fiscal year.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 6. CAPITAL ASSETS**

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

<b><u>Governmental Activities:</u></b>	Balance <u>6/30/16</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	Balance <u>6/30/17</u>
Capital Assets, Not Being Depreciated:					
Land	48,500.00	-	-	-	48,500.00
Construction in Progress	<u>220,462.79</u>	<u>122,314.00</u>	<u>-</u>	<u>( 71,079.85)</u>	<u>271,696.94</u>
Total Capital Assets, Not Being Depreciated	<u>268,962.79</u>	<u>122,314.00</u>	<u>-</u>	<u>(71,079.85)</u>	<u>320,196.94</u>
Capital Assets, Being Depreciated					
Building and Building Improvements	7,147,863.00	321,684.28	-	70,364.72	7,539,912.00
Machinery and Equipment	<u>512,038.00</u>	<u>19,255.87</u>	<u>(13,030.00)</u>	<u>715.13</u>	<u>518,979.00</u>
Total Capital Assets, Being Depreciated	<u>7,659,901.00</u>	<u>340,940.15</u>	<u>(13,030.00)</u>	<u>71,079.85</u>	<u>8,058,891.00</u>
Less: Accumulated Depreciation:					
Building and Improvements	(3,553,162.00)	(285,128.00)	-		(3,553,162.00)
Equipment	<u>( 233,782.00)</u>	<u>( 43,091.00)</u>	<u>13,030.00</u>	<u>-</u>	<u>( 263,843.00)</u>
Total Accumulated Depreciation	<u>(3,786,944.00)</u>	<u>(328,219.00)</u>	<u>13,030.00</u>	<u>-</u>	<u>(4,102,133.00)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>3,872,957.00</u>	<u>12,721.15</u>	<u>-</u>	<u>71,079.85</u>	<u>3,956,758.00</u>
Governmental Activities Capital Assets, Net	<u>4,141,919.79</u>	<u>135,035.15</u>	<u>-</u>	<u>-</u>	<u>4,276,954.94</u>
 <b><u>Business-Type Activity:</u></b>					
Equipment	52,555.00	-	-	-	52,555.00
Less: Accumulated Depreciation:					
Food Services	<u>( 43,513.00)</u>	<u>( 1,591.00)</u>	<u>-</u>	<u>-</u>	<u>(45,104.00)</u>
Business -Type Activity Capital Assets, Net	<u>9,042.00</u>	<u>( 1,591.00)</u>	<u>-</u>	<u>-</u>	<u>7,451.00</u>

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 6. CAPITAL ASSETS (continued)**

Depreciation expense was charged to functions as follows:

Instruction:

Regular \$ 928.57

Support Services:

Student and Instruction Related Services 9,959.62

Central Services and Admin. Info. Tech. 33,618.63

Plant operations and Maintenance 9,338.62

Unallocated 274,373.56

Total Depreciation Expense \$ 328,219.00

**NOTE 7. LONG-TERM OBLIGATION ACTIVITY**

Changes in long-term obligations for the fiscal year ended June 30, 2017 are as follows:

	<u>Balance June 30, 2016</u>	<u>Increased</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Due Within One Year</u>	<u>Long-Term Portion</u>
School Bonds of 2014	743,000.00	-	75,000.00	668,000.00	77,000.00	591,000.00
Net Pension Liability - PERS	3,169,549.00	846,164.00	-	4,015,713.00	-	4,015,713.00
Compensated Absences Payable	<u>710,493.00</u>	<u>-</u>	<u>2,602.00</u>	<u>707,891.00</u>	<u>-</u>	<u>707,891.00</u>
	<u>4,623,042.00</u>	<u>846,164.00</u>	<u>77,602.00</u>	<u>5,391,604.00</u>	<u>77,000.00</u>	<u>5,314,604.00</u>

**A. Bonds Payable**

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 7. LONG-TERM OBLIGATION ACTIVITY (continued)**

**A. Bonds Payable (continued)**

Bonds are authorized in accordance with State Law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are General Obligation Bonds.

Outstanding Bonds Payable at June 30, 2017 consisted of the following:

<u>Issue</u>	<u>Original Amount Issued</u>	<u>Issue Date</u>	<u>Principal Interest Rate</u>	<u>Date of Maturity</u>	<u>Balance at June 30, 2017</u>
School Bonds of 2014	<u>805,000.00</u>	7/15/2014	2.47%	7/15/2024	<u>668,000.00</u>
 Year Ended June 30,	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
2018	77,000.00		15,548.65		92,548.65
2019	79,000.00		13,622.05		92,622.05
2020	80,000.00		11,658.40		91,658.40
2021	82,000.00		9,657.70		91,657.70
2022	84,000.00		7,607.60		91,607.60
2023-2025	<u>266,000.00</u>		<u>9,978.80</u>		<u>275,978.80</u>
	<u>668,000.00</u>		<u>68,073.20</u>		<u>736,073.20</u>

**B. Bonds Authorized But Not Issued**

As of June 30, 2017 the District had no bonds authorized but not issued.

**NOTE 8. OPERATING LEASES**

The School District has a commitment to lease 8 copiers under an operating lease that expires December 15, 2017. Total operating lease payments made during the fiscal year were \$24,288.00. Future operating lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2016/2017	<u>\$24,288.00</u>
Total future operating lease payments	<u>\$24,288.00</u>

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS**

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

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Benefits Provided**

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60a of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

**Benefits Provided**

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

The following represents the membership tiers for PERS:

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

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>a</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Defined Contribution Retirement Program**

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

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

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

**Contributions Requirements Fund Based Statements**

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

<u>Year</u>	<u>PERS</u>	<u>DCRP</u>
<u>Ending</u>		
6/30/17	\$120,454.00	\$8,508.98
6/30/16	121,390.00	9,416.30
6/30/15	131,151.00	9,250.23

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

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

Year <u>Ending</u>	Pension <u>Contributions</u>	Post-Retirement Medical <u>Contributions</u>	NCGI <u>Premium</u>	Long-Term Disability Insurance <u>Contribution</u>
6/30/17	472,348.00	\$407,834.00	\$17,114.00	\$794.00
6/30/16	350,728.00	438,423.00	17,471.00	-
6/30/15	219,351.00	373,273.00	15,781.00	-

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$314,100.00 during the 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 included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

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

**Public Employees Retirement System (PERS)**

At June 30, 2017, the District had a liability of \$4,015,713.00 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 proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2016, the District's proportion was 0.0135587502 percent, which was a decrease of 0.0000056077 percent from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$265,857.00. At June 30, 2017, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:



**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 74,680.00	\$ -
Changes of assumptions	831,841.00	-
Net difference between projected and actual earnings on pension plan investments	153,123.00	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	-	443,786.00
District contributions subsequent to the measurement date	<u>126,475.00</u>	<u>-</u>
Total	<u>\$1,186,119.00</u>	<u>\$443,786.00</u>

The estimated \$126,475.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2017, the plan measurement date is June 30, 2016) will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$238,569.00
2018	238,569.00
2019	276,390.00
2020	232,208.00
2021	73,907.00

**Changes in Proportion**

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

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE  
STATEMENTS PER - GASB NO. 68, (continued)**

**Additional Information**

Local Group Collective balances at June 30, 2016 and June 30, 2015 are as follows:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Collective deferred outflows of resources	\$8,685,338,380	\$3,578,755,666
Collective deferred inflows of resources	870,133,595	993,410,455
Collective net pension liability	29,617,131,759	22,447,996,119
District s Proportion	0.0135587502%	0.0141195195%

**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 rolled forward to June 30, 2016. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	3.08 Percent
Salary Increases:	
Through 2016	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.65 Percent

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE  
STATEMENTS PER - GASB NO. 68, (continued)**

**Mortality Rates**

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plans actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2016 are summarized in the following table:

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	.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 U.S. Equities	26.00%	8.53%
Developed Foreign Markets	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Returns	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	<u>5.25%</u>	5.63%
	<u>100.00%</u>	

**Discount Rate**

The discount rate used to measure the total pension liability was 3.98% and 4.90% as of June 30, 2016 and 2015, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% and 3.80% as of June 30, 2016 and 2015, respectively, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)**

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

The following presents the collective net pension liability of the participating employers as of June 30, 2016, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	<u>June 30, 2016</u>		
	1% Decrease <u>2.98%</u>	At Current Discount Rate <u>3.98%</u>	1% Increase <u>4.98%</u>
District's proportionate share of the pension liability	\$4,920,787	\$4,015,713	\$3,268,495

**Pension Plan Fiduciary Net Position**

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

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)**

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2017 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>36,343,968.00</u>
	<u>\$36,343,968.00</u>

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 June 30, 2015 rolled forward to June 30, 2016. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2016, the proportion of the TPAF net pension liability associated with the District was 0.0459881957%.

For the year ended June 30, 2017, the District recognized on-behalf pension expense and revenue of \$2,718,216.00 for contributions provided by the State in the District-Wide Financial Statements.

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

Inflation rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.65%

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)**

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

**Mortality Rates**

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis 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.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 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%	0.39%
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%
	<u>100.00%</u>	

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 9. PENSION PLANS (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE  
STATEMENTS PER - GASB NO. 68, (continued)**

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 3.22% and 4.13% as of June 30, 2016 and 2015, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% and 3.80% as of June 30, 2016 and 2015, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuary determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2029. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

**NOTE 10. POST-RETIREMENT BENEFITS**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 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 in accordance with P.L. 1994 Chapter 62. Funding of post-retirement medical premiums changed from a prefunding 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 Chapter 126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.



**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 10. POST-RETIREMENT BENEFITS (continued)**

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/2016divisioncombined.pdf>

**NOTE 11. DEFERRED COMPENSATION**

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

Lincoln Life  
Syracusa  
Valic

**NOTE 12. RISK MANAGEMENT**

The District is exposed to various risks of loss related to general liability; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur.

**Property and Liability Insurance** - The Bloomingdale School District is currently a member of the Pooled Insurance Program of N.J. (the "Pool"). The Pool provides their members with Liability, Property and Worker's Compensation and Employer Liability Insurance. The Pool is a risk-sharing public entity risk pool that is both an insured and self administered group of school districts, established for the purpose of providing low-cost insurance coverage for their respective members in order to keep insurance costs at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Pool are elected.

As a member of the Pool, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would become responsible for their respective shares of the Pool's liabilities. However, this Pool has fully reinsured the exposures above all limits subscribed by its members.

**Borough of Bloomingdale  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2017**

**NOTE 12. RISK MANAGEMENT (continued)**

The Pool can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

Financial statements for the Pool are available at the office of the Pool’s administrator, Burton/Kanwisher Agency, 44 Bergen Street, Westwood, NJ 07675.

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

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

<u>Fiscal year</u>	<u>Interest Earning/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016-2017	\$13,083.79	\$12,922.20	\$16,770.04	\$72,512.01
2015-2016	69,871.23	12,620.03	73,534.29	63,276.06
2014-2015	51,883.00	14,167.37	55,984.12	54,319.10

**NOTE 13. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Borough of Bloomingdale Board of Education by inclusion of \$100.00 on October 2, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). 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 (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 13. CAPITAL RESERVE ACCOUNT (continued)**

The activity of the capital reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning balance, July 1, 2016	\$351,090.14
Interest earnings	616.39
Withdrawals:	
Budgeted Withdrawal	<u>(258,557.00)</u>
Ending balance, June 30, 2017	<u>\$ 93,149.53</u>

The balance in the capital reserve account at June 30, 2017 does not exceed the balance of local support costs of uncompleted capital projects in its LRFP. Withdrawals from the capital reserve, where applicable, are for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan.

**NOTE 14. TUITION RESERVE ACCOUNT**

The tuition reserve account represents a year end fund balance classification to reserve unrestricted fund balance for a foreseeable future tuition adjustment pursuant to N.J.A.C. 6A:23A-17.1(f). The tuition reserve enables the District to reserve fund balance for an anticipated large tuition adjustment. The activity of the tuition reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning balance, July 1, 2016	\$1,460,086.84
Interest earnings	1,426.92
Withdrawals:	
Budgeted Withdrawal	<u>( 709,152.79)</u>
Ending balance, June 30, 2017	<u>\$ 752,360.97</u>

**NOTE 15. FUND BALANCE APPROPRIATED**

General Fund (Exhibit B-1) - Of the \$3,998,179.35 General Fund fund balance at June 30, 2017, \$68,021.02 is reserved for encumbrances; \$752,360.97 has been legally reserved for tuition adjustment in accordance with N.J.A.C. 6A:23A-3.1(f)(8); \$1,304,662.29 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F7 (\$795,289.26 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2018); \$93,149.53 has been reserved in the Capital Reserve Account; \$1,024,691.74 has been appropriated and included as anticipated revenue for the year ending June 30, 2018; and \$755,293.80 is unreserved and undesignated.

**Borough of Bloomingdale**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2017**

**NOTE 16. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2017 is \$509,373.03.

**NOTE 17. INVENTORY**

Inventory in the Food Service Fund at June 30, 2017 consisted of the following:

Food	\$1,651.46
Supplies	<u>997.55</u>
	<u>\$2,649.01</u>

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

**NOTE 18. CONTINGENT LIABILITIES**

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

Litigation - The District's Counsel advises us that they are unaware of any material pending or threatened litigation, claims or assessments.

**NOTE 19. SUBSEQUENT EVENT**

The Board has evaluated subsequent events through October 10, 2017, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**REQUIRED SUPPLEMENTARY STATEMENTS  
PART II**

**BUDGETARY COMPARISON SCHEDULE**

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
<b>Local Sources:</b>					
Local Tax Levy	16,278,291.00		16,278,291.00	16,278,291.00	-
Tuition In District - Resident	-		-	3,200.00	3,200.00
Tuition From Other LEA'S Within the State	-		-	13,002.08	13,002.08
Transportation Fees From Individuals	1,000.00		1,000.00	2,535.36	1,535.36
Transportation Fees - Other LEA's	-		-	1,400.00	1,400.00
Interest Earned on Investment	-		-	8,570.94	8,570.94
Interest Earned on Capital Reserve Account	150.00		150.00	616.39	466.39
Interest Earned on Tuition Reserve Account	-		-	1,426.92	1,426.92
Interest Earned on Flexible Savings Account	-		-	0.20	0.20
Rentals	-		-	6,000.00	6,000.00
Unrestricted Miscellaneous Revenues	8,000.00		8,000.00	122,127.46	114,127.46
<b>Total - Local Sources</b>	<b>16,287,441.00</b>	<b>-</b>	<b>16,287,441.00</b>	<b>16,437,170.35</b>	<b>149,729.35</b>
<b>State Sources:</b>					
Categorical Special Education Aid	557,300.00		557,300.00	557,300.00	-
Equalization Aid	1,258,651.00		1,258,651.00	1,258,651.00	-
Categorical Security Aid	16,458.00		16,458.00	16,458.00	-
Categorical Transportation Aid	68,641.00		68,641.00	68,641.00	-
Additional Adjustment Aid	56,460.00		56,460.00	56,460.00	-
PARCC Readiness Aid	8,670.00		8,670.00	8,670.00	-
Per Pupil Growth Aid	8,670.00		8,670.00	8,670.00	-
Professional Learning Community Aid	8,610.00		8,610.00	8,610.00	-
Extraordinary Aid	-		-	535,498.00	535,498.00
Non-Public Transportation Aid	-		-	19,314.00	19,314.00
On-behalf TPAF Pension (non-budgeted)	-		-	472,348.00	472,348.00
On-behalf LTDI Contribution (non-budgeted)	-		-	794.00	794.00
On-behalf TPAF NCGI Premium (non-budgeted)	-		-	17,114.00	17,114.00
On-behalf TPAF Post Retirement Medical (non-budgeted)	-		-	407,834.00	407,834.00
TPAF Social Security (Reimbursed - Non-Budgeted)	-		-	314,100.00	314,100.00
<b>Total State Sources</b>	<b>1,983,460.00</b>	<b>-</b>	<b>1,983,460.00</b>	<b>3,750,462.00</b>	<b>1,767,002.00</b>
<b>Federal Sources:</b>					
Medicaid Assistance Program - SEMI	17,567.00	-	17,567.00	24,182.97	6,615.97
ARRA - Medicaid Assistance Program - SEMI	-		-	2,196.42	2,196.42
<b>Total Federal Sources</b>	<b>17,567.00</b>	<b>-</b>	<b>17,567.00</b>	<b>26,379.39</b>	<b>8,812.39</b>
<b>Total Revenues</b>	<b>18,288,468.00</b>	<b>-</b>	<b>18,288,468.00</b>	<b>20,214,011.74</b>	<b>1,925,543.74</b>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	278,854.00	(32,588.00)	246,266.00	244,366.43	1,899.57
Grades 1-5 - Salaries of Teachers	1,332,839.00	(37,453.97)	1,295,385.03	1,281,868.34	13,516.69
Grades 6-8 - Salaries of Teachers	1,002,934.00	39,565.76	1,042,499.76	1,042,499.76	-
<b>Regular Programs - Undistributed Instruction:</b>					
Other Salaries for Instruction	262,509.00	(12,463.88)	250,045.12	222,220.05	27,825.07
Purchased Professional-Educational Services	4,650.00	-	4,650.00	2,724.00	1,926.00
Purchased Technical Services	1,952.00	-	1,952.00	1,451.50	500.50
Other Purchased Services (400-500 series)	25,252.00	-	25,252.00	21,471.17	3,780.83
General Supplies	128,500.10	(5,463.22)	123,036.88	122,876.88	160.00
Textbooks	14,678.00	158.62	14,836.62	14,836.51	0.11
Other Objects	260.00	1,885.00	2,145.00	2,145.00	-
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>3,052,428.10</b>	<b>(46,359.69)</b>	<b>3,006,068.41</b>	<b>2,956,459.64</b>	<b>49,608.77</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Multiple Disabilities:</b>					
Salaries of Teachers	76,507.00	17,447.96	93,954.96	93,954.96	-
Other Salaries for Instruction	93,210.00	(1,159.96)	92,050.04	78,649.18	13,400.86
General Supplies	1,589.00	-	1,589.00	719.30	869.70
<b>Total Multiple Disabilities</b>	<b>171,306.00</b>	<b>16,288.00</b>	<b>187,594.00</b>	<b>173,323.44</b>	<b>14,270.56</b>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	560,943.00	5,898.38	566,841.38	531,618.15	35,223.23
General Supplies	12,182.00	1,301.61	13,483.61	13,300.27	183.34
<b>Total Resource Room/Resource Center</b>	<b>573,125.00</b>	<b>7,199.99</b>	<b>580,324.99</b>	<b>544,918.42</b>	<b>35,406.57</b>
<b>Preschool Disabilities - Full Time:</b>					
Salaries of Teachers	81,478.00	-	81,478.00	76,181.35	5,296.65
Other Salaries for Instruction	36,440.00	26,156.75	62,596.75	62,596.75	-
General Supplies	2,070.00	(123.02)	1,946.98	1,946.98	-
<b>Total Preschool Disabilities - Full Time</b>	<b>119,988.00</b>	<b>26,033.73</b>	<b>146,021.73</b>	<b>140,725.08</b>	<b>5,296.65</b>

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Home Instruction:					
Salaries of Teachers	10,000.00	9,162.50	19,162.50	19,162.50	-
Purchased Professional -Educational Services	35,000.00	(12,868.47)	22,131.53	22,131.53	-
General Supplies	250.00	250.00	500.00		500.00
Total Home Instruction	45,250.00	(3,455.97)	41,794.03	41,294.03	500.00
TOTAL SPECIAL EDUCATION - INSTRUCTION	909,669.00	46,065.75	955,734.75	900,260.97	55,473.78
Basic Skills/Remedial - Instruction					
Salaries of Teachers	33,481.00	28,061.00	61,542.00	60,776.08	765.92
General Supplies	413.00	-	413.00	357.06	55.94
Total Basic Skills/Remedial - Instruction	33,894.00	28,061.00	61,955.00	61,133.14	821.86
Bilingual Education - Instruction					
Salaries of Teachers	32,707.00	-	32,707.00	31,840.80	866.20
General Supplies	445.00	293.94	738.94	715.27	23.67
Total Bilingual Education - Instruction	33,152.00	293.94	33,445.94	32,556.07	889.87
School-Spon. Co/Extra Curr. Actvts. - Instruction					
Salaries	30,251.00	7,253.00	37,504.00	37,504.00	-
Purchased Services (300-500 Series)	500.00	-	500.00		500.00
Supplies and Materials	500.00	-	500.00		500.00
Total School-Spon. Co/Extra Curr. Actvts. - Instruction	31,251.00	7,253.00	38,504.00	37,504.00	1,000.00
School - Sponsored Athletics - Instruction					
Salaries	18,106.00	-	18,106.00	18,106.00	-
Other Objects	635.00	-	635.00	575.00	60.00
Total School-Sponsored Athletics - Instruction	18,741.00	-	18,741.00	18,681.00	60.00
Total Instruction	4,079,135.10	35,314.00	4,114,449.10	4,006,594.82	107,854.28
Undistributed Expenditures - Instruction:					
Tuition to Other LEAS Within the State - Regular	4,448,361.00	14,755.50	4,463,116.50	4,463,116.50	-
Tuition to Other LEAS Within the State - Special	1,280,762.00	(43,242.64)	1,237,519.36	1,237,519.36	-
Tuition to County Voc. School Dist.- Regular	551,142.00	(62,011.00)	489,131.00	489,131.00	-
Tuition to County Voc. School Dist.- Special	23,000.00	(16,000.00)	7,000.00	7,000.00	-
Tuition to CSSD & Reg. Day Schools	84,488.00	6,848.00	91,336.00	91,336.00	-
Tuition to Priv.Sch. For the Disabled W/ State	1,541,671.00	(174,818.96)	1,366,852.04	1,346,223.00	20,629.04
Tuition - State Facilities	4,500.00	-	4,500.00	4,500.00	-
Total Undistributed Expenditures - Instruction:	7,933,924.00	(274,469.10)	7,659,454.90	7,638,825.86	20,629.04
Undist. Expend.-Attendance and Social Work					
Salaries	93,264.00	16,131.45	109,395.45	78,764.08	30,631.37
Purchased Professional and Technical Services	8,660.00	6,371.65	15,031.65	8,660.00	6,371.65
Total Undist. Expend.-Attendance and Social Work	101,924.00	22,503.10	124,427.10	87,424.08	37,003.02
Undist. Expenditures- Health Services					
Salaries	180,967.00	15,030.45	195,997.45	195,997.45	-
Purchased Professional and Technical Services	151,775.00	135,124.62	286,899.62	286,899.62	-
Supplies and Materials	7,205.00	(300.20)	6,904.80	6,904.80	-
Other Objects	1,000.00	(217.00)	783.00	359.00	424.00
Total Undist. Expenditures- Health Services	340,947.00	149,637.87	490,584.87	490,160.87	424.00
Undist. Expend.-Speech, OT, PT and Related SVCS					
Salaries	230,015.00	-	230,015.00	223,730.54	6,284.46
Purchased Professional - Educational Services	77,300.00	-	77,300.00	69,229.18	8,070.82
Supplies and Materials	3,483.00	(159.48)	3,323.52	3,050.48	273.04
Total Undist. Expend.-Speech, OT, PT and Related SVCS	310,798.00	(159.48)	310,638.52	296,010.20	14,628.32
Undist Expend-Oth Supp Serv Std-Extra Serv					
Salaries	30,083.00	-	30,083.00	28,455.60	1,627.40
Purchased Professional- Educational Services	424,000.00	60,333.01	484,333.01	484,333.01	-
Supplies and Materials	-	2,416.93	2,416.93	2,416.93	-
Total Undist Expend-Oth Supp Serv Std-Extra Serv	454,083.00	62,749.94	516,832.94	515,205.54	1,627.40
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	66,780.00	3,755.90	70,535.90	70,535.90	-
Purchased Professional-Educational Services	3,500.00	460.13	3,960.13	2,761.84	1,198.29
Supplies and Materials	204.00	(186.00)	18.00	18.00	-
Other Objects	130.00	-	130.00	130.00	-
Total Undist. Expenditures - Guidance	70,614.00	4,030.03	74,644.03	73,445.74	1,198.29



BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expenditures- Child Study Teams					
Salaries of Other Professional Staff	397,465.00	2,182.19	399,647.19	399,647.19	-
Salaries of Secretarial and Clerical Assistants	20,192.00	15,257.67	35,449.67	35,449.67	-
Purchased Professional - Educational Services	3,000.00	-	3,000.00	1,040.00	1,960.00
Other Purchased Prof. And Tech. Services	3,250.00	-	3,250.00	3,250.00	-
Misc Pur Serv(400-500 series O/than Resid Costs)	2,000.00	-	2,000.00	931.52	1,068.48
Supplies and Materials	6,675.00	-	6,675.00	5,693.25	981.75
Other Objects	1,100.00	-	1,100.00	377.00	723.00
Total Undist. Expenditures - Child Study Teams	433,682.00	17,439.86	451,121.86	446,388.63	4,733.23
Undist. Expend.-Improv. Of Inst. Serv					
Sal of Other Professional Staff	107,014.00	(8,061.00)	98,953.00	88,000.00	10,953.00
Purchased Prof-Educational Services	91,685.00	(3,755.90)	87,929.10	66,340.35	21,588.75
Other Purch Services (400-500)	8,767.00	-	8,767.00	8,054.00	713.00
Supplies and Materials	13,143.00	(288.00)	12,855.00	10,972.48	1,882.52
Other Objects	1,200.00	288.00	1,488.00	1,089.00	399.00
Total Undist. Expend.-Improv. Of Inst. Serv	221,809.00	(11,816.90)	209,992.10	174,455.83	35,536.27
Undist. Expend.-Edu. Media Serv./Library					
Salaries	232,789.00	(4,409.57)	228,379.43	223,862.28	4,517.15
Purchased Profession and Technical Services	2,000.00	(2,000.00)	-	-	-
Other Purchased Services (400-500 Series)	97,534.00	(17,165.07)	80,368.93	80,098.54	270.39
Supplies and Materials	47,699.00	43,121.76	90,820.76	88,361.14	2,459.62
Total Undist. Expend.-Edu. Media Serv./Library	380,022.00	19,547.12	399,569.12	392,321.96	7,247.16
Undist. Expend.-Instr. Staff Training Serv.					
Other Purchased Services (400-500 series)	17,500.00	-	17,500.00	8,692.16	8,807.84
Total Undist. Expend.-Instr. Staff Training Serv.	17,500.00	-	17,500.00	8,692.16	8,807.84
Undist. Expend.-Support Serv.-Gen. Admin					
Salaries	137,988.00	6,000.00	143,988.00	127,876.01	16,111.99
Legal Services	35,000.00	-	35,000.00	28,704.00	6,296.00
Audit Fees	54,000.00	3,232.50	57,232.50	28,232.50	29,000.00
Architectural/Engineering Services	35,500.00	(4,727.80)	30,772.20	-	30,772.20
Other Purchased Professional Services	3,900.00	904.68	4,804.68	2,554.68	2,250.00
Communications/Telephone	57,027.00	-	57,027.00	44,938.60	12,088.40
BOE Other Purchased Services	2,000.00	-	2,000.00	13.27	1,986.73
Miscellaneous Purchased Services	15,303.00	-	15,303.00	10,317.84	4,985.16
General Supplies	8,000.00	-	8,000.00	1,060.75	6,939.25
BOE In-House Training/Meeting Supplies	1,000.00	-	1,000.00	-	1,000.00
Judgments Against The School District	40,000.00	(16,000.00)	24,000.00	-	24,000.00
Miscellaneous Expenditures	2,000.00	-	2,000.00	62.00	1,938.00
BOE Membership Dues and Fees	10,000.00	-	10,000.00	8,701.45	1,298.55
Total Undist. Expend.-Support Serv.-Gen. Admin.	401,718.00	(10,590.62)	391,127.38	252,461.10	138,666.28
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principal/Asst. Principals/Prog Dir	153,369.00	6,113.54	159,482.54	159,482.54	-
Salaries of Secretarial and Clerical Assistants	87,418.00	(1,255.89)	86,162.11	86,067.06	95.05
Purchased Professional and Technical Services	3,900.00	-	3,900.00	3,700.00	200.00
Other Purchased Services (400-500 series)	4,520.00	-	4,520.00	2,033.99	2,486.01
Supplies and Materials	11,051.00	(4,857.65)	6,193.35	4,491.56	1,701.79
Other Objects	3,400.00	-	3,400.00	2,247.98	1,152.02
Total Undist. Expend. - Support Serv. - School Admin.	263,658.00	0.00	263,658.00	258,023.13	5,634.87
Undist. Expend. - Central Services					
Salaries	288,693.00	(28,759.41)	259,933.59	251,040.83	8,892.76
Purchased Professional Service	-	250.00	250.00	250.00	-
Misc. Purchased Services (400-500)[O/T 594]	1,500.00	460.00	1,960.00	1,254.89	705.11
Supplies and Materials	4,500.00	5,513.27	10,013.27	9,426.23	587.04
Miscellaneous Expenditures	1,750.00	(567.38)	1,182.62	1,165.00	17.62
Total Undist. Expend. - Central Services	296,443.00	(23,103.52)	273,339.48	263,136.95	10,202.53
Undist. Expend. -Admin. Info Technology					
Purchased Technical Services	20,000.00	(700.00)	19,300.00	13,736.50	5,563.50
Supplies & Materials	1,300.00	700.00	2,000.00	1,435.81	564.19
Total Undist. Expend. -Admin. Info Technology	21,300.00	-	21,300.00	15,172.31	6,127.69
Undist. Expend.-Required Maint for Sch Fac					
Salaries	51,186.00	(29,782.12)	21,403.88	14,587.09	6,816.79
Cleaning, Repair, and Maintenance Services	100,000.00	-	100,000.00	19,277.20	80,722.80
General Supplies	16,000.00	99.57	16,099.57	15,202.53	897.04
Total Undist. Expend.-Required Main for Sch Fac	167,186.00	(29,682.55)	137,503.45	49,066.82	88,436.63

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services					
Salaries	9,008.00	32,076.60	41,084.60	41,084.60	-
Salaries of Non-Instructional Aides	32,215.00	476.07	32,691.07	18,786.56	13,904.51
Purchased Professional and Technical Services	8,000.00	-	8,000.00	2,100.00	5,900.00
Cleaning, Repair, and Maintenance Services	500,000.00	(47,167.88)	452,832.12	452,832.12	-
Other Purchased Property Services	11,000.00	1,833.09	12,833.09	12,107.15	725.94
Insurance	82,721.00	-	82,721.00	81,239.00	1,482.00
Miscellaneous Purchased Services	24,000.00	19,283.57	43,283.57	41,367.39	1,916.18
General Supplies	19,500.00	(1,012.78)	18,487.22	9,068.30	9,418.92
Energy (Natural Gas)	105,000.00	(15,173.01)	89,826.99	55,209.60	34,617.39
Energy (Electricity)	145,000.00	(936.14)	144,063.86	103,748.37	40,315.49
Energy (Gasoline)	2,500.00	-	2,500.00	-	2,500.00
Total Undist. Expend. - Custodial Services	938,944.00	(10,620.48)	928,323.52	817,543.09	110,780.43
Undist Expend.-Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	35,000.00	438.14	35,438.14	27,308.14	8,130.00
General Supplies	4,500.00	(1,800.83)	2,699.17	2,699.17	-
Other Objects	2,200.00	4,402.00	6,602.00	6,602.00	-
Total Undist Expend.-Care and Upkeep of Grounds	41,700.00	3,039.31	44,739.31	36,609.31	8,130.00
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	1,147,830.00	(37,263.72)	1,110,566.28	903,219.22	207,347.06
Undist. Expend. - Student Transportation Serv.					
Salaries of Non-Instructional Aides	-	11,425.60	11,425.60	9,676.92	1,748.68
Sal. For Pupil Trans(Bet Home & Sch)-Reg	8,007.00	(8,007.00)	-	-	-
Sal For Pupil Trans(Bet Home & Sch)-Sp Ed	8,007.00	(6,169.40)	1,837.60	1,837.60	-
Management Fee - ESC & CTSA Trans. Program	19,179.00	10,450.07	29,629.07	29,629.07	-
Cleaning, Repair, & Maint. Services	-	150.00	150.00	28.00	122.00
Contract. Serv. -Aid in Lieu Pymts-NonPub Sch	105,196.00	(7,131.32)	98,064.68	98,064.68	-
Contract. Serv. -Aid in Lieu Pymts-Charter Sch	2,652.00	884.00	3,536.00	3,536.00	-
Contract. Serv. -Aid in Lieu Pymts-Choice Sch	5,304.00	663.00	5,967.00	5,967.00	-
Contr Serv (Bet. Home and Sch)-Vendors	221,536.00	121,184.04	342,720.04	342,720.04	-
Contr Serv(Oth. Than Bet Home & Sch)-Vend	29,750.00	(15,060.80)	14,689.20	13,232.28	1,456.92
Contract. Serv. (Sp Ed Stds)-Vendors	147,235.00	186,805.66	334,040.66	334,040.66	-
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSA	631,725.00	(101,164.05)	530,560.95	530,560.95	-
Supplies and Materials	-	2,650.00	2,650.00	2,551.30	98.70
Other Objects	-	200.00	200.00	200.00	-
Total Undist. Expend. - Student Transportation Serv.	1,178,591.00	196,879.80	1,375,470.80	1,372,044.50	3,426.30
UNALLOCATED BENEFITS					
Group Insurance	300.00	-	300.00	216.00	84.00
Social Security Contributions	145,000.00	-	145,000.00	115,724.73	29,275.27
Other Retirement Contributions - PERS	165,000.00	(10,000.00)	155,000.00	121,577.00	33,423.00
Other Retirement Contributions - Regular	-	10,000.00	10,000.00	8,508.98	1,491.02
Unemployment Compensation	105,000.00	-	105,000.00	12,952.71	92,047.29
Workmen's Compensation	62,000.00	-	62,000.00	47,883.00	14,117.00
Health Benefits	1,937,991.00	(253,230.15)	1,684,760.85	1,234,379.16	450,381.69
Tuition Reimbursement	38,400.00	-	38,400.00	26,593.84	11,806.16
Other Employee Benefits	86,970.00	-	86,970.00	73,406.33	13,563.67
TOTAL UNALLOCATED BENEFITS	2,540,661.00	(253,230.15)	2,287,430.85	1,641,241.75	646,189.10
On-behalf TPAF Pension (non-budgeted)	-	-	-	472,348.00	(472,348.00)
On-behalf LTDI Contribution (non-budgeted)	-	-	-	794.00	(794.00)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	17,114.00	(17,114.00)
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	407,834.00	(407,834.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	314,100.00	(314,100.00)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	1,212,190.00	(1,212,190.00)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	2,540,661.00	(253,230.15)	2,287,430.85	2,853,431.75	(566,000.90)
TOTAL UNDISTRIBUTED EXPENDITURES	16,115,504.00	(137,845.77)	15,977,658.23	16,040,419.83	(62,761.60)
TOTAL GENERAL CURRENT EXPENSE	20,194,639.10	(102,531.77)	20,092,107.33	20,047,014.65	45,092.68
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 6-8	9,568.00	-	9,568.00	9,568.00	-
Multiple Disabilities	-	6,232.10	6,232.10	6,232.10	-
Undistributed Expenditures:					
Computer Lab/Libr. Equipment	-	3,455.77	3,455.77	3,455.77	-
Required Maint. For School Facilities	6,500.00	(6,232.10)	267.90	-	267.90
Total Equipment	16,068.00	3,455.77	19,523.77	19,255.87	267.90

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services					
Legal Services	4,000.00	-	4,000.00		4,000.00
Purchased Professional Services	22,500.00	85,300.00	107,800.00	105,500.00	2,300.00
Construction Services	284,187.00	-	284,187.00	216,184.28	68,002.72
Assessment for Debt Service on SDA Funding	1,267.00	-	1,267.00	1,267.00	-
Total Facilities Acquisition and Construction Services	<u>311,954.00</u>	<u>85,300.00</u>	<u>397,254.00</u>	<u>322,951.28</u>	<u>74,302.72</u>
TOTAL CAPITAL OUTLAY	<u>328,022.00</u>	<u>88,755.77</u>	<u>416,777.77</u>	<u>342,207.15</u>	<u>74,570.62</u>
Transfer to Charter Schools	<u>55,832.00</u>	<u>13,776.00</u>	<u>69,608.00</u>	<u>69,608.00</u>	<u>-</u>
TOTAL EXPENDITURES	<u>20,578,493.10</u>	<u>0.00</u>	<u>20,578,493.10</u>	<u>20,458,829.80</u>	<u>119,663.30</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,290,025.10)	(0.00)	(2,290,025.10)	(244,818.06)	2,045,207.04
Fund Balance, July 1	<u>4,427,448.41</u>		<u>4,427,448.41</u>	<u>4,427,448.41</u>	<u>-</u>
Fund Balance, June 30	<u>2,137,423.31</u>	<u>(0.00)</u>	<u>2,137,423.31</u>	<u>4,182,630.35</u>	<u>2,045,207.04</u>
<b>Recapitulation of excess (deficiency) of revenues under expenditures:</b>					
Adjustment for Prior Year Encumbrances	(79,592.10)		(79,592.10)	(79,592.10)	-
Withdrawal from Capital Reserve for Local Share	(258,557.00)		(258,557.00)	(258,557.00)	-
Withdrawal from Tuition Reserve for Tuition Adjustment	(709,154.00)		(709,154.00)	(709,152.79)	1.21
Increase in Capital Reserve:					
Interest	150.00		150.00	616.39	466.39
Increase in Tuition Reserve:					
Interest				1,426.92	1,426.92
Budgeted Fund Balance	(1,242,872.00)		(1,242,872.00)	291,067.49	1,533,939.49
	<u>(2,290,025.10)</u>	<u>-</u>	<u>(2,290,025.10)</u>	<u>(754,191.09)</u>	<u>1,535,834.01</u>
<b>Recapitulation:</b>					
Assigned Fund Balance:					
Year-End Encumbrances				68,021.02	
Designated for Subsequent Year's Expenditures				1,024,691.74	
Restricted Fund Balance:					
Excess Surplus				509,373.03	
Excess Surplus - Designated for Subsequent Year's Expenditures				795,289.26	
Capital Reserve Account				93,149.53	
Tuition Reserve Account				752,360.97	
Unassigned Fund Balance				<u>939,744.80</u>	
				<u>4,182,630.35</u>	
Reconciliation to Government Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				<u>(184,451.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>3,998,179.35</u>	

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	289,000.00	50,517.00	339,517.00	339,517.00	-
Total Revenues	289,000.00	50,517.00	339,517.00	339,517.00	-
EXPENDITURES:					
Instruction					
Personal Services - Salaries	109,000.00	(1,923.00)	107,077.00	107,077.00	-
Other Purchased Services	163,000.00	28,948.00	191,948.00	191,948.00	-
Instruction Supplies		3,129.00	3,129.00	3,129.00	-
Total Instruction	272,000.00	30,154.00	302,154.00	302,154.00	-
Support Services					
Personal Services - Employee Benefits		22,088.00	22,088.00	22,088.00	-
Purchased Professional and Technical Services	17,000.00	(1,725.00)	15,275.00	15,275.00	-
Total Support Services	17,000.00	20,363.00	37,363.00	37,363.00	-
Total Expenditures	289,000.00	50,517.00	339,517.00	339,517.00	-
Total Outflows	289,000.00	50,517.00	339,517.00	339,517.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 BUDGET - TO - GAAP RECONCILIATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Note A - Explanation of difference between budgetary inflows and outflows and GAAP revenues and expenditures.**

		<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]&[C-2]	20,214,011.74	339,517.00
Difference - budget to GAAP:			
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(184,451.00)	
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		187,820.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - government funds.	[B-2]	<u><u>20,217,380.74</u></u>	<u><u>339,517.00</u></u>
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	20,458,829.80	339,517.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - government funds.	[B-2]	<u><u>20,458,829.80</u></u>	<u><u>339,517.00</u></u>

**REQUIRED SUPPLEMENTARY STATEMENTS  
PART III**

**BOROUGH OF BLOOMINGDALE BOARD SCHOOL DISTRICT**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Proportionate Share of Net Pension Liability - PERS**  
**Last 10 Fiscal Years\***

<u>Fiscal Year Ending June30,</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Covered Payrol -PERS Employee's</u>	<u>District's Proportion Share of the Net Pension Liability (Asset) as a perecentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2015	0.0159089392%	\$ 2,978,589	\$ 878,868	338.91%	52.08%
2016	0.0141195195%	3,169,549	711,781	445.30%	47.93%
2017	0.0135587502%	4,015,713	717,495.00	559.69%	59.86%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.



**BOROUGH OF BLOOMINGDALE BOARD SCHOOL DISTRICT**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Contributions - PERS**  
*Last 10 Fiscal Years\**

<u>Fiscal Year Ending June30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>District's PERS Covered- Employee Payroll</u>	<u>Contributions as a Percentage of PERS Covered- Employee Payroll</u>
2015	\$ 131,151	\$ 131,151	\$ -	\$878,868	14.92%
2016	121,390	121,390	-	711,781	17.05%
2017	120,454	120,454	-	717,495	16.79%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**BOROUGH OF BLOOMINGDALE BOARD SCHOOL DISTRICT**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Proportionate Share of Net Pension Liability - TPAF**  
*Last 10 Fiscal Years\**

<u>Fiscal Year Ending June30,</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)</u>	<u>District's Covered Payrol -TPAF Employee's</u>	<u>District's Proportion Share of the Net Pension Liability (Asset) as a perecntage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2015	0.0443114466%	\$ -	\$ 23,683,026	\$ 4,547,541	0.00%	33.64%
2016	0.0434916910%	\$ -	27,488,606	4,298,163	0.00%	28.71%
2017	0.0459881957%	\$ -	36,343,968	4,510,638	0.00%	22.33%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
PART III**

**BOROUGH OF BLOOMINGDALE BOARD SCHOOL DISTRICT  
Note to Required Schedules of Supplementary Information - Part III  
For the fiscal year ended June 30, 2017**

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.80%) to the current measurement date (2.85%), resulting in a change in the discount rate from 4.90% to 3.98%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.80%) to the current measurement date (3.22%), resulting in a change in the discount rate from 4.13% to 3.22%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

**OTHER SUPPLEMENTARY INFORMATION**

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Brought Forward (Ex. E-1a)	Title I Part - A Improving Basic Program	Title II Part - A Teacher / Principal Training & Recruiting	Total
<b>REVENUES:</b>				
Federal sources	198,927.00	129,165.00	11,425.00	339,517.00
<b>Total Revenues</b>	<b>198,927.00</b>	<b>129,165.00</b>	<b>11,425.00</b>	<b>339,517.00</b>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Salaries	-	107,077.00		107,077.00
Other Purchased Services	191,948.00			191,948.00
Supplies and Materials	3,129.00			3,129.00
<b>Total instruction</b>	<b>195,077.00</b>	<b>107,077.00</b>	<b>-</b>	<b>302,154.00</b>
<b>Support Services:</b>				
Employee benefits	-	22,088.00		22,088.00
Purchased prof. & tech. services	3,850.00		11,425.00	15,275.00
<b>Total support services</b>	<b>3,850.00</b>	<b>22,088.00</b>	<b>11,425.00</b>	<b>37,363.00</b>
<b>Total Expenditures</b>	<b>198,927.00</b>	<b>129,165.00</b>	<b>11,425.00</b>	<b>339,517.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>I.D.E.A. Part B</b>	<b>Total Carried Forward</b>
	<b>Basic</b>	<b>Preschool</b>
<b>REVENUES:</b>		
Federal sources	191,948.00	6,979.00
	191,948.00	198,927.00
<b>Total Revenues</b>	191,948.00	198,927.00
<b>EXPENDITURES:</b>		
<b>Instruction:</b>		
Salaries	-	-
Instruction Purchase Services	191,948.00	191,948.00
Other Purchased Services	-	-
Supplies and Materials	3,129.00	3,129.00
	191,948.00	195,077.00
<b>Total instruction</b>	191,948.00	195,077.00
<b>Support Services:</b>		
Employee benefits	-	-
Purchased prof. & tech. services	3,850.00	3,850.00
	-	3,850.00
<b>Total support services</b>	-	3,850.00
<b>Total Expenditures</b>	191,948.00	198,927.00
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	-	-

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2017**

**Expenditures and Other Financing Sources:**

Construction services	<u>122,314.00</u>
<b>Excess (Deficiency) of revenues over (under) expenditures</b>	(122,314.00)
Fund Balance - Beginning	<u>309,154.21</u>
Fund Balance - Ending	<u><u>186,840.21</u></u>



**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
 AND PROJECT STATUS - BUDGETARY BASIS  
 WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - BOILER REPLACEMENT  
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>			
State sources - ROD Grant		480,953.00	480,953.00
Bond proceeds and transfers		694,585.00	694,585.00
Total Revenues	-	1,175,538.00	1,175,538.00
<b>Expenditures and Other Financing Uses:</b>			
Purchased professional and technical services		86,500.00	86,500.00
Construction services	8,779.00	943,340.50	1,089,038.00
Total Expenditures	8,779.00	1,029,840.50	1,175,538.00
Excess (Deficiency) of revenues over (under) expenses	(8,779.00)	145,697.50	-

**Additional Project Information:**

Project Number	31-0420-050-13-11005-G04 & 31-0420-020-13-7004-G04
Grant Date/Letter of Notification	1/6/2014
Bonds Authorized	\$694,585
Bonds Issued	\$694,585
Original Project Authorized Cost	\$33,800
Percentage Completion	87.61%

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
 AND PROJECT STATUS - BUDGETARY BASIS  
 WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - LIGHTING FOR SECURITY  
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>			
State sources - ROD Grant	-	8,799.00	8,799.00
Bond proceeds and transfers	-	13,199.00	13,199.00
Total Revenues	<u>-</u>	<u>21,998.00</u>	<u>21,998.00</u>
<b>Expenditures and Other Financing Uses:</b>			
Purchased professional and technical services	-	1,325.00	1,325.00
Construction services	-	61.36	20,673.00
Total Expenditures	<u>-</u>	<u>1,386.36</u>	<u>21,998.00</u>
Excess (Deficiency) of revenues over (under) expenses	<u>-</u>	<u>20,611.64</u>	<u>-</u>

**Additional Project Information:**

Project Number	0420-020-13-7002-G-04/0420-050-13-11007-G04
Grant Date/Letter of Notification	1/6/2014
Bonds Authorized	\$13,199
Bonds Issued	\$13,199
Original Project Authorized Cost	\$20,611.64
Revised Authorized Cost	\$20,611.64
Percentage Completion	6.30%

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
 AND PROJECT STATUS - BUDGETARY BASIS  
 MARTHA B. DAY SCHOOLS - BARRIER FREE  
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>			
State sources - ROD Grant		30,431.00	30,431.00
Bond proceeds and transfers		72,321.00	72,321.00
Total Revenues	<u>-</u>	<u>102,752.00</u>	<u>102,752.00</u>
<b>Expenditures and Other Financing Uses:</b>			
Purchased professional and technical services		6,500.00	6,500.00
Construction services	96,035.00	96,247.20	96,252.00
Total Expenditures	<u>96,035.00</u>	<u>102,747.20</u>	<u>102,752.00</u>
Excess (Deficiency) of revenues over (under) expenses	<u>(96,035.00)</u>	<u>4.80</u>	<u>-</u>

**Additional Project Information:**

Project Number	0420-020-13-7003-G04
Grant Date/Letter of Notification	2/21/2014
Bonds Authorized	\$72,321
Bonds Issued	\$72,321
Original Project Authorized Cost	\$69,364.80
Revised Authorized Cost	\$69,364.80
Percentage Completion	99.995%

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
 AND PROJECT STATUS - BUDGETARY BASIS  
 MARTHA B. DAY SCHOOLS - STAIR/MASONRY WORK  
 FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>			
State sources - ROD Grant		16,597.00	16,597.00
Bond proceeds and transfers		24,895.00	24,895.00
Total Revenues	<u>-</u>	<u>41,492.00</u>	<u>41,492.00</u>
<b>Expenditures and Other Financing Uses:</b>			
Purchased professional and technical services		3,350.00	3,350.00
Construction services	17,500.00	17,615.73	38,142.00
Total Expenditures	<u>17,500.00</u>	<u>20,965.73</u>	<u>41,492.00</u>
Excess (Deficiency) of revenues over (under) expenses	<u>(17,500.00)</u>	<u>20,526.27</u>	<u>-</u>

**Additional Project Information:**

Project Number	0420-020-13-7001-G04
Grant Date/Letter of Notification	2/21/2014
Bonds Authorized	\$45,646
Bonds Issued	\$45,646
Original Project Authorized Cost	\$76,077
Revised Authorized Cost	76,077.00
Percentage Completion	50.53%

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

PROJECT DESCRIPTION	APPROVAL DATE	REVISED BUDGETARY APPROPRIATION	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR	UNEXPENDED BALANCE
WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - BOILER REPLACEMENT	01/06/2014	1,175,538.00	1,021,061.50	8,779.00	145,697.50
WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - LIGHTING FOR	01/06/2014	21,998.00	1,386.36		20,611.64
MARTHA B. DAY SCHOOLS - BARRIER FREE	02/21/2014	102,752.00	6,712.20	96,035.00	4.80
MARTHA B. DAY SCHOOLS - STAIR/MASONRY WORK	02/21/2014	41,492.00	3,465.73	17,500.00	20,526.27
		<u>1,341,780.00</u>	<u>1,032,625.79</u>	<u>122,314.00</u>	<u>186,840.21</u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
ENTERPRISE FUND  
FOOD SERVICES  
COMBINING STATEMENT OF NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	11,161.16
Accounts receivable:	
State	183.63
Federal	5,973.90
Interfund Accounts Receivable:	
General Fund	10,557.65
Inventories	<u>2,649.01</u>
Total current assets	<u>30,525.35</u>
FIXED ASSETS:	
Equipment	52,555.00
Less: accumulated depreciation	<u>(45,104.00)</u>
Total fixed assets	<u>7,451.00</u>
TOTAL ASSETS	<u><u>37,976.35</u></u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES:	
Accounts payable:	
Federal	<u>634.48</u>
Total Current Liabilities	<u>634.48</u>
NET POSITION	
Invested in Capital Assets Net of Related Debt	7,451.00
Unrestricted	<u>29,890.87</u>
Total Net Position	<u>37,341.87</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>37,976.35</u></u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
ENTERPRISE FUND  
FOOD SERVICES  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<b>OPERATING REVENUES:</b>	
Charges for services:	
Daily sales - reimbursable programs	67,707.70
Daily Sales - non-reimbursable programs	34,944.50
Special functions	923.21
	<hr/>
Total operating revenues	103,575.41
	<hr/>
<b>OPERATING EXPENSES:</b>	
Salaries	60,744.48
Cost of Sales - reimbursable programs	73,366.98
Cost of Sales - non- reimbursable programs	22,333.63
Payroll Taxes	8,522.74
Worker Compensation/Liability Insurance	5,673.09
Repairs	2,855.00
Management Fees	7,462.00
Depreciation	1,591.00
Rental Equipment	3,573.00
Miscellaneous	7,782.21
	<hr/>
Total operating expenses	193,904.13
	<hr/>
<b>OPERATING INCOME (LOSS)</b>	<b>(90,328.72)</b>
	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES):</b>	
State sources:	
State school lunch program	2,084.25
Federal sources:	
National school lunch program	68,957.26
School breakfast program	914.33
Food distribution programs	12,576.27
Interest revenue	47.71
	<hr/>
Total non-operating revenues (expenses)	84,579.82
	<hr/>
Change in Net Position	(5,748.90)
	<hr/>
Total Net Position - Beginning of Year	43,090.77
	<hr/>
Total Net Position - Ending	37,341.87
	<hr/> <hr/>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
ENTERPRISE FUND  
FOOD SERVICES  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	103,575.41
Payments to employees for services	(60,744.48)
Payments to suppliers for goods and services	<u>(139,572.39)</u>
Net cash provided by (used for) operating activities	<u>(96,741.46)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	2,298.89
Federal Sources	<u>88,353.56</u>
Net cash provided by (used for) non-capital financing activities	<u>90,652.45</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on cash equivalents	<u>47.71</u>
Net cash provided by (used for) by investing activities	<u>47.71</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(6,041.30)
CASH AND CASH EQUIVALENTS, July 1	<u>17,202.46</u>
CASH AND CASH EQUIVALENTS, June 30	<u><u>11,161.16</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating Income (loss)	(90,328.72)
Adjustments to reconcile operating income loss to cash provided (used for) by operating activities:	
Depreciation	1,591.00
(Increase)/decrease in inventory	2,241.28
Increase/(decrease) in accounts payable	<u>(10,245.02)</u>
Total adjustments	<u>(6,412.74)</u>
Net cash provided by (used for) operating activities	<u><u>(96,741.46)</u></u>



BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 FIDUCIARY FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

ASSETS

ASSETS:				
	Cash and cash equivalents	87,782.27	269,488.16	72,512.01
	Total Assets	<u>87,782.27</u>	<u>269,488.16</u>	<u>72,512.01</u>

LIABILITIES AND NET POSITION

LIABILITIES:				
	Payroll Deductions	81,582.21		
	Accrued salaries and wages	139,021.31		
	Flexible spending account	89.11		
	Interfund Payable - General Fund	48,795.53		
	Due to student groups	<u>87,782.27</u>		
	Total liabilities	<u>269,488.16</u>	-	
NET POSITION				
	Held in Trust for Unemployment			<u>72,512.01</u>
	Claims and other Purposes			<u>72,512.01</u>
	Total Net Position			<u>72,512.01</u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
FIDUCIARY FUND  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Unemployment Compensation Insurance Trust</u>
<b>ADDITIONS</b>	
Contributions:	
Plan member	12,922.20
Board unemployment contributions	<u>12,952.71</u>
Total contributions	<u>25,874.91</u>
Investment Earnings:	
Interest	<u>131.08</u>
Net investment earnings	<u>131.08</u>
Total additions	<u>26,005.99</u>
<b>DEDUCTIONS:</b>	
Unemployment compensation claims	<u>16,770.04</u>
Total deductions	<u>16,770.04</u>
Change in Net Position	<u>9,235.95</u>
Net Position - Beginning of year	<u>63,276.06</u>
Net Position - End of year	<u><u>72,512.01</u></u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 STUDENT ACTIVITY AGENCY FUND  
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Balance July 1, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2017</u>
Walter T. Bergen School	46,033.10	114,871.43	109,697.81	51,206.72
Martha B. Day School	11,344.82	17,502.25	18,556.37	10,290.70
Samuel R. Donald School	<u>23,583.99</u>	<u>22,660.15</u>	<u>19,959.29</u>	<u>26,284.85</u>
Total all schools	<u><u>80,961.91</u></u>	<u><u>155,033.83</u></u>	<u><u>148,213.47</u></u>	<u><u>87,782.27</u></u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b>ASSETS:</b>				
Cash	239,728.52	10,348,227.20	10,318,467.56	269,488.16
<b>TOTAL ASSETS</b>	<u>239,728.52</u>	<u>10,348,227.20</u>	<u>10,318,467.56</u>	<u>269,488.16</u>
<b>LIABILITIES:</b>				
Interfunds payable	48,191.06	604.47	-	48,795.53
Accrued salaries and wages	122,098.57	139,178.10	122,255.36	139,021.31
Payroll deductions and withholdings	69,349.78	10,208,444.63	10,196,212.20	81,582.21
Flexible spending account	89.11	-	-	89.11
<b>TOTAL LIABILITIES</b>	<u>239,728.52</u>	<u>10,348,227.20</u>	<u>10,318,467.56</u>	<u>269,488.16</u>

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
 GENERAL LONG TERM DEBT ACCOUNT GROUP  
 STATEMENT OF SERIAL BONDS  
 AS OF JUNE 30, 2017

Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 30, 2016	Retired	Balance June 30, 2017
		Date	Amount				
2014 School Bonds	805,000.00	7/15/2017	77,000.00	2.470%			
		7/15/2018	79,000.00	2.470%			
		7/15/2019	80,000.00	2.470%			
		7/15/2020	82,000.00	2.470%			
		7/15/2021	84,000.00	2.470%			
		7/15/2022	86,000.00	2.470%			
		7/15/2023	89,000.00	2.470%			
		7/15/2024	91,000.00	2.470%			
					743,000.00	75,000.00	668,000.00

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>					
Local sources:					
Local tax levy	92,426.00		92,426.00	92,426.00	-
Total revenues - local sources	92,426.00	-	92,426.00	92,426.00	-
<b>TOTAL REVENUES</b>	92,426.00	-	92,426.00	92,426.00	-
<b>EXPENDITURES</b>					
Regular debt service:					
Interest	17,426.00		17,426.00	17,425.85	0.15
Redemption of principal	75,000.00		75,000.00	75,000.00	-
Total regular debt service	92,426.00	-	92,426.00	92,425.85	0.15
<b>TOTAL EXPENDITURES</b>	92,426.00	-	92,426.00	92,425.85	0.15
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-	0.15	0.15
<b>FUND BALANCES, July 1</b>	4.71	-	4.71	4.71	-
<b>FUND BALANCES, June 30</b>	4.71	-	4.71	4.86	0.15
<b>Recapitulation:</b>					
Unassigned Fund Balance			-	4.86	

**STATISTICAL SECTION**

## OUTLINE OF NJ DOE STATISTICAL TABLES SECTION (GASB 44)

Exhibit #

### **Financial Trends Information/Schedules**

J-1	Net Position by Component
J-2	Changes in Net Position
J-3	Fund Balances-Governmental Funds
J-4	Changes in Fund Balances. Governmental Funds
J-5	General Fund Other Local Revenue by Source

### **Revenue Capacity Information**

J-6	Assessed Value and Estimated Actual Value of Taxable Property
J-7	Direct and Overlapping Property Tax Rates
J-8	Principal Property Taxpayers (Current year and nine years ago)
J-9	Property Tax Levies and Collections

### **Debt Capacity Information**

J-10	Ratios or Outstanding Debt by Type
J-11	Ratios of General Bonded Debt Outstanding
J-12	Direct and Overlapping Governmental Activities Debt
J-13	Legal Debt Margin Information

### **Demographic and Economic Information**

J-14	Demographic and Economic Statistics
J-15	Principal Employers, Current and Nine Years Ago

### **Operating Information**

J-16	Full-time Equivalent District Employees by Function/Program
J-17	Operating Statistics
J-18	School Building Information
J-19	Schedule of Allowable Maintenance Expenditures by School
J-20	Insurance Schedule



BLOOMINGDALE BOARD OF EDUCATION

Net Position\* by Component,  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental activities</b>										
Invested in capital assets	1,212,855	1,171,690	1,330,969	1,330,571	1,424,825	2,226,469	3,132,153	3,302,019	3,398,920	3,608,955
Restricted	667,065	997,406	796,875	1,582,474	1,313,004	1,560,931	1,262,447	2,875,577	3,442,795	3,429,730
Unrestricted	(383,383)	(270,252)	(68,974)	(113,971)	536,709	666,012	1,173,218	(3,372,384)	(2,867,466)	(3,360,060)
Total governmental activities net position	1,496,536	1,898,843	2,058,870	2,799,074	3,274,538	4,453,412	5,567,818	2,805,212	3,974,249	3,678,625
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	49,244	42,710	37,122	31,294	25,731	20,169	14,607	9,585	9,042	7,451
Unrestricted	38,404	38,760	41,793	38,737	28,154	27,851	24,435	22,596	34,049	29,891
Total business-type activities net position	87,648	81,471	78,915	70,031	53,885	48,020	39,042	32,181	43,091	37,342
<b>District-wide</b>										
Invested in capital assets, net of related debt	1,262,099	1,214,400	1,368,092	1,361,864	1,450,556	2,246,638	3,146,760	3,311,603	3,407,962	3,616,406
Restricted	667,065	997,406	796,875	1,582,474	1,910,614	1,560,931	1,262,447	2,875,577	3,442,795.3	3,429,730.0
Unrestricted	(344,979)	(231,492)	(27,181)	(75,234)	(32,748)	693,863	1,197,653	(3,349,787)	(2,836,036)	(3,330,169)
Total district net position	1,584,184	1,980,314	2,137,786	2,869,104	3,328,422	4,501,432	5,606,860	2,837,393	4,014,721	3,715,967

Source: CAFR Schedule A-1

\* GASB Statement No. 63 became effective for the Fiscal Year Ended June 30, 2013 which changed Net Assets to Net Position.

BLOOMINGDALE BOARD OF EDUCATION

Changes in Net Position, Last Ten Fiscal Years \*  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	3,372,171	3,555,410	3,677,592	3,350,672	3,610,539	4,247,734	4,417,361	4,891,818	5,181,135	5,781,029
Special education	897,695	1,082,157	1,184,449	1,354,277	1,262,086	1,206,555	1,289,740	1,730,160	1,388,569	1,679,182
Other special education	252,017	294,212	218,973	304,389	285,387	199,082	220,451	220,244	130,441	148,597
Other instruction	57,179	59,093	53,921	53,557	54,368	71,813	75,788	75,934	104,165	106,426
Support Services:										
Tuition	5,678,361	5,492,636	5,878,316	5,821,923	5,707,890	5,555,760	5,803,370	6,436,935	6,624,807	7,638,825
Student & instruction related services	1,753,859	1,859,917	2,081,041	2,211,695	2,355,186	2,677,863	2,862,258	3,281,641	3,163,338	3,720,355
General administrative services	389,541	354,182	377,135	378,041	296,026	279,775	356,412	356,412	377,694	367,991
School administrative services	419,570	423,583	368,447	377,218	478,846	608,449	522,608	497,731	420,860	479,865
Central Services and Admin. Info. Tech.	297,558	314,124	327,451	341,427	366,163	420,436	425,502	469,831	544,343	538,731
Plant operations and maintenance	940,971	893,122	910,348	938,071	1,043,766	1,021,178	1,074,532	1,130,563	961,870	979,827
Pupil transportation	848,434	1,140,358	1,031,888	906,057	958,544	1,027,909	1,049,752	1,216,985	1,146,926	1,373,705
Capital Outlay				1,587	923		1,267	1,267		1,267
Charter Schools	61,321	43,531	48,867	45,744	38,802	37,815	27,616	28,274	57,233	69,608
Unallocated Benefits	1,110,808	625,814	628,900	620,932	755,598	26,633	52,675	(12,309)	(32,011)	(2,602)
Interest on Long-Term Debt									37,569	16,521
Unallocated depreciation and Amortization	151,368	86,951	86,188	100,552	6,432	107,153	118,618	167,694	140,057	274,374
Total governmental activities expenses	16,230,853	16,225,089	16,873,514	16,806,141	17,220,556	17,488,155	18,297,860	20,493,179	20,266,995	23,173,701
Business-type activities:										
Food service	174,997	178,062	182,408	180,129	192,183	185,337	177,268	184,553	179,696	193,904
Total business-type activities expense	174,997	178,062	182,408	180,129	192,183	185,337	177,268	184,553	179,696	193,904
Total district expenses	16,405,850	16,403,152	17,055,922	16,986,270	17,412,739	17,673,492	18,475,128	20,677,732	20,446,691	23,367,605
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction (tuition)										
Pupil transportation										
Unallocated depreciation and amortization										
Operating grants and contributions	293,184	296,150	529,924	311,126	297,742	300,702	296,205	262,021	356,040	339,517
Total governmental activities program revenues	293,184	296,150	529,924	311,126	303,022	300,702	296,205	330,762	385,098	359,655
Business-type activities:										
Charges for services:										
Food service	125,312	125,401	128,027	121,428	112,416	102,725	103,392	106,647	111,295	103,575
Operating grants and contributions	41,881	46,314	51,672	49,717	63,570	76,707	64,851	70,999	78,032	84,532
Total business type activities program revenues	167,192	171,714	179,699	171,145	175,986	179,432	168,243	177,646	189,327	188,107
Total district program revenues	460,377	467,864	709,623	482,271	479,008	480,134	464,448	508,408	574,425	547,762
<b>Net (Expense)/Revenue</b>										
Governmental activities	(15,937,669)	(15,928,940)	(16,343,590)	(16,495,015)	(16,917,534)	(17,187,453)	(18,001,655)	(20,162,417)	(19,881,897)	(22,814,046)
Business-type activities	(7,805)	(6,348)	(2,709)	(8,984)	(16,196)	(5,905)	(9,025)	(6,907)	9,631	(5,797)
Total district-wide net expense	(15,945,473)	(15,935,288)	(16,346,299)	(16,503,999)	(16,933,730)	(17,193,358)	(18,010,680)	(20,169,324)	(19,872,266)	(22,819,843)

BLOOMINGDALE BOARD OF EDUCATION

Changes in Net Position, Last Ten Fiscal Years \*  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	12,570,850	12,977,455	13,422,616	14,290,069	14,142,093	14,895,821	15,422,086	15,648,198	15,961,161	16,278,291
Taxes levied for debt service	3,406,570	3,190,985	2,867,702	2,608,797	3,080,634	3,332,996	3,237,423	4,424,665	4,766,793	6,008,964
Unrestricted grants and contributions		1,102	782	685	1,692	1,408	661	809	8,455	10,614
Investment earnings	129,972	161,704	212,517	335,668	188,579	136,102	455,891	606,995	133,709	128,128
Miscellaneous income	16,107,393	16,331,246	16,503,618	17,235,219	17,392,998	18,366,327	19,116,061	20,680,667	20,961,177	22,518,423
Total governmental activities	528	171	154	98.91	51	40	47	45	38	48
Business-type activities:										
Investment earnings	528	171	154	99	51	40	47	45	38	48
Miscellaneous income										
Total business-type activities	16,107,921	16,331,417	16,503,771	17,235,317	17,393,049	18,366,367	19,116,108	20,680,712	20,961,215	22,518,471
Total district-wide	169,724	402,307	160,027	740,204	475,464	1,178,874	1,114,406	518,250	1,079,280	(295,623)
<b>Change in Net Position</b>	(7,276)	(6,178)	(2,555)	(8,885)	(16,145)	(5,865)	(8,978)	(6,861)	9,669	(5,749)
Governmental activities	162,448	396,129	157,472	731,319	459,319	1,173,009	1,105,428	511,389	1,088,949	(301,372)
Business-type activities										
Total district										

Source: CAR Schedule A-2

\* GASB Statement No. 63 became effective for the Fiscal Year Ended June 30, 2013 which changed Net Assets to Net Position.

**BLOOMINGDALE BOARD OF EDUCATION**

**Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	664,440	997,406	796,875							
Unreserved	182,387	398,671	620,541							
Restricted				1,068,558	1,313,004	1,560,931	1,262,447	1,623,105	2,606,466	2,150,173
Committed				21,413	21,000					
Assigned				492,504	576,610	758,966	1,283,864	925,122	1,322,464	1,092,713
Unassigned				584,535	614,603	609,184	644,168	635,577	310,698	755,293
Total general fund	<u>846,827</u>	<u>1,396,076</u>	<u>1,417,416</u>	<u>2,167,009</u>	<u>2,525,217</u>	<u>2,929,081</u>	<u>3,190,479</u>	<u>3,183,805</u>	<u>4,239,628</u>	<u>3,998,179</u>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund	(721)	-	-	-	-	-	-	1,156	-	-
Capital projects fund	-	-	-	-	-	-	-	327,349	309,154	186,840
Debt service fund	-	-	-	-	-	-	-	-	5	5
Total all other governmental funds	<u>(721)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>328,505</u>	<u>309,159</u>	<u>186,845</u>

Source: CAFR Schedule B-1

BLOOMINGDALE BOARD OF EDUCATION

Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Fiscal Year Ending June 30,

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>											
Tax levy	\$ 11,674,554	\$ 12,570,850	\$ 12,977,455	\$ 13,422,616	\$ 14,280,069	14,142,093	14,895,821	15,422,086	15,648,198	16,052,221	16,370,717
Tuition charges		2,967	1,102	782	215,252	99,006	80,812	189,289	68,741	29,057	20,137
Interest earnings		127,005	195,504	212,517	685	1,692	1,408	5,657	8,217	8,455	10,614
Miscellaneous	3,424,732	3,421,347	3,189,550	2,589,611	120,415	69,573	55,290	261,607	260,067	133,709	128,128
State sources	280,078	278,407	287,585	799,808	2,584,949	2,988,281	3,316,076	3,225,277	3,886,500	3,435,996	3,753,831
Federal sources	15,486,533	16,400,577	16,661,196	17,025,335	17,538,425	17,690,740	18,667,029	19,412,267	20,169,451	20,036,047	20,649,324
<b>Total revenue</b>											
<b>Expenditures</b>											
Instruction											
Regular instruction	2,762,635	2,759,351	2,825,853	2,991,213	2,660,985	2,786,720	2,897,856	3,050,383	3,143,962	3,219,002	3,258,614
Special education instruction	693,145	719,288	868,214	857,454	1,091,334	964,636	1,039,398	1,128,846	1,147,152	843,492	900,261
Other special instruction	235,658	200,031	234,117	172,396	234,825	211,483	129,738	147,010	147,069	89,489	93,689
Other instruction	35,789	46,641	47,949	42,884	41,208	40,245	46,748	50,237	46,677	61,219	56,185
Support Services:											
Tuition	5,653,383	5,678,361	5,492,636	5,878,316	5,821,923	5,707,890	5,555,760	5,803,371	6,436,935	6,624,807	7,638,825
Student & instruction related services	1,349,116	1,512,298	1,604,147	1,759,892	1,863,939	1,918,253	2,000,415	2,208,434	2,411,696	2,238,504	2,521,468
General administrative services	362,754	347,357	309,233	326,801	322,017	257,453	223,039	299,710	278,985	275,154	252,461
School Administrative services	296,634	335,710	339,707	291,938	283,230	359,101	403,167	352,277	312,367	252,355	258,023
Central Services	221,482	239,557	253,891	260,280	266,417	276,824	280,172	286,309	296,135	321,518	276,309
Admin. Information Technology	806,413	910,732	862,522	877,894	893,250	897,814	962,849	1,017,985	1,051,571	899,318	903,219
Plant operations and maintenance	763,595	817,583	1,112,501	1,001,609	886,596	938,316	990,403	995,430	1,188,001	1,146,926	1,372,045
Pupil transportation	2,404,481	2,438,952	2,021,532	2,138,634	2,285,200	2,725,527	2,773,933	2,728,717	2,790,215	2,765,657	2,853,432
Unallocated employee benefits	51,999	61,321	43,531	48,867	45,744	38,802	37,815	27,616	28,274	57,233	69,608
Charter Schools	169,144	66,749	61,592	255,817	112,164	209,468	921,872	1,052,544	1,268,793	112,686	464,521
Debt Service:											
Principal											75,000
Interest and Other Charges											17,426
<b>Total expenditures</b>	15,806,228	16,133,932	16,077,425	17,003,995	16,788,831	17,332,532	18,263,165	19,150,869	20,547,831	18,907,358	21,013,087
Excess (Deficiency) of revenues over (under) expenditures	(319,694)	266,645	583,771	21,340	749,593	358,208	403,864	261,398	(378,579)	1,128,689	(363,763)
<b>Other Financing sources (uses)</b>											
Capital leases (non-budgeted)									(105,946)		
Cancellation of Prior Years Accounts Receivable									805,000		
Bond Proceeds	163,966										
Transfers in	(163,966)										
Transfers out											
<b>Total other financing sources (uses)</b>									699,054		
<b>Net change in fund balances</b>	\$ (319,694)	\$ 266,645	\$ 583,771	\$ 21,340	\$ 749,593	\$ 358,208	\$ 403,864	\$ 261,398	\$ 320,675	\$ 1,037,634	\$ (363,763)
Debt service as a percentage of noncapital expenditures	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.450%

Source: District CAFR Exhibit B-2

Note: Noncapital expenditures are total expenditures less capital outlay.  
Central Services and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.  
Prior to June 30, 2005, Central Services and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

**BLOOMINGDALE BOARD OF EDUCATION**

**General Fund - Other Local Revenue by Source  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

Fiscal Year Ended June 30,	Interest on Investments	Tuition	Misc.	Total
2008	2,967		127,005	129,972
2009	1,102		161,704	162,806
2010	782		212,517	213,299
2011	685	215,252	120,415	336,353
2012	1,692	99,006	69,573	170,271
2013	1,408	80,812	55,290	137,510
2014	6,487	189,289	260,776	456,552
2015	9,560	68,741	258,724	337,025
2016	8,455	29,057	133,709	171,221
2017	10,614	20,137	128,128	158,879

Source: District Records

BLOOMINGDALE BOARD OF EDUCATION

Assessed Value and Actual Value of Taxable Property,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Cfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2007	12,842,600	362,868,800	492,900	64,264	32,801,200	6,000	11,245,500	420,321,264	293,109	420,614,373	2.880	1,023,968,862
2008	12,745,900	363,721,500	492,900	64,264	32,801,200	6,000	11,245,500	421,077,264	301,800	421,379,064	3.031	1,013,724,794
2009	12,650,800	364,644,100	492,900	58,264	33,034,900	6,000	10,861,500	421,748,464	324,360	422,072,824	3.127	1,001,864,289
2010	11,849,100	364,474,800	492,900	97,664	32,625,650	6,000	10,361,500	420,407,614	318,198	420,725,822	3.294	939,566,665
2011	12,820,400	364,341,500	492,900	97,664	31,839,200	140,400	10,709,900	420,441,964	0	420,441,964	3.382	897,229,970
(1) 2012	32,918,200	625,962,300	874,800	86,400	60,037,400	5,578,800	22,618,100	748,076,000	0	748,076,000	1.941	820,438,693
2013	32,367,100	623,684,300	874,800	86,400	59,251,800	5,578,800	22,560,300	744,403,500	0	744,403,500	2.037	785,981,945
2014	25,910,100	627,648,300	884,800	86,400	58,434,600	5,578,800	22,560,300	741,103,300	0	741,103,300	2.096	799,981,973
2015	26,171,400	625,595,800	1,317,900	88,200	55,521,500	5,365,600	22,160,300	736,220,700	0	736,220,700	2.147	796,430,874
2016	25,447,300	623,791,300	1,823,200	91,200	55,407,900	5,200,100	22,160,300	733,921,300	0	733,921,300	2.222	831,921,673

Source: Passaic County, Abstract of Ratables & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

**b** Tax rates are per \$100 of assessed value

(1) Revaluation Year

## BLOOMINGDALE BOARD OF EDUCATION

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

Fiscal Year Ended Dec. 31,	Bloomington Board of Education					Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Bloomington	Passaic County	
2007	2.880		2.880	1.380	1.140	5.400
2008	3.031		3.031	1.415	1.233	5.679
2009	3.127		3.127	1.510	1.215	5.852
2010	3.294		3.294	1.659	1.278	6.231
2011	3.382		3.382	1.744	1.288	6.414
2012 (1)	1.941		1.941	1.045	0.695	3.681
2013	2.037		2.037	1.071	0.742	3.850
2014	2.096		2.096	1.063	0.746	3.905
2015	2.147		2.147	1.085	0.822	4.054
2016	2.197	0.025	2.222	1.109	0.824	4.155

Source: District Records and Municipal Tax Collector

**Note:**

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

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

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

(1) Revaluation Year



BLOOMINGDALE BOARD OF EDUCATION

Principal Property Tax Payers,  
Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Waterfall Village LLC	14,890,100	1	2.03%	7,286,000	1	1.73%
Finbar Equity I LLC C/O Tilcon Lake losco	11,160,000	2	1.52%	3,164,700	4	0.75%
Bloomingtondale Real Property LLC	6,196,900	3	0.84%	1,643,600	6	0.39%
Tilcon New York Inc	5,000,000	4	0.68%	1,227,500	8	0.29%
LCL Mountaintop LLC	4,160,000	5	0.57%	1,050,500	10	0.25%
Bloomingtondale Urban Renewal LLC	2,800,000	6	0.38%			
Tait Realty Management, LLC	2,475,000	7	0.34%			
Wachovia/World Svgs Bank-Tx Propert	2,034,900	8	0.28%			
Durling Realty LLC	1,599,500	9	0.22%			
Bloomingtondale Convalescent Center	1,583,900	10	0.22%			
Tree Top Terrace Assoc				5,331,400	2	1.27%
Kampp Lake Assoc				4,000,000	3	0.95%
Meer Bloomingtondale Estates				2,323,060	5	0.55%
Wayne Johnson				1,445,400	7	0.34%
Total	<u>\$ 51,900,300</u>		<u>7.07%</u>	<u>\$ 28,678,160</u>		<u>6.81%</u>

Source: Municipal Tax Assessor

**BLOOMINGDALE BOARD OF EDUCATION**

**Property Tax Levies and Collections,  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2008	12,570,850	12,570,850	100.00%	-
2009	12,977,455	12,977,455	100.00%	-
2010	13,422,616	13,422,616	100.00%	-
2011	14,290,069	14,290,069	100.00%	-
2012	14,142,093	14,142,093	100.00%	-
2013	14,895,821	14,895,821	100.00%	-
2014	15,422,086	15,422,086	100.00%	-
2015	15,648,198	15,648,198	100.00%	-
2016	16,052,221	16,052,221	100.00%	-
2017	16,370,717	16,370,717	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F form)

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

## BLOOMINGDALE BOARD OF EDUCATION

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Capital Leases			
2008	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A
2015	805,000	N/A	805,000	0.0122%	98
2016	743,000	N/A	743,000	0.0122%	91
2017	668,000	N/A	668,000	Not Available	Not Available

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

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

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

BLOOMINGDALE BOARD OF EDUCATION

Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	805,000.00	-	805,000.00	0.1093%	98
2016	743,000.00	-	743,000.00	0.1012%	91
2017	668,000.00	-	668,000.00	Not Available	Not Available

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

**a** See Exhibit NJ J-6 for property tax data.

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

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

BLOOMINGDALE BOARD OF EDUCATION

Direct and Overlapping Governmental Activities Debt

As of June 30, 2017

<u>Governmental Unit</u>	(1) Debt Outstanding	Estimated Percentage Applicable <sup>a</sup>	Estimated Share of Overlapping Debt
<b>Debt repaid with property taxes</b>			
Borough of Bloomingdale	9,294,373	100.000%	9,294,373
<b>Other debt</b>			
Passaic County Utility Authority - Borough's Share	51,080,000	1.768%	903,094
County of Passaic	361,427,569	1.768%	6,390,039
Subtotal, overlapping debt			16,587,507
<b>Borough of Bloomingdale School District Direct Debt</b>			668,000
<b>Total direct and overlapping debt</b>			<u>\$ 17,255,507</u>

**Sources:** Borough of Bloomingdale Finance Officer, Passaic County Finance Office and Utility Authorities

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

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

(1) Debt Information as of December 31, 2016

BLOOMINGDALE BOARD OF EDUCATION

Legal Debt Margin Information,  
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2017

	Equalized valuation basis
2014	799,981,973
2015	796,430,874
2016	831,921,673
[A]	<u>\$ 2,428,334,520</u>
[A/3]	\$ 809,444,840
[B]	24,283,345 a
[C]	<u>668,000</u>
[B-C]	<u>\$ 23,615,345</u>

Average equalized valuation of taxable property

Debt limit (3% of average equalization value)  
Net bonded school debt  
Legal debt margin

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 28,542,275	\$ 30,073,321	\$ 30,386,387	\$ 29,542,114	\$ 28,380,184	\$ 26,569,171	\$ 25,036,506	\$ 24,064,026	\$ 23,080,948	\$ 23,615,345
Total net debt applicable to limit										
Legal debt margin	\$ 28,542,275	\$ 30,073,321	\$ 30,386,387	\$ 29,542,114	\$ 28,380,184	\$ 26,569,171	\$ 25,036,506	\$ 23,259,026	\$ 22,337,948	\$ 22,947,345
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.35%	3.22%	2.83%

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

**BLOOMINGDALE BOARD OF EDUCATION**

**Demographic and Economic Statistics  
Last Ten Fiscal Years**

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2007	7,418	303,062,390.00	40,855	2.9%
2008	7,415	308,894,070.00	41,658	3.7%
2009	7,454	307,470,046.00	41,249	7.4%
2010	7,662	321,781,014.00	41,997	7.5%
2011	7,667	336,251,619.00	43,857	7.7%
2012	7,688	345,191,200.00	44,900	7.3%
2013	7,742	324,056,894.00	41,857	10.3%
2014	8,178	357,272,286.00	43,687	6.9%
2015	8,215	387,657,635.00	47,189	5.5%
2016	8,173	Not Available	Not Available	5.1%

**Source:**

- (1) U.S. Bureau of the Census, Population Division, (Estimates July 1, 2007-2016)
- (2) Personal income of the District is based on the County Information.
- (3) U.S. Department of Commerce, County Information 2006-2015.
- (4) NJ Dept of Labor.

**BLOOMINGDALE BOARD OF EDUCATION**

**Principal Employers,  
Current Year and Nine Years Ago**

	2017		2008	
	Employees	Percentage of Total Employment	Rank (Optional)	Percentage of Total Employment
Employer			Rank (Optional)	

No Data is available for this schedule.



BLOOMINGDALE BOARD OF EDUCATION

Full-time Equivalent District Employees by Function/Program,

Function/Program	Last Ten Fiscal Years									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	75	65	63	45	45	46	48	50	48	46
Regular	8	8	6	35	19	23	23	20	19	14
Special education	5	4	4	6	13	10	11	16	16	16
Other instruction										
Support Services:										
Tuition	1	1	1		3	3	3	3	3	3
Student & instruction related services	2	2	2	2	2	2	2	2	2	2
General administrative services	4	4	3	4	5	5	5	4	4	4
School administrative services	3	3	3	3	3	3	3	3	3	3
Business administrative services	12	2	3	4	8	8	7	5	5	2
Plant operations and maintenance	2	3	3	3	3	3	3	2		
Pupil transportation										
<b>Total</b>	<b>103</b>	<b>92</b>	<b>88</b>	<b>102</b>	<b>101</b>	<b>103</b>	<b>105</b>	<b>105</b>	<b>100</b>	<b>90</b>

Source: District Personnel Records

BLOOMINGDALE BOARD OF EDUCATION

Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School					
2009	633	16,015,833	25,301	-2.50%	57	1:11.5	1:10.4	632.0	605.0	-0.50%	95.40%	
2010	610	16,748,178	27,456	2.22%	54	1:11	1:12	615.0	589.0	-2.69%	95.94%	
2011	627	16,676,667	26,598	-3.13%	57	1:11.7	1:10.2	628.0	601.0	2.03%	95.81%	
2012	616	17,123,064	27,797	4.51%	58	1:8.9	1:10.2	611.0	586.0	-2.71%	95.90%	
2013	618	17,341,293	28,060	0.95%	57	1:8.8	1:9.1	614.0	584.0	0.49%	95.27%	
2014	612	18,098,325	29,572	5.39%	59	1:11	1:11	607.0	579.0	-1.14%	95.01%	
2015	600	19,226,346	32,044	8.36%	59	1:13	1:12	592.0	573.0	-2.47%	95.50%	
2016	605	18,794,672	31,066	-3.05%	56	1:10.9	1:10.6	582.0	561.0	-1.69%	92.73%	
2017	551	20,456,140	37,125	19.51%	57	1:9.5	1:12	527.5	553.2	-9.36%	95.20%	

Sources: District records

Note: Enrollment based on annual October district count.

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

BLOOMINGDALE BOARD OF EDUCATION

School Building Information

Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Martha B. Day										
Square Feet	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198
Capacity (students)	216	216	216	216	216	216	216	216	216	216
Enrollment	160	160	152	152	139	139	154	154	154	154
<b><u>Elementary</u></b>										
Samuel R. Donald										
Square Feet	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588
Capacity (students)	257	257	257	257	257	257	257	257	257	257
Enrollment	202	202	210	210	199	199	189	189	189	189
<b><u>Middle School</u></b>										
Walter T. Bergen										
Square Feet	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965
Capacity (students)	399	399	399	399	399	399	399	399	399	399
Enrollment	275	275	248	248	278	278	269	269	269	269

Number of Schools at June 30, 2017

Elementary = 2

Middle School = 1

Source: District Facilities Office

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

BLOOMINGDALE BOARD OF EDUCATION  
 GENERAL FUND  
 SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITY  
 LAST TEN FISCAL YEARS  
 UNAUDITED

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

School Facilities*	Project # (s)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Martha B. Day School	N/A	14,587	19,656	17,798	8,994	34,484	27,685	26,186	\$ 25,023	\$ 22,162	\$ 31,455
Samuel R. Donald School	N/A	19,277	15,902	44,612	15,558	36,142	31,529	33,838	29,952	22,761	26,027
Walter T. Bergen School	N/A	15,203	9,994	88,033	39,609	33,590	43,403	52,749	32,531	36,537	52,990
<b>Total School Facilities</b>		<u>49,067</u>	<u>45,552</u>	<u>150,443</u>	<u>64,161</u>	<u>104,216</u>	<u>102,617</u>	<u>112,773</u>	<u>87,506</u>	<u>81,460</u>	<u>120,119</u>

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

Source: District Records

**BLOOMINGDALE BOARD OF EDUCATION**  
**INSURANCE SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**  
**UNAUDITED**

<u>Package Policy - American Guarantee and Liability Insurance Company</u>	<u>Limit</u>	<u>Deductible</u>
<b>Policy CPO 3701598-12 &amp; BAP 3701599-12</b>		
<b><u>Property &amp; Casualty</u></b>		
Building & Contents including Equipment Breakdown	\$ 25,815,900	\$ 5,000
Commercial General Liability:		
Boiler & Machinery Blz	\$ 100,000,000	Varies
Employee Dishonesty	\$ 500,000	\$ 5,000
Forgery or Alteration	\$ 50,000	\$ 1,000
Per Occurrence	\$ 1,000,000	
Personal and Advertising Injury Limit	\$ 1,000,000	
Damage to Rented Premises	\$ 1,000,000	
Product/Completed Operations Aggregate	\$ 2,000,000	
General Aggregate - Policy Limit	\$ 2,000,000	
Medical Expenses	\$ 10,000	
Employee Benefits Liability	\$ 1,000,000	
Business Income with Extra Expense	\$ 5,000,000	
Limited Pollution Liability Extension	\$ 1,000,000	
Ordinance or Law Cov	\$ 3,500,000	\$ 5,000
Form C Loss (Inside) Money & Securities	\$ 50,000	\$ 1,000
EDP Equipemnt Cove	\$ 2,500,000	\$ 5,000
Earthquake- Blanket Coverage	\$ 5,000,000	5% of Limit
Flood (Outside Zones A,V or B)	\$ 5,000,000	\$ 50,000
(Zone B)	\$ 2,000,000	\$ 100,000
(Zones A or V)	\$ 1,000,000	\$ 500,000
Commerical Automobile Liability	\$ 1,000,000	
Towing & Labor	\$ 5,000	\$ 25
Comprehensive & Collision	Symbol 7 & 8	\$ 1,000
 <u>Commerical Umbrella - American Guarantee &amp; Liability Ins.</u>		
<b>Policy AUC 1051786 02</b>	<u>Limit</u> \$ 9,000,000	<u>Retention</u> \$ 10,000
 <u>Excess Liability- Fireman's Fund</u>		
<b>Policy- SHX-000-245-46541</b>	\$ 50,000,000	\$ 10,000
 <u>School Board Legal Liability E &amp; O Darwin National Assurance Company</u>		
<b>Policy- 0202-0804</b>	\$ 1,000,000	
Insuring Agreement A & C		\$ 10,000
Insuring Agreement B		\$ 20,000
 <u>Public Official Bonds- CNA Surety</u>		
<b>Bond # 70543706 &amp; 70099309</b>		
Sherry Lisa Gallagher - Treasurer - 70543706	\$ 300,000	N/A
George Hagl - Bus. Adm/Brd. Sec - 70099309	\$ 150,000	
 <u>Technology E&amp;O - Indian Harbor Insurance Company</u>		
<b>Policy- MTP004157205</b>		<u>Retention</u>
Combined Policy Aggregate Limit	\$ 4,000,000	
Self-Insured - Retention		\$ 25,000

**BLOOMINGDALE BOARD OF EDUCATION**  
**INSURANCE SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**  
**UNAUDITED**

Environmental Impairment Liability - Site Specific- Chubb (**Ace American Insurance Co.**)

	<u>Limit</u>	<u>Retention</u>
Claims Made Form		
Policy- <b>PPL-G27064607005</b>		
Each Occurrence	\$ 1,000,000	
Self-Insured - Retention		\$ 25,000
Program Aggregate	\$ 10,000,000	

Group Travel Accident - Life Ins. Co. of North America

Policy- <b>ABL 649750</b>		
Accident Medical Expense Benefit	\$ 2,000.00	
Maximum Weeks		51
Waiting Period	7 Days	

Volunteer Accident - QBC Insurance Corporation

Policy- <b>FHH 030022</b>		
Medical Maximum	\$ 10,000.00	

**SINGLE AUDIT SECTION**

# Ferraioli, Wielkocz, Cerullo & Cuva, P.A.

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable President and  
Members of the Board of Education  
Borough of Bloomingdale School District  
County of Passaic  
Bloomingdale, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Bloomingdale School District, in the County of Passaic, New Jersey, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 10, 2017.

### ***Internal Control Over Financial Reporting***

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

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





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

***Compliance and Other Matters***

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

We noted certain matters that were required to be reported to the Board of Education of the Borough of Bloomingdale School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated October 10, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles J. Ferraioli, Jr., C.P.A.  
Licensed Public School Accountant  
No. 749

*Ferraioli, Wielkocz, Cerullo & Cuva, P.A.*

Ferraioli, Wielkocz, Cerullo & Cuva, P.A.  
Certified Public Accountants

Pompton Lakes, New Jersey  
October 10, 2017

# Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY'S OMB CIRCULAR 15-08

Honorable President and  
Members of the Board of Education  
Borough of Bloomingdale School District  
County of Passaic  
Bloomingdale, New Jersey

### Report on Compliance for Each Major State Program

We have audited the Board of Education of the Borough of Bloomingdale School District in the County of Passaic, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Bloomingdale Board of Education's major state programs for the fiscal year ended June 30, 2017. The Borough of Bloomingdale Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough of Bloomingdale Board of Education's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and 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 N.J. OMB Circular 15-08. These statements, the Uniform Guidance and N.J. OMB 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test

basis, evidence about the Borough of Bloomingdale Board of Education'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 state program. However, our audit does not provide a legal determination of the Borough of Bloomingdale Board of Education's compliance.

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

In our opinion, the Borough of Bloomingdale Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2017.

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

Management of the Borough of Bloomingdale Board of Education 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 Borough of Bloomingdale Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with the 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 Borough of Bloomingdale Board of Education'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 and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 Uniform Guidance and N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.



Charles J. Ferraioli, Jr., C.P.A.  
Licensed Public School Accountant  
No. 749

*Ferraioli, Wielkotz, Cerullo & Cuva, P.A.*

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.  
Certified Public Accountants

Pompton Lakes, New Jersey

October 10, 2017

Bloomington Board of Education  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year Ending June 30, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From / To	June 30, 2016			June 30, 2017			MEMO Cumulative Total Expenditures
					(Accounts Receivable)	Unearned Revenue	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue	
<b>U.S. Department of Education</b>											
<b>Passed - through State Department of Education:</b>											
<b>General Fund:</b>											
<b>U.S. Department of Health and Human Services:</b>											
Medicaid Assistance Program	93.778	N/A	24,182.97	7/1/16-6/30/17			19,183.04	(24,182.97)	(4,999.93)		24,182.97
Medicaid Assistance Program	93.778	N/A	20,568.86	7/1/15-6/30/16	(6,251.92)		6,251.92				
ARRA/SEMI	93.778	N/A	2,196.42	7/1/15-6/30/16	(2,196.42)		2,196.42				2,196.42
Total General Fund					(6,251.92)		27,631.38	(26,379.39)	(4,999.93)		26,379.39
<b>U.S. Department of Agriculture</b>											
<b>Passed - through State Department of Education:</b>											
<b>Enterprise Fund:</b>											
U.S.D.A. Commodities Program	10.550	N/A	12,434.25	7/1/15-6/30/16		2,618.20	12,434.25	(12,576.27)	(5,973.90)	2,476.18	12,576.27
National School Lunch Program	10.555	N/A	68,957.26	7/1/16-6/30/17			62,983.36	(68,957.26)			68,957.26
National School Lunch Program	10.555	N/A	61,272.48	7/1/15-6/30/16	(11,877.36)		11,877.36				
School Breakfast Program	10.553	N/A	914.33	7/1/16-6/30/17			1,548.81	(914.33)			914.33
School Breakfast Program	10.553	N/A	110.54	7/1/15-6/30/16	(2.24)		2.24				
Total Enterprise Fund					(11,879.60)	2,618.20	88,946.02	(82,447.86)	(5,973.90)	2,476.18	82,447.86
<b>U.S. Department of Education</b>											
<b>Passed - through State Department of Education:</b>											
<b>Special Revenue Fund:</b>											
Title I - Improving Basic Programs	84.010A	NCLB0420-17	129,165.00	9/1/16-8/31/17			129,165.00	(129,165.00)			129,165.00
Title II - A - Teacher & Principal Training/Recruiting	84.367A	NCLB0420-17	11,425.00	9/1/16-8/31/17			11,425.00	(11,425.00)			11,425.00
I.D.E.A. Part B, Basic Regular	84.027	IDEA0420-17	191,948.00	9/1/16-8/31/17			191,948.00	(191,948.00)			191,948.00
I.D.E.A. Part B, Preschool	84.173	IDEA0420-17	6,979.00	9/1/16-8/31/17			6,979.00	(6,979.00)			6,979.00
Total Special Revenue Fund							339,517.00	(339,517.00)			339,517.00
Total Federal Financial Awards					(18,131.52)	2,618.20	455,994.40	(448,344.25)	(10,973.83)	2,476.18	448,344.25

Bloomington Board of Education  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year Ending June 30, 2017

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From / To	Balance June 30, 2016		Cash Received	Budgetary Expenditures	Balance June 30, 2017 (Accounts Receivable)	MEMO	
				Unearned Revenue (Accts Receivable)	Budgetary Expenditures				Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>										
<b>General Fund:</b>										
Special Education Categorical Aid	17-495-034-5120-089	557,300.00	7/1/16-6/30/17		505,474.00	(557,300.00)		*	(51,826.00)	557,300.00
Equalization Aid	17-495-034-5120-078	1,258,651.00	7/1/16-6/30/17		1,141,603.00	(1,258,651.00)		*	(117,048.00)	1,258,651.00
Security Aid	17-495-034-5120-084	16,458.00	7/1/16-6/30/17		14,927.00	(16,458.00)		*	(1,531.00)	16,458.00
Transportation Aid	17-495-034-5120-014	68,641.00	7/1/16-6/30/17		62,258.00	(68,641.00)		*	(6,383.00)	68,641.00
Additional Adjustment Aid	17-495-034-5120-085	56,460.00	7/1/16-6/30/17		51,210.00	(56,460.00)		*	(5,250.00)	56,460.00
PARCC Readiness Aid	17-495-034-5120-098	8,670.00	7/1/16-6/30/17		7,864.00	(8,670.00)		*	(806.00)	8,670.00
Per Pupil Growth Aid	17-495-034-5120-097	8,670.00	7/1/16-6/30/17		7,864.00	(8,670.00)		*	(806.00)	8,670.00
Professional Learning Community Aid	17-495-034-5120-101	8,610.00	7/1/16-6/30/17		7,809.00	(8,610.00)		*	(801.00)	8,610.00
Extraordinary Special Education Aid	17-100-034-5120-473	535,498.00	7/1/16-6/30/17		343,584.00	(535,498.00)		*	(535,498.00)	535,498.00
Extraordinary Special Education Aid	16-100-034-5120-473	343,584.00	7/1/15-6/30/16					*		
Non-Public Transportation Aid	17-495-034-5120-014	19,314.00	7/1/16-6/30/17		20,706.00	(19,314.00)		*	(19,314.00)	19,314.00
Non-Public Transportation Aid	16-495-034-5120-014	20,706.00	7/1/15-6/30/16					*		
On-Behalf TPAF Pension	17-495-034-5094-002	472,348.00	7/1/16-6/30/17		472,348.00	(472,348.00)		*		472,348.00
On-Behalf TPAF NCGI Premium	17-495-034-5094-004	17,114.00	7/1/16-6/30/17		17,114.00	(17,114.00)		*		17,114.00
On-Behalf TPAF LTDI Contribution	17-495-034-5094-004	794.00	7/1/16-6/30/17		794.00	(794.00)		*		794.00
Reimbursed TPAF Social Security	17-495-034-5094-003	407,834.00	7/1/16-6/30/17		407,834.00	(407,834.00)		*		407,834.00
Reimbursed TPAF Social Security	16-495-034-5094-003	314,100.00	7/1/16-6/30/17		298,387.55	(314,100.00)		*	(15,712.45)	314,100.00
Reimbursed TPAF Social Security	16-495-034-5094-003	299,596.93	7/1/15-6/30/16		15,521.38			*		
Total General Fund					3,375,297.93	(3,750,462.00)		*	(184,451.00)	3,750,462.00
<b>Capital Projects Fund:</b>										
New Jersey School Development Auth.	0420-020-13-7001	16,597.00	N/A					*		
New Jersey School Development Auth.	0420-020-13-7002	4,129.00	N/A					*	(16,597.00)	
New Jersey School Development Auth.	0420-020-13-7003	30,431.00	N/A					*	(4,129.00)	
New Jersey School Development Auth.	0420-020-13-7004	237,820.00	N/A					*	(30,431.00)	
New Jersey School Development Auth.	0420-050-13-11005	243,133.00	N/A					*	(237,820.00)	
New Jersey School Development Auth.	0420-050-13-11007	4,670.00	N/A					*	(243,133.00)	
Total Special Revenue Fund								*	(4,670.00)	
Total State Financial Assistance					1,900.62	(2,084.25)		*	(636,780.00)	
<b>Enterprise Fund:</b>										
State School Lunch Program	17-100-010-3350-023	2,083.95	7/1/16-6/30/17		398.27			*		2,083.95
State School Lunch Program	16-100-010-3350-023	2,100.66	7/1/15-6/30/16					*	(183.63)	
Total Enterprise Fund					398.27	(2,084.25)		*	(183.63)	2,083.95
Total State Financial Assistance					3,377,596.82	(3,752,546.25)		*	(1,107,488.08)	3,752,546.95
<b>Less: On-Behalf TPAF Pension &amp; Annuity Aid</b>										
Total For State Financial Assistance Determination					898,090.00	(898,090.00)		*		898,090.00
Total For State Financial Assistance Determination					2,479,506.82	(2,854,456.25)		*	(184,451.00)	2,854,456.95

See accompanying notes to Schedule of Expenditures of Federal awards and State Financial Assistance.

**NOTE 1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include the activity of all federal and state award programs of the Board of Education, Bloomingdale Borough School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal 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 of expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2 (C) and 2(D) to the Board's basic 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* (Uniform Guidance) and N.J. OMB Circular 15-08. Therefore, some amounts presented in this schedule may differ in amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$3,369.00 for the general fund and \$-0- for the special revenue fund. See (Note 1) Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

Additionally, as discussed further in Note 5, the State of New Jersey makes contributions on-behalf of the District for TPAF post-retirement medical and pension contributions. The total amount of these contributions during 2017 fiscal year was \$898,090.00.

Financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$26,379.39	\$3,753,831.00	\$3,780,210.39
Special Revenue Fund	339,517.00	-	339,517.00
Food Service Fund	<u>82,447.86</u>	<u>2,084.25</u>	<u>84,532.11</u>
 Total Awards and Financial Assistance	 <u>\$448,344.25</u>	 <u>\$3,755,915.25</u>	 <u>\$4,204,259.50</u>

**NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS**

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

**NOTE 5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2017. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

The State of New Jersey also makes TPAF post-retirement medical and pension contribution expenditures on behalf of the District. These expenditures are not subject to New Jersey OMB Circular 15-08 because the contributions are made by the State directly and do not have any compliance related requirements, and therefore, have not been included on the Schedule of State Financial Assistance, as directed by the funding agency.



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

On-behalf State programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, 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. INDIRECT COST RATE**

The Borough of Bloomingdale School District has elected not to use the 10 percent de minimis Indirect Cost Rate as allowed under the Uniform guidance.

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

***Section 1 - Summary of Auditor's Results***

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weakness(es) identified?        yes   X    
2) Significant deficiencies identified?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X  

**Federal Awards**

NOT APPLICABLE

**State Awards**

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

Auditee qualified as low-risk auditee?   X   yes        no

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   none reported

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

*Section 1 - Summary of Auditor's Results (continued)*

**State Awards** (continued)

Identification of major state programs:

<u>STATE GRANT/PROJECT NUMBER(S)</u>	<u>NAME OF STATE PROGRAM</u>
<u>17-495-034-5120-078</u>	State Aid Public Cluster: <u>Equalization Aid</u>
<u>17-495-034-5120-089</u>	<u>Special Ed Categorical</u>
<u>17-495-034-5120-084</u>	<u>Security Aid</u>
<u>17-495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>17-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>17-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>17-495-034-5120-085</u>	<u>Additional Adjustment Aid</u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SCHEDULE OF FINANCIAL, FEDERAL AND STATE FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

*Section II - Schedule of Financial Statement Findings*

NONE

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

No matters were reported.

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Status of Prior Year Findings**

There were no prior audit findings.