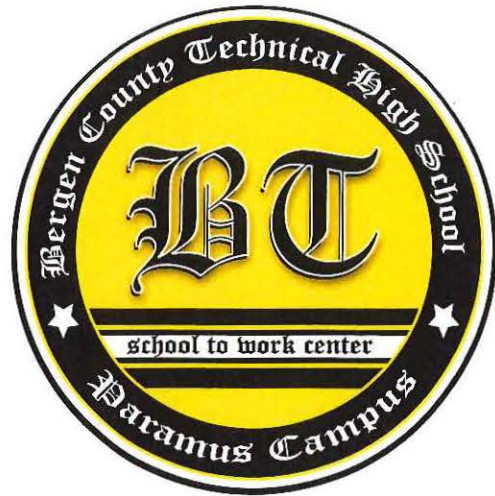
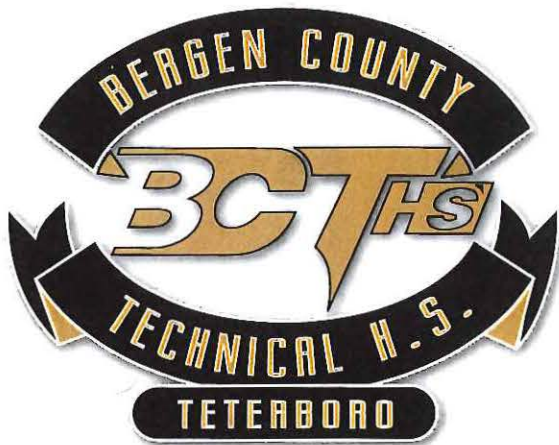


# Bergen County Technical Schools

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A Component Unit of The County of Bergen



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## Comprehensive Annual Financial Report For The Fiscal Year Ended JUNE 30, 2018

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**of the**

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

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

**New Jersey**

**For The Fiscal Year Ended June 30, 2018**

**Prepared by**

**Business Department**

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## **INTRODUCTORY SECTION**





BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

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District Administration Office

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

January 18, 2019

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

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2018.

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

The Bergen County Technical and Vocational High School District's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Technical and Vocational High School



District's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

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

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

The District completed the 2017-18 fiscal year with an enrollment of 2,381 secondary students, which is 39 students more than the previous year. The following details changes in District enrollment over the last ten years:

	<u>Enrollment</u>	
2017/18		2,381
2016/17		2,342
2015/16		2,277
2014/15		2,208
2013/14		2,260
2012/13		2,231

2011/12	2,276
2010/11	2,226
2009/10	2,182
2008/09	2,142

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

**ECONOMIC CONDITION AND OUTLOOK:**

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

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

**MAJOR INITIATIVES:**

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

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

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

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

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

### **INTERNAL ACCOUNTING CONTROLS:**

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

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

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

### **BUDGETARY CONTROLS:**

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

encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2018.

**DEBT ADMINISTRATION:**

At June 30, 2018, the District has no debt service. All bonded long-term debt is included in the County of Bergen's financial statements.

**CASH MANAGEMENT:**

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

**RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds, workers' compensation, and a self-insured health benefits plan and unemployment fund.

**ACKNOWLEDGMENTS:**

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

Respectfully submitted,



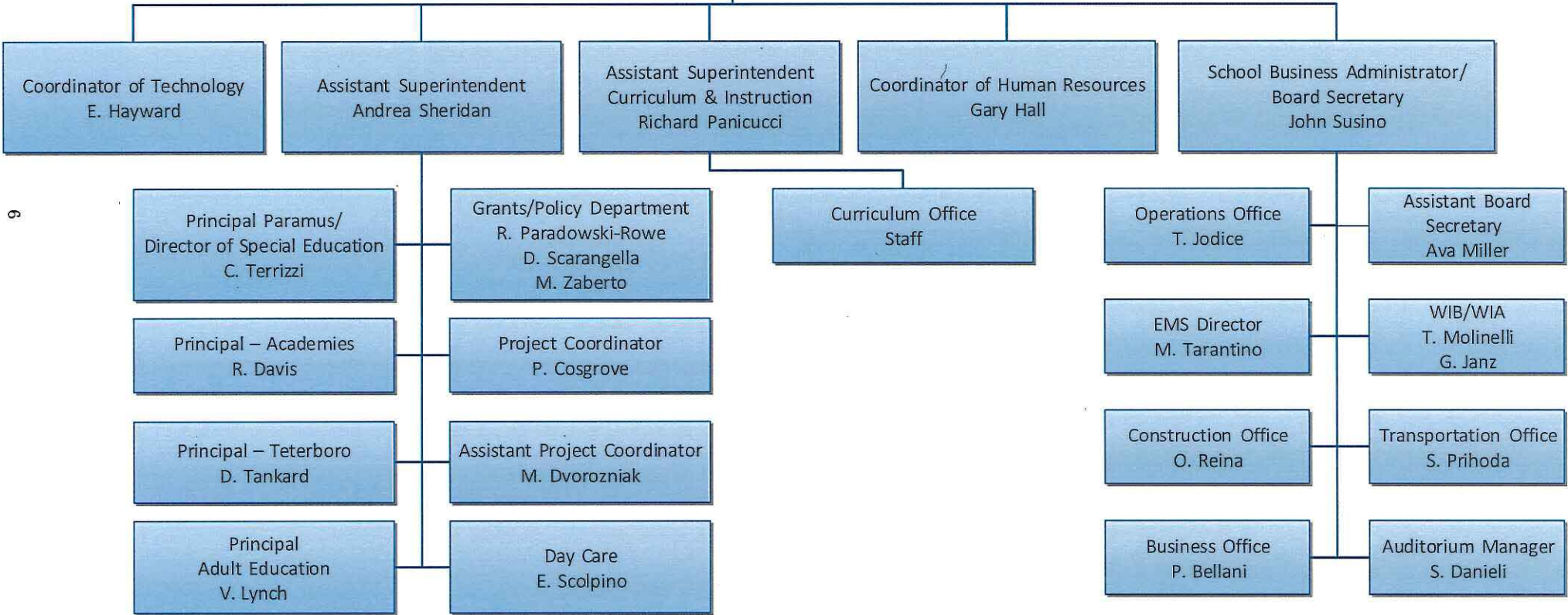
Dr. Howard Lerner  
Superintendent



John Susino  
Business Administrator/Board Secretary

# BCTS Administrative Plan 2017-2018

Superintendent  
Howard Lerner, Ed.D.



BERGEN COUNTY TECHNICAL SCHOOLS  
BERGEN COUNTY, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2018

**COUNTY EXECUTIVE**

James J. Tedesco III

**MEMBERS OF THE BOARD OF CHOSEN FREEHOLDERS**

Thomas J. Sullivan – Chairman  
Germaine M. Ortiz. – Vice Chairwoman  
Mary J. Amoroso – Chair Pro Tempore  
Dr. Joan M. Voss  
David L. Ganz  
Tracy S. Zur  
Steve Tanelli

**BOARD OF EDUCATION**

President

Raymond Hryczyk

Vice-President

Lawrence Meyerson

Members of the Board of Education

Jason Kim

Dr. William Meisner

Norah Peck

Executive County Superintendent  
Bergen County Office of Education

**OTHER OFFICIALS**

Superintendent

Assistant Superintendent

Board Secretary /Business Administrator

Director of Personnel

Director of Special Education

Director of Workforce Investment Board

Director, Bergen County One Stop

Career Center (WIA)

Principal, Academies

Principal, BCTEC, Paramus

Principal, BCVHS, Paramus

Principal, BCTEC, BCVHS, BCTHS, Teterboro

Principal, Adult and Continuing Education

Dr. Howard Lerner

Andrea Sheridan

John Susino

Gary Hall

Carole Terrizzi

Tammy Molinelli

Gregory Janz

Russ Davis

Carole Terrizzi

Carole Terrizzi

David Tankard

Victor Lynch



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

**Consultants and Advisors**

**Architect**

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

**Audit Firm**

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

**Attorney**

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

**Official Depository**

Santander Bank  
Florham Park, NJ 07932

**Engineers**

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

**FINANCIAL SECTION**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

## INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Emphasis of Matter*

### *Adoption of New Accounting Pronouncement*

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2018 the Bergen County Technical and Vocational High School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

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

## *Other Information*

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

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

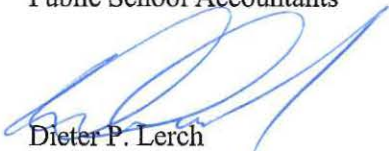
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with Government Auditing Standards, we have also issued our report dated January 18, 2019 on our consideration of the Bergen County Technical and Vocational High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control over financial reporting and compliance.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 18, 2019

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

## **Management's Discussion and Analysis Fiscal Year Ended June 30, 2018**

This section of Bergen County Technical and Vocational School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2018. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2017-2018) and the prior year (2016-2017) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2017-2018 fiscal year include the following:

- The assets and deferred outflows of resources of the Bergen County Technical and Vocational High School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$19,066,441 (net position).
- Overall district-wide revenues were \$106,197,847, which were \$2,387,599 more than expenses.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$15,223,224.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

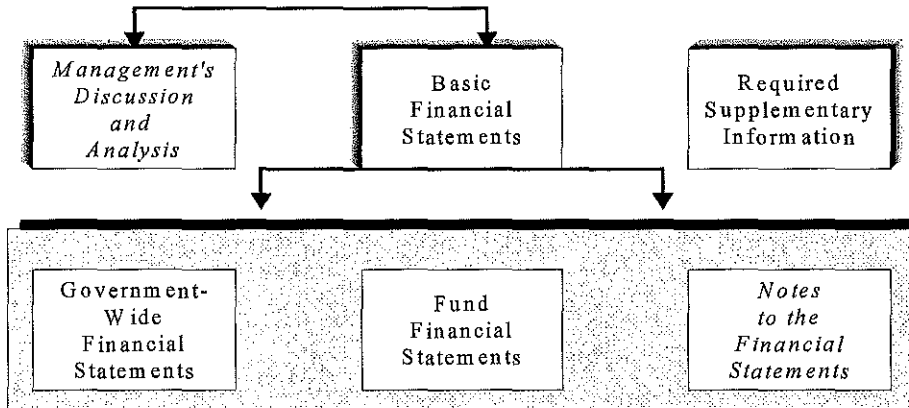
**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

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

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

**Figure A-1**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management’s Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

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

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

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

**Government-wide financial statements**

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

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

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2018

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

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

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

### Fund financial statements

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

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

The District has three kinds of funds:

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

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

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

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2018

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

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

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

### Notes to the financial statements

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

### Other Information

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

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

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,066,441 as of June 30, 2018. See Table A-1.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

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

**Table A-1  
Net Position  
as of June 30, 2018 and 2017**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current Assets	\$ 22,259,160	\$ 16,429,592	\$ 1,212,303	\$ 1,059,702	\$ 23,471,463	\$ 17,489,294
Capital Assets	47,399,005	48,611,395	287,017	320,044	47,686,022	48,931,439
<b>Total Assets</b>	<u>69,658,165</u>	<u>65,040,987</u>	<u>1,499,320</u>	<u>1,379,746</u>	<u>71,157,485</u>	<u>66,420,733</u>
<b>Deferred Outflows of Resources</b>	<u>13,711,244</u>	<u>18,164,090</u>	<u>-</u>	<u>-</u>	<u>13,711,244</u>	<u>18,164,090</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>83,369,409</u>	<u>83,205,077</u>	<u>1,499,320</u>	<u>1,379,746</u>	<u>84,868,729</u>	<u>84,584,823</u>
Other Liabilities	3,733,794	3,843,355	377,724	309,703	4,111,518	4,153,058
Noncurrent Liabilities	51,868,420	63,752,423	-	-	51,868,420	63,752,423
<b>Total Liabilities</b>	<u>55,602,214</u>	<u>67,595,778</u>	<u>377,724</u>	<u>309,703</u>	<u>55,979,938</u>	<u>67,905,481</u>
<b>Deferred Inflows of Resources</b>	<u>9,820,783</u>	<u>-</u>	<u>1,567</u>	<u>500</u>	<u>9,822,350</u>	<u>500</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>65,422,997</u>	<u>67,595,778</u>	<u>379,291</u>	<u>310,203</u>	<u>65,802,288</u>	<u>67,905,981</u>
<b>Net Position</b>						
Net Investment in Capital Assets	47,399,005	48,611,395	287,017	320,044	47,686,022	48,931,439
Restricted	10,645,647	5,745,989			10,645,647	5,745,989
Unrestricted	(40,098,240)	(38,748,085)	833,012	749,499	(39,265,228)	(37,998,586)
<b>Total Net Position</b>	<u>\$ 17,946,412</u>	<u>\$ 15,609,299</u>	<u>\$ 1,120,029</u>	<u>\$ 1,069,543</u>	<u>\$ 19,066,441</u>	<u>\$ 16,678,842</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

**Table A-2  
Change in Net Position  
For the Fiscal Years Ended June 30, 2018 and 2017**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Revenues</b>						
Program Revenues						
Tuition	\$ 28,943,993	\$ 27,666,393			\$ 28,943,993	\$ 27,666,393
Charges for Services	2,794,492	2,852,241	\$ 3,344,158	\$ 2,980,898	6,138,650	5,833,139
Operating Grants and Contributions	30,360,529	27,954,315	162,842	157,106	30,523,371	28,111,421
General Revenues						
County Property Taxes	30,910,722	30,010,408			30,910,722	30,010,408
County Aid	4,774,827	1,210,577			4,774,827	1,210,577
State and Federal Aid	4,693,479	5,122,254			4,693,479	5,122,254
Miscellaneous	212,805	157,901	-	-	212,805	157,901
<b>Total Revenues</b>	<b><u>102,690,847</u></b>	<b><u>94,974,089</u></b>	<b><u>3,507,000</u></b>	<b><u>3,138,004</u></b>	<b><u>106,197,847</u></b>	<b><u>98,112,093</u></b>
<b>Expenses</b>						
Instruction						
Regular	22,652,497	23,941,523			22,652,497	23,941,523
Other Special Instruction	455,157	1,259,523			455,157	1,259,523
Vocational Education	24,590,842	24,578,919			24,590,842	24,578,919
Other Instruction	4,344,779	3,809,101			4,344,779	3,809,101
Adult/Continuing Education	994,264	914,306			994,264	914,306
Support Services						
Student and Instruction Related Services	17,014,460	15,353,581			17,014,460	15,353,581
School Administrative Services	4,480,170	4,827,057			4,480,170	4,827,057
General Administrative Services	3,438,716	2,882,626			3,438,716	2,882,626
Business/Central Other Support Services	9,916,291	9,163,851			9,916,291	9,163,851
Plant Operations and Maintenance	11,192,029	10,947,900			11,192,029	10,947,900
Pupil Transportation	1,099,529	1,136,645			1,099,529	1,136,645
Food Services			834,407	807,823	834,407	807,823
Other-Business Activities	-	-	2,797,107	2,475,140	2,797,107	2,475,140
<b>Total Expenses</b>	<b><u>100,178,734</u></b>	<b><u>98,815,032</u></b>	<b><u>3,631,514</u></b>	<b><u>3,282,963</u></b>	<b><u>103,810,248</u></b>	<b><u>102,097,995</u></b>
<b>Change in Net Position Before Transfers</b>	<b>2,512,113</b>	<b>(3,840,943)</b>	<b>(124,514)</b>	<b>(144,959)</b>	<b>2,387,599</b>	<b>(3,985,902)</b>
<b>Transfer</b>	<b><u>(175,000)</u></b>	<b><u>-</u></b>	<b><u>175,000</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Change in Net Position</b>	<b>2,337,113</b>	<b>(3,840,943)</b>	<b>50,486</b>	<b>(144,959)</b>	<b>2,387,599</b>	<b>(3,985,902)</b>
<b>Net Position, Beginning of Year</b>	<b><u>15,609,299</u></b>	<b><u>19,450,242</u></b>	<b><u>1,069,543</u></b>	<b><u>1,214,502</u></b>	<b><u>16,678,842</u></b>	<b><u>20,664,744</u></b>
<b>Net Position, End of Year</b>	<b><u>\$ 17,946,412</u></b>	<b><u>\$ 15,609,299</u></b>	<b><u>\$ 1,120,029</u></b>	<b><u>\$ 1,069,543</u></b>	<b><u>\$ 19,066,441</u></b>	<b><u>\$ 16,678,842</u></b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

**Governmental Activities.** The District's total governmental activities revenues were \$102,690,847 for the year ended June 30, 2018. Tuition and other charges to districts accounted for 31 percent of total revenues. County taxes and aid account for 35 percent of total revenue for the year. Operating grants and contributions account for 30 percent of revenues. Another 3 percent came from other operating revenues consisting of unrestricted and restricted federal/state aid for capital outlay. The remaining 1 percent of revenues include investment earnings and other miscellaneous revenues.

The total cost of all governmental activities programs and services was \$100,178,734. The District's expenses are predominantly related to educating and caring for students.

Total governmental activities revenues and transfers were more than expenses increasing net position \$2,337,113 from the last year.

Table A-3 Revenues by Source- Governmental Activities  
For Fiscal Year 2018

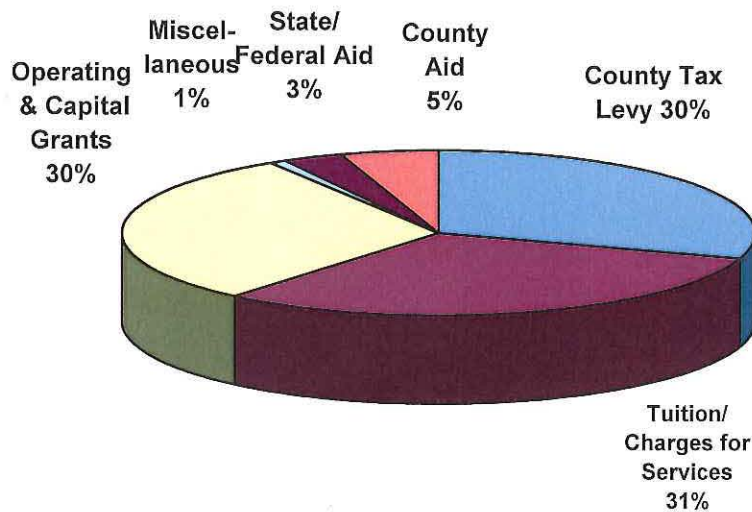
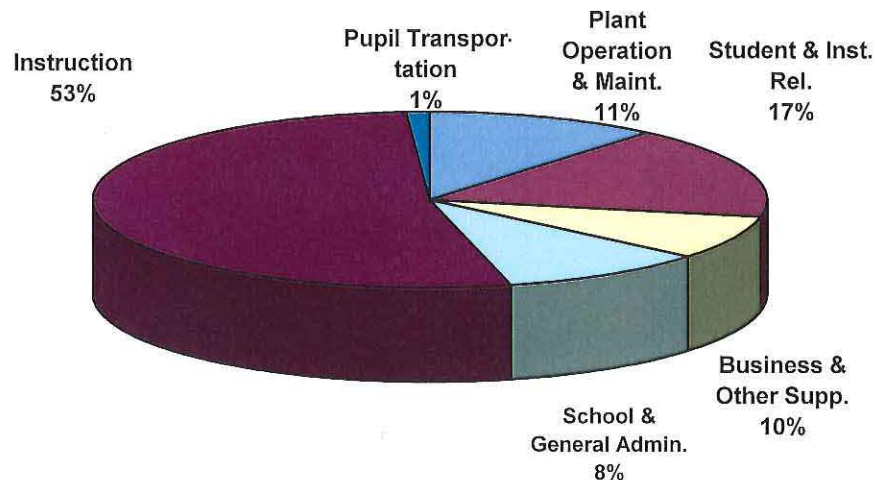


Table A-4 Expenditures by Type- Governmental Activities  
For Fiscal Year 2018



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

**Total and Net Cost of Governmental Activities.** The District's total cost of services was \$100,178,734 for the fiscal year ended June 30, 2018. After applying program revenues, derived from tuition and charges for services of \$31,738,485 and operating grants and contributions of \$30,360,529, the net cost of services of the District was \$38,079,720 for the fiscal year ended June 30, 2018. See Table A-5.

**Table A-5  
Total and Net Cost of Governmental Activities  
For the Fiscal Years Ended June 30, 2018 and 2017**

	Total Cost of Services		Net Cost of Services	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Instruction				
Regular	\$ 22,652,497	\$ 23,941,523	\$ 4,236,746	\$ 6,044,753
Other Special Instruction	455,157	1,259,523	(967,884)	(182,411)
Vocational Education	24,590,842	24,578,919	(1,182,969)	(184,591)
Other Instruction	4,344,779	3,809,101	2,393,734	2,220,935
Adult/Continuing Education	994,264	914,306	(68,774)	(195,710)
Support Services				
Student and Instruction Related Services	17,014,460	15,353,581	8,539,345	7,401,798
School Administrative Services	4,480,170	4,827,057	3,129,210	3,602,863
General Administrative Services	3,438,716	2,882,626	2,610,591	2,128,877
Business and Other Support Services	9,916,291	9,163,851	8,105,911	7,877,071
Plant Operations and Maintenance	11,192,029	10,947,900	10,341,516	10,591,357
Pupil Transportation	1,099,529	1,136,645	942,294	1,037,141
<b>Total</b>	<b><u>\$ 100,178,734</u></b>	<b><u>\$ 98,815,032</u></b>	<b><u>\$ 38,079,720</u></b>	<b><u>\$ 40,342,083</u></b>

**Business-Type Activities** – The District's total business-type activities revenues were \$3,507,000 for the fiscal year ended June 30, 2018. Charges for services accounted for 95% of total revenues. Operating and capital grants and contributions accounted for 5% of total revenue for the year.

The total cost of all business-type activities programs and services was \$3,631,514 for the fiscal year ended June 30, 2018. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and various other business type services.

Total business-type activities revenues and transfers were more than expenses, increasing net position by \$50,486 from the prior year.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

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

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

**Governmental Funds**

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$15,223,224, which is \$5,722,602 more than last year's fund balance of \$9,500,622.

Revenues for the District's governmental funds were \$87,655,584 while total expenses were \$81,632,810 resulting in an increase of \$6,022,714 in fund balance. A transfer to the Compensated Absences Internal Service Fund of \$125,172 and a transfer to the other enterprise funds of \$175,000 resulted in a total net increase of \$5,722,602 in fund balance.

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

The following schedule presents a comparison of General Fund Revenues for the fiscal year ended June 30, 2018 and 2017.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017	Amount of Increase (Decrease)	Percent Increase (Decrease)
Local Sources				
County Property Taxes	\$ 30,910,722	\$ 30,010,408	900,314	1%
Tuition	28,943,993	27,666,393	1,277,600	5%
Miscellaneous	532,027	484,773	47,254	10%
State/Federal Sources	<u>13,550,217</u>	<u>12,465,223</u>	<u>1,084,994</u>	9%
Total General Fund Revenues	<u>\$ 73,936,959</u>	<u>\$ 70,626,797</u>	<u>\$ 3,310,162</u>	<u>4.69%</u>

Total General Fund Revenues increased by \$3,310,162 or 4.69% over the previous year. County property taxes increased by 1%. Tuition, which represents 39% of total general fund revenues, increased by 5%.

State/Federal sources increased by \$1,084,994 or 9% from the previous year. The increase was mainly due to an increase of State on-behalf TPAF contributions/reimbursements.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2018 and 2017.

	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction and Support Services	\$ 70,475,143	\$ 67,699,924	\$ 2,775,219	4%
Capital Outlay and Debt Service	<u>641,971</u>	<u>808,912</u>	<u>(166,941)</u>	-21%
Total Expenditures	<u>\$ 71,117,114</u>	<u>\$ 68,508,836</u>	<u>\$ 2,608,278</u>	<u>3.81%</u>

Total General Fund expenditures increased \$2,608,278 or 3.81% from the previous year.

In 2017-2018 General Fund revenues were more than expenditures by \$2,819,845 before net transfers out of \$1,154,635. Therefore, total fund balance increased by \$1,665,210. The fund balance increased from \$8,509,465 at June 30, 2017 to \$10,174,675 at June 30, 2018.

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

Revenues of the Special Revenue Fund were \$8,943,547, for the year ended June 30, 2018. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 79 of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$291,592 or 3% from the previous year. State sources decreased \$154,954 or 8%, while Federal sources decreased \$57,071 or less than 1%. Revenues from local sources decreased \$79,567.

Expenditures of the Special Revenue Fund were \$8,943,547.

**Capital Projects** - The capital projects revenues and transfers were more than expenses by \$4,057,141 increasing fund balance to \$4,947,757 at June 30, 2018.

**Permanent Fund** - The Permanent Fund accounts for the assets held under the terms of a formal trust agreement. In the case of the District, the principal portion is reserved for scholarships. The total fund balance at June 30, 2018 is \$100,792 of which \$100,000 is nonspendable and \$792 is restricted for scholarships.



# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2018

### Proprietary Funds

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

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

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

The internal service fund has a fund balance of \$446,268 at June 30, 2018.

### GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

**Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2018**

**CAPITAL ASSETS**

The District's investment in capital assets for its governmental and business type activities as of June 30, 2018 amounts to \$47,686,022 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2017-2018 amounted to \$3,813,642 for governmental activities and \$49,656 for business-type activities.

Table 6  
Capital assets at June 30, 2018 and 2017  
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2016</u>
Land Improvements	\$ 541,170	\$ 202,242			\$ 541,170	\$ 202,242
Building and Building Improvements	40,979,905	42,260,792			40,979,905	42,260,792
Machinery and Equipment	<u>5,877,930</u>	<u>6,148,361</u>	<u>\$ 287,017</u>	<u>\$ 320,044</u>	<u>6,164,947</u>	<u>6,468,405</u>
<b>Total Capital Assets, Net</b>	<u>\$ 47,399,005</u>	<u>\$ 48,611,395</u>	<u>\$ 287,017</u>	<u>\$ 320,044</u>	<u>\$ 47,686,022</u>	<u>\$ 48,931,439</u>

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

**LONG TERM LIABILITIES**

At year end, the District's long-term liabilities consisted of compensated absences of \$2,942,334 and net pension liability of \$48,926,086.

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

# **BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

## **Management's Discussion and Analysis Fiscal Year Ended June 30, 2018**

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

Many factors were considered by the District's administration during the process of developing the fiscal year 2018-2019 budget. The primary factors were the District's projected student population anticipated county, state and federal aid as well as increasing salary and related benefit costs.

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

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

## **BASIC FINANCIAL STATEMENTS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2018**

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 13,010,832	\$ 960,858	\$ 13,971,690
Receivables, Net	9,238,328	251,581	9,489,909
Internal Balances	10,000	(10,000)	-
Inventories	-	9,864	9,864
Capital Assets, Being Depreciated	<u>47,399,005</u>	<u>287,017</u>	<u>47,686,022</u>
 Total Assets	 <u>69,658,165</u>	 <u>1,499,320</u>	 <u>71,157,485</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>13,711,244</u>	<u>-</u>	<u>13,711,244</u>
 Total Assets and Deferred Outflow of Resources	 <u>83,369,409</u>	 <u>1,499,320</u>	 <u>84,868,729</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	3,241,843	89,129	3,330,972
Intergovernmental Advances and Payables	4,871		4,871
Unearned Revenue	487,080	288,595	775,675
Noncurrent Liabilities			
Due within one year	-		-
Due beyond one year	<u>51,868,420</u>	<u>-</u>	<u>51,868,420</u>
 Total Liabilities	 <u>55,602,214</u>	 <u>377,724</u>	 <u>55,979,938</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Commodities Revenue		1,567	1,567
Deferred Amounts on Net Pension Liability	<u>9,820,783</u>	<u>-</u>	<u>9,820,783</u>
 Total Liabilities and Deferred Inflow of Resources	 <u>65,422,997</u>	 <u>379,291</u>	 <u>65,802,288</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	47,399,005	287,017	47,686,022
Restricted for:			
Capital Projects	9,763,436		9,763,436
Maintenance	781,419		781,419
Other Purposes- Permanent Endowment	100,792		100,792
Unrestricted	<u>(40,098,240)</u>	<u>833,012</u>	<u>(39,265,228)</u>
 Total Net Position	 <u>\$ 17,946,412</u>	 <u>\$ 1,120,029</u>	 <u>\$ 19,066,441</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business Type Activities	
<b>Governmental activities</b>							
Instruction:							
Regular	\$ 22,652,497	\$ 10,045,687	\$ 8,370,064		\$ (4,236,746)		\$ (4,236,746)
Other Special Instruction	455,157	-	1,423,041		967,884		967,884
Vocational	24,590,842	17,458,518	8,315,293		1,182,969		1,182,969
Other Instruction	4,344,779	425,098	1,525,947		(2,393,734)		(2,393,734)
Adult/Continuing Education Programs	994,264	1,014,690	48,348		68,774		68,774
Support Services:							
Student & Instruction Related Services	17,014,460	451,934	8,023,181		(8,539,345)		(8,539,345)
School Administrative Services	4,480,170	58,014	1,292,946		(3,129,210)		(3,129,210)
General Administrative Services	3,438,716	756,041	72,084		(2,610,591)		(2,610,591)
Business/Central & Other Support Services	9,916,291	1,270,016	540,364		(8,105,911)		(8,105,911)
Plant Operations and Maintenance	11,192,029	159,828	690,685		(10,341,516)		(10,341,516)
Pupil Transportation	1,099,529	98,659	58,576	-	(942,294)	-	(942,294)
<b>Total Governmental Activities</b>	<b>100,178,734</b>	<b>31,738,485</b>	<b>30,360,529</b>	<b>-</b>	<b>(38,079,720)</b>	<b>-</b>	<b>(38,079,720)</b>
<b>Business - Type Activities</b>							
Food Service	834,407	612,582	162,842			\$ (58,983)	(58,983)
Other	2,797,107	2,731,576	-	-	-	(65,531)	(65,531)
<b>Total Business Type Activities</b>	<b>3,631,514</b>	<b>3,344,158</b>	<b>162,842</b>	<b>-</b>	<b>-</b>	<b>(124,514)</b>	<b>(124,514)</b>
<b>Total Primary Government</b>	<b>\$ 103,810,248</b>	<b>\$ 35,082,643</b>	<b>\$ 30,523,371</b>	<b>\$ -</b>	<b>(38,079,720)</b>	<b>(124,514)</b>	<b>(38,204,234)</b>
General Revenues:							
		County Property Tax Levy			30,910,722		30,910,722
		County Aid			4,774,827		4,774,827
		Federal and State aid unrestricted			4,110,588		4,110,588
		Federal and State aid restricted			582,891		582,891
		Investment Earnings			51,954		51,954
		Miscellaneous Income			160,851		160,851
		Transfers			(175,000)	175,000	-
<b>Total General Revenues and Transfers</b>					<b>40,416,833</b>	<b>175,000</b>	<b>40,591,833</b>
<b>Change in Net Position</b>					<b>2,337,113</b>	<b>50,486</b>	<b>2,387,599</b>
<b>Net Position - Beginning</b>					<b>15,609,299</b>	<b>1,069,543</b>	<b>16,678,842</b>
<b>Net Position - Ending</b>					<b>\$ 17,946,412</b>	<b>\$ 1,120,029</b>	<b>\$ 19,066,441</b>

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

**FUND FINANCIAL STATEMENTS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2018**

**EXHIBIT B-1**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Assets					
Cash and Cash Equivalents	\$ 12,179,480	\$ 10,497	\$ 474,482	\$ 100,792	\$ 12,765,251
Due from Other Governments					
State	-	598,924			598,924
Federal	-	1,979,378			1,979,378
Other	1,593,424	-	4,766,999		6,360,423
Due from BCSSD	44,333				44,333
Security Deposits	3,500				3,500
Due from Other Funds	<u>1,417,987</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,417,987</u>
 Total Assets	 <u>\$ 15,238,724</u>	 <u>\$ 2,588,799</u>	 <u>\$ 5,241,481</u>	 <u>\$ 100,792</u>	 <u>\$ 23,169,796</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities					
Accounts Payable	\$ 2,024,586	\$ 795,443	\$ 228,789		\$ 3,048,818
Due to Other Governments					
State		4,390			4,390
Federal		481			481
Due to Other Funds	2,942,334	1,300,000	-		4,242,334
Other Payable	25,964	1,405			27,369
Due to BCSSD	71,165		64,935		136,100
Unearned Revenue	<u>-</u>	<u>487,080</u>	<u>-</u>	<u>-</u>	<u>487,080</u>
 Total Liabilities	 <u>5,064,049</u>	 <u>2,588,799</u>	 <u>293,724</u>	 <u>-</u>	 <u>7,946,572</u>
 Fund Balances:					
Nonspendable					
Permanent Fund - Principal Portion				\$ 100,000	100,000
Restricted					
Capital Reserve	4,815,679				4,815,679
Maintenance Reserve	781,419				781,419
Permanent Fund				792	792
Capital Projects Fund			4,947,757		4,947,757
Assigned					
Year-End Encumbrances	2,793,656				2,793,656
Designated for Subsequent Year's Budget - ARRA/SEMI	2,624				2,624
Designated for Subsequent Year's Budget	700,000				700,000
Unassigned					
General Fund	<u>1,081,297</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,081,297</u>
 Total Fund Balances	 <u>10,174,675</u>	 <u>-</u>	 <u>4,947,757</u>	 <u>100,792</u>	 <u>15,223,224</u>
 Total Liabilities and Fund Balances	 <u>\$ 15,238,724</u>	 <u>\$ 2,588,799</u>	 <u>\$ 5,241,481</u>	 <u>\$ 100,792</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$103,857,362 and the accumulated depreciation is \$56,458,357. 47,399,005

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

	\$ 13,711,244	
Deferred Outflows of Resources	(9,820,783)	
Deferred Inflows of Resources	<u>3,890,461</u>	

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

	(48,926,086)	
Net Pension Liability	<u>(48,926,086)</u>	

The assets and liabilities of the internal service fund are included with governmental activities 359,808

Net position of governmental activities \$ 17,946,412

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
County Property Tax Levy	\$ 30,910,722				\$ 30,910,722
County Aid			\$ 4,774,827		4,774,827
Tuition	28,943,993				28,943,993
GED Fees	53,473				53,473
Technology Agreement	266,000				266,000
Interest on Investments	51,703			\$ 251	51,954
Miscellaneous	<u>160,851</u>	<u>\$ 21,337</u>	<u>-</u>	<u>-</u>	<u>182,188</u>
Total Local Sources	60,386,742	21,337	4,774,827	251	65,183,157
State Sources	13,518,338	1,822,753			15,341,091
Federal Sources	<u>31,879</u>	<u>7,099,457</u>	<u>-</u>	<u>-</u>	<u>7,131,336</u>
Total Revenues	<u>73,936,959</u>	<u>8,943,547</u>	<u>4,774,827</u>	<u>251</u>	<u>87,655,584</u>
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	15,717,900	913,810			16,631,710
Other Special Instruction	455,157				455,157
Vocational Education	18,012,791				18,012,791
Other Instruction	3,460,228				3,460,228
Adult/Continuing Education Programs	994,264				994,264
Support Services and Undistributed Costs					
Student & Instruction Related Services	7,572,704	7,446,846			15,019,550
School Administrative Services	3,494,656				3,494,656
General Administrative Services	2,508,498				2,508,498
Plant Operations and Maintenance	9,634,272		285,978		9,920,250
Pupil Transportation	848,254				848,254
Business /Central Svcs./ Admin. Info Technology	7,776,419				7,776,419
Capital Outlay	<u>641,971</u>	<u>582,891</u>	<u>1,286,171</u>	<u>-</u>	<u>2,511,033</u>
Total Expenditures	<u>71,117,114</u>	<u>8,943,547</u>	<u>1,572,149</u>	<u>-</u>	<u>81,632,810</u>
Excess/(Deficiency) of Revenues over/(under) Expenditures	<u>2,819,845</u>	<u>-</u>	<u>3,202,678</u>	<u>251</u>	<u>6,022,774</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers Out	(1,154,635)				(1,154,635)
Transfers In	<u>-</u>	<u>-</u>	<u>854,463</u>	<u>-</u>	<u>854,463</u>
Total Other Financing Sources	<u>(1,154,635)</u>	<u>-</u>	<u>854,463</u>	<u>-</u>	<u>(300,172)</u>
Net Change in Fund Balances	1,665,210	-	4,057,141	251	5,722,602
Fund Balance, Beginning of Year	<u>8,509,465</u>	<u>-</u>	<u>890,616</u>	<u>100,541</u>	<u>9,500,622</u>
Fund Balance, End of Year	<u>\$ 10,174,675</u>	<u>\$ -</u>	<u>\$ 4,947,757</u>	<u>\$ 100,792</u>	<u>\$ 15,223,224</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Total Net Change in Fund Balances - Governmental Funds (B-2)** \$ 5,722,602

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

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

	Depreciation Expense	\$ (3,809,883)	
	Capital Outlays	<u>2,511,033</u>	
			(1,298,850)

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

	Increase in Pension Expenses	(2,264,454)
--	------------------------------	-------------

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

	Net Income Before Transfers	52,643	
	Transfers from General Fund	<u>125,172</u>	
	Change in Net Position		<u>177,815</u>

**Change in Net Position of Governmental Activities** \$ 2,337,113

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2018**

EXHIBIT B-4

	Business Type Activities													Totals	Governmental Internal Service Fund Other Governmental Services
	Food Service	Day Care	Summer-Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals		
<b>ASSETS</b>															
<b>Current Assets</b>															
Cash and Cash Equivalents	\$ 118,841	\$ 4,306	\$ 49,045	\$ 90,688	\$ 203,116	\$ 7,626	\$ 28,170	\$ 332,016	\$ 505	\$ 33,087	\$ 7,245	\$ 18,660	\$ 67,553	\$ 960,858	\$ 245,581
Intergovernmental Receivable	9,551	-	-	-	-	-	-	-	-	-	-	-	-	9,551	-
Other Accounts Receivable	-	-	-	-	216,903	-	-	-	-	-	-	-	19,977	236,880	-
Due from B.C.S.S.D.	5,150	-	-	-	-	-	-	-	-	-	-	-	-	5,150	129,770
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	120,000	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	2,942,334	-
Inventories	9,864	-	-	-	-	-	-	-	-	-	-	-	-	9,864	-
<b>Total Current Assets</b>	<b>143,406</b>	<b>4,306</b>	<b>49,045</b>	<b>90,688</b>	<b>420,019</b>	<b>7,626</b>	<b>28,170</b>	<b>332,016</b>	<b>505</b>	<b>33,087</b>	<b>7,245</b>	<b>18,660</b>	<b>87,530</b>	<b>1,222,303</b>	<b>3,437,685</b>
<b>Capital Assets</b>															
Furniture, machinery & equipment	649,642	-	-	871	1,233,536	-	-	-	-	-	-	-	82,414	1,966,463	90,219
Less: Accumulated Depreciation	(593,786)	-	-	(871)	(1,125,103)	-	-	-	-	-	-	-	(46,685)	(1,679,446)	(3,259)
<b>Total Capital Assets, Net</b>	<b>149,856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,433</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,728</b>	<b>287,017</b>	<b>86,460</b>
<b>Total Assets</b>	<b>284,262</b>	<b>4,306</b>	<b>49,045</b>	<b>90,688</b>	<b>528,452</b>	<b>7,626</b>	<b>28,170</b>	<b>332,016</b>	<b>505</b>	<b>33,087</b>	<b>7,245</b>	<b>18,660</b>	<b>125,258</b>	<b>1,509,320</b>	<b>3,524,145</b>
<b>LIABILITIES</b>															
<b>Current Liabilities</b>															
Accounts Payable	60,288	6,833	9,116	125	7,611	-	-	-	-	-	-	-	-	83,973	29,556
Other Payable	-	1,941	-	-	3,215	-	-	-	-	-	-	-	-	5,156	-
Interfund Payable	-	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000	105,987
Unearned Revenue	-	-	32,388	99,600	-	-	9,282	95,569	-	30,221	-	18,660	2,875	288,595	-
<b>Total Current Liabilities</b>	<b>60,288</b>	<b>18,774</b>	<b>41,504</b>	<b>99,725</b>	<b>10,826</b>	<b>-</b>	<b>9,282</b>	<b>95,569</b>	<b>-</b>	<b>30,221</b>	<b>-</b>	<b>18,660</b>	<b>2,875</b>	<b>387,724</b>	<b>135,543</b>
<b>Noncurrent Liabilities</b>															
Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,942,334
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,942,334</b>
<b>Total Liabilities</b>	<b>60,288</b>	<b>18,774</b>	<b>41,504</b>	<b>99,725</b>	<b>10,826</b>	<b>-</b>	<b>9,282</b>	<b>95,569</b>	<b>-</b>	<b>30,221</b>	<b>-</b>	<b>18,660</b>	<b>2,875</b>	<b>387,724</b>	<b>3,077,877</b>
<b>DEFERRED INFLOW OF RESOURCES</b>															
Deferred Commodities Revenue	1,567	-	-	-	-	-	-	-	-	-	-	-	-	1,567	-
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>61,855</b>	<b>18,774</b>	<b>41,504</b>	<b>99,725</b>	<b>10,826</b>	<b>-</b>	<b>9,282</b>	<b>95,569</b>	<b>-</b>	<b>30,221</b>	<b>-</b>	<b>18,660</b>	<b>2,875</b>	<b>389,291</b>	<b>3,077,877</b>
<b>NET POSITION</b>															
Net Investment in Capital Assets	140,856	-	-	-	108,433	-	-	-	-	-	-	-	37,728	287,017	86,460
Unrestricted	81,551	(14,468)	7,541	(9,037)	409,193	7,626	18,888	236,447	505	2,866	7,245	-	84,655	833,012	359,808
<b>Total Net Position</b>	<b>\$ 222,407</b>	<b>\$ (14,468)</b>	<b>\$ 7,541</b>	<b>\$ (9,037)</b>	<b>\$ 517,626</b>	<b>\$ 7,626</b>	<b>\$ 18,888</b>	<b>\$ 236,447</b>	<b>\$ 505</b>	<b>\$ 2,866</b>	<b>\$ 7,245</b>	<b>\$ -</b>	<b>\$ 122,383</b>	<b>\$ 1,120,029</b>	<b>\$ 446,268</b>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business Type Activities													Governmental	
	Food Service	Day Care	Summer-Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals	Internal Service Funds
<b>OPERATING REVENUES</b>															
Charges for Services															
Daily sales - reimbursable programs															
Lunch Program	\$ 319,942	-	-	-	-	-	-	-	-	-	-	-	-	\$ 319,942	
Breakfast Program	9,302	-	-	-	-	-	-	-	-	-	-	-	-	9,302	
Daily sales - nonreimbursable programs	268,589	-	-	-	-	-	-	-	-	-	-	-	-	268,589	
Special Functions	14,749	-	-	-	-	-	-	-	-	-	-	-	-	14,749	
Charges and Fees	-	\$ 183,968	\$ 37,100	\$ 193,840	\$ 1,759,982	\$ 23,020	\$ 7,925	\$ 116,613	\$ -	\$ 36,802	\$ 11,600	-	\$ 360,726	2,731,576	\$ 2,475,019
<b>Total Operating Revenues</b>	<b>612,582</b>	<b>183,968</b>	<b>37,100</b>	<b>193,840</b>	<b>1,759,982</b>	<b>23,020</b>	<b>7,925</b>	<b>116,613</b>	<b>-</b>	<b>36,802</b>	<b>11,600</b>	<b>-</b>	<b>360,726</b>	<b>3,344,158</b>	<b>2,475,019</b>
<b>OPERATING EXPENSES</b>															
Cost of Sales - reimburseable programs	199,246	-	-	-	-	-	-	-	-	-	-	-	-	199,246	
Cost of Sales - nonreimbursable programs	94,454	-	-	-	-	-	-	-	-	-	-	-	-	94,454	
Salaries/Salaries of Teachers	272,663	268,771	21,338	211,902	1,104,818	11,438	3,513	69,074	-	31,103	18,132	-	299,938	2,312,690	1,718,457
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125,172
Employee Benefits	85,239	70,561	-	15,222	415,597	875	269	5,284	-	2,379	-	-	49,611	645,037	413,762
Purchased Prof-Educ. Service	-	-	-	-	-	-	-	11,956	-	-	-	-	-	11,956	-
Other Purchased Services	142,449	16,740	-	11,685	91,332	1,768	2,100	-	-	-	-	-	(17,774)	248,300	94,879
Supplies and Materials	23,999	3,417	16,334	906	-	1,313	-	-	-	-	-	-	23,411	69,380	66,347
Depreciation	16,357	-	-	-	27,455	-	-	-	-	-	-	-	5,844	49,656	3,759
Other Objects	-	795	-	-	-	-	-	-	-	-	-	-	-	795	-
<b>Total Operating Expenses</b>	<b>834,407</b>	<b>360,284</b>	<b>37,672</b>	<b>239,715</b>	<b>1,639,202</b>	<b>15,394</b>	<b>5,882</b>	<b>86,314</b>	<b>-</b>	<b>33,482</b>	<b>18,132</b>	<b>-</b>	<b>361,030</b>	<b>3,631,514</b>	<b>2,422,376</b>
Operating Income (Loss)	(221,825)	(176,316)	(572)	(45,875)	120,780	7,626	2,043	30,299	-	3,320	(6,532)	-	(304)	(287,356)	52,643
<b>NONOPERATING REVENUES</b>															
State Sources															
State School Lunch Program	5,342	-	-	-	-	-	-	-	-	-	-	-	-	5,342	
Federal Sources															
National School Lunch Program	102,666	-	-	-	-	-	-	-	-	-	-	-	-	102,666	
National School Lunch Program - PB	6,261	-	-	-	-	-	-	-	-	-	-	-	-	6,261	
Commodities Program	36,397	-	-	-	-	-	-	-	-	-	-	-	-	36,397	
National School Breakfast Program	12,176	-	-	-	-	-	-	-	-	-	-	-	-	12,176	
<b>Total Non-Operating Revenues</b>	<b>162,842</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162,842</b>	<b>-</b>
Net Income (Loss)	(58,983)	(176,316)	(572)	(45,875)	120,780	7,626	2,043	30,299	-	3,320	(6,532)	-	(304)	(124,514)	52,643
Transfers															
Transfers In(Out)	-	175,000	-	-	-	-	-	-	-	-	-	-	-	175,000	125,172
Change in Net Position	(58,983)	(1,316)	(572)	(45,875)	120,780	7,626	2,043	30,299	-	3,320	(6,532)	-	(304)	50,486	177,815
Total Net Position - Beginning	281,390	(13,152)	8,113	36,838	396,846	-	16,845	206,148	505	(454)	13,777	-	122,687	1,069,543	268,453
Total Net Position - Ending	\$ 222,407	\$ (14,468)	\$ 7,541	\$ (9,037)	\$ 517,626	\$ 7,626	\$ 18,888	\$ 236,447	\$ 505	\$ 2,866	\$ 7,245	\$ -	\$ 122,383	\$ 1,120,029	\$ 446,268

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business Type Activities											Totals	Other Governmental Services			
	Food Service	Day Care	Summer-Science Funds	Academy After Hours	Technology Services	ETTC	Summer Writing	Mash Camp Funds	High School Enrichment	Treblecho Summer	Expansion			Tech Camp	Auxiliary Benefits	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>																
Receipts from Customers	\$ 610,891	\$ 181,988	\$ 32,388	\$ 215,341	\$ 1,810,859	25,070	9,707	\$ 98,170	\$ 29,721	\$ (18,132)	\$ 18,660	\$ 391,626	\$ 3,444,351	\$ 2,496,176		
Payments to Employees	(272,663)	(268,771)	(21,338)	(21,502)	(1,184,816)	(11,436)	(5,513)	(69,074)	(31,103)	(18,132)	(18,660)	(299,518)	(2,312,690)	(5,132,219)		
Payments for Health Benefits	(85,239)	(76,541)	-	(1,222)	(412,997)	(873)	(269)	(5,284)	(2,179)	-	-	(49,611)	(645,097)	(151,172)		
Payments to Suppliers	(192,463)	(15,869)	(9,651)	(8,422)	(91,523)	(3,981)	(2,159)	(11,826)	-	-	-	(20,939)	(541,652)	(745,831)		
Net Cash Provided by/Used for operating activities	(109,414)	(171,126)	1,409	(6,205)	199,112	7,626	3,825	(11,856)	(3,761)	(18,132)	18,660	11,139	(55,011)	93,954		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>																
State Services	5,245	-	-	-	-	-	-	-	-	-	-	-	5,245	-		
Federal Sources	119,940	175,000	-	-	-	-	-	-	-	-	-	-	119,940	65,172		
Interfund Transfers-Own Fund	125,183	175,000	-	-	-	-	-	-	-	-	-	-	175,000	65,172		
Net cash provided by (used for) noncapital financing activities	350,368	425,000	-	-	-	-	-	-	-	-	-	-	350,368	135,444		
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>																
Purchases of capital assets	(16,629)	-	-	-	-	-	-	-	-	-	-	-	(16,629)	(99,219)		
Net increase (decrease) in cash and cash equivalents	(53)	3,874	1,409	(6,205)	199,112	7,626	3,825	11,856	(3,761)	(18,132)	18,660	11,139	238,545	68,897		
Cash and Cash Equivalents - Beginning of Year	119,699	452	47,635	96,893	4,904	-	24,345	328,160	505	25,377	-	26,414	732,311	176,674		
Cash and Cash Equivalents - End of Year	\$ 118,841	\$ 456	\$ 49,045	\$ 90,688	\$ 203,116	\$ 7,626	\$ 28,170	\$ 332,016	\$ 502	\$ 7,245	\$ 18,660	\$ 67,551	\$ 869,856	\$ 245,571		
<b>Reconciliation of Operating Income (Loss) to net cash provided (used) for operating activities:</b>																
Operating Income (Loss)	\$ (221,825)	\$ (176,316)	\$ (672)	\$ (44,875)	\$ 120,780	\$ 7,626	\$ 2,043	\$ 30,259	\$ -	\$ (6,332)	\$ (6,332)	\$ (1,004)	\$ (287,356)	\$ 52,643		
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:																
Depreciation	16,357	-	-	-	27,455	-	-	-	-	-	-	5,844	49,656	3,759		
Food Distribution (USDA) Commodities- National School Lunch Program	37,464	-	-	-	58,877	-	-	-	-	-	-	28,025	37,464	21,157		
Change in Accounts Payable	(1,691)	-	-	-	-	-	-	-	-	-	-	-	(1,691)	(7)		
(Increase)/Decrease in Inventories	(7)	-	-	-	-	-	-	-	-	-	-	-	(7)	-		
(Increase)/Decrease in Accounts Receivable	-	-	(4,712)	41,501	-	1,782	(18,443)	(18,443)	(7,081)	(11,600)	18,660	2,875	22,982	16,985		
(Increase)/Decrease in Other Payable	69,288	5,590	6,693	(1,851)	-	-	-	-	-	-	-	(24,979)	45,264	-		
Increase/Decrease in accounts payable	69,288	5,590	6,693	(1,851)	-	-	-	-	-	-	-	(24,979)	45,264	-		
Total adjustments	114,411	5,190	1,981	38,670	78,332	-	1,782	(18,443)	(7,081)	(11,600)	18,660	(11,443)	232,345	41,311		
Net cash provided by (used for) operating activities	\$ (109,414)	\$ (171,126)	\$ 1,409	\$ (6,205)	\$ 199,112	\$ 7,626	\$ 3,825	\$ 11,856	\$ -	\$ (18,132)	\$ 18,660	\$ 11,139	\$ (55,011)	\$ 93,954		
Noncash Investing, Capital and Financing Activities																
Fair Value of Food Distribution Program- National School Lunch	37,464	-	-	-	-	-	-	-	-	-	-	-	-	-		

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
AS OF JUNE 30, 2018**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 460,642	\$ 28,745	\$ 1,174,164
Total Assets	<u>\$ 460,642</u>	<u>\$ 28,745</u>	<u>\$ 1,174,164</u>
<b>LIABILITIES</b>			
Due to State of New Jersey	\$ 7,467		
Payroll deductions and withholdings			\$ 361,795
Due to Other Funds			2,000
Payable to student groups	<u>-</u>	<u>-</u>	<u>810,369</u>
Total Liabilities	<u>7,467</u>	<u>-</u>	<u>\$ 1,174,164</u>
<b>NET POSITION</b>			
Held in trust for unemployment claims and other purposes	<u>\$ 453,175</u>		
Reserved for scholarships		<u>\$ 28,745</u>	

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>
<b>ADDITIONS</b>		
Contributions:		
Plan Member	\$ 59,500	
Donations	<u>-</u>	\$ 100
Total Contributions	<u>59,500</u>	<u>100</u>
Investment Earnings:		
Interest	<u>868</u>	<u>82</u>
Net investment earnings	<u>868</u>	<u>82</u>
Total Additions	<u>60,368</u>	<u>182</u>
<b>DEDUCTIONS</b>		
Unemployment Claims	37,666	-
Withdrawals	<u>-</u>	<u>3,900</u>
Total Deductions	<u>37,666</u>	<u>3,900</u>
Change in Net Position	22,702	(3,718)
Net Position, Beginning of Year	<u>430,473</u>	<u>32,463</u>
Net Position, End of the Year	<u>\$ 453,175</u>	<u>\$ 28,745</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

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

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

**B. New Accounting Standards**

During fiscal year 2018, the District adopted the following GASB statements as required:

- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits (OPEB)).
- GASB No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, will be effective beginning with the year ending June 30, 2019. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**District-Wide Financial Statements**

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

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

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

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**Fund Financial Statements (Continued)**

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

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

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

Additionally, the government reports the following fund types:

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

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims and for private donations for scholarship awards. All resources of the funds, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

The *fiduciary agency funds* account for assets held by the District as an agent for student activities and for payroll deductions and withholdings. The funds for the student activities fund are solely for noninstructional student activities that are supported and controlled by student organizations and clubs for which school administration does not have management involvement. The payroll funds are held to remit employee withholdings to respective state, federal and other agencies.

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

**Reclassifications**

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

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

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

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

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

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

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

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

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

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

**2. *Receivables***

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**3. Inventories**

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

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

**4. Capital Assets**

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

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

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**5. *Deferred Outflows/Inflows of Resources (Continued)***

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 Board has two types of items which arise only under the accrual basis of accounting that qualify for reporting in this category. The one item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other type of item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

**6. *Compensated Absences***

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

**7. *Pensions***

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

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

**District-Wide Statements**

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

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

**Governmental Fund Statements**

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

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

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

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

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

*Maintenance Reserve* – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2).

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

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

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

**Governmental Fund Statements (Continued)**

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

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

*Designated for Subsequent Year's Expenditures* – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2018/2019 District budget certified for taxes.

*Designated for Subsequent Year's Expenditures ARRA/SEMI* – This designation was created to dedicate the portion of the ARRA/SEMI revenue that is unexpended at June 30, 2018 that was appropriated in the adopted 2018/2019 budget certified for taxes.

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

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

***10. Fund Balance Policies***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**F. Revenues and Expenditures/Expenses**

**1. *Program Revenues***

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

**2. *Property Taxes***

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

**3. *Tuition Revenues***

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

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**A. Budgetary Information (Continued)**

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2017/2018. Also, during 2017/2018 the Board increased the original budget by \$4,017,644. The increase was funded by additional revenue, capital reserve and maintenance reserve appropriated, grant awards and the reappropriation of prior year general fund encumbrances.

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

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

**B. Capital Reserve**

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**B. Capital Reserve (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 4,073,413
Increased by:		
Deposits Approved by Board Resolution	\$ 1,700,000	
Interest	<u>6,729</u>	
		<u>1,706,729</u>
		5,780,142
Decreased by:		
Withdrawal Approved by Board Resolution		<u>(964,463)</u>
Balance, June 30, 2018		<u>\$ 4,815,679</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan.

**C. Maintenance Reserve**

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 681,419
Increased by		
Deposits Approved by Board Resolution	<u>500,000</u>	
Total Increases		1,181,419
Withdrawals		
Approved by Board Resolution	<u>(400,000)</u>	
Balance, June 30, 2018		<u>\$ 781,419</u>

The withdrawal from the maintenance reserve was for use in required maintenance activities for school facilities.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2018, the book value of the Board's deposits were \$15,635,241 and bank and brokerage firm balances of the Board's deposits amounted to \$17,502,721. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<b><u>Depository Account</u></b>	<b><u>Bank Balance</u></b>
Insured	\$ <u>17,502,721</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2018 none of the Board's bank balances were exposed to custodial credit risk.

**Investments**

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**Investments (Continued)**

As of June 30, 2018, the Board had no outstanding investments.

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

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

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

**B. Receivables**

Receivables as of June 30, 2018 for the district’s individual major funds and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

					B.C.S.S.				
					Technology	Auditorium	Management	Interlocal	
					Services	Rentals-	Agreement-	Agreement	
					Enterprise	Enterprise	Services	Services	Total
	General	Special	Capital	Food					
		Revenue	Projects	Service					
Receivables:									
Accounts					\$ 216,903	\$ 19,977		\$ 120,000	\$ 356,880
Intergovernmental-	\$ 1,637,757	\$ 2,578,302	\$ 4,766,999	\$ 14,701	-	-	\$ 129,770	-	9,127,529
Gross Receivables	<u>1,637,757</u>	<u>2,578,302</u>	<u>4,766,999</u>	<u>14,701</u>	<u>216,903</u>	<u>19,977</u>	<u>129,770</u>	<u>120,000</u>	<u>9,484,409</u>
Less: Allowance for									
Uncollectibles	-	-	-	-	-	-	-	-	-
Net Total Receivables	<u>\$ 1,637,757</u>	<u>\$ 2,578,302</u>	<u>\$ 4,766,999</u>	<u>\$ 14,701</u>	<u>\$ 216,903</u>	<u>\$ 19,977</u>	<u>\$ 129,770</u>	<u>\$ 120,000</u>	<u>\$ 9,484,409</u>

**C. Unearned Revenue**

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

Special Revenue Fund	
Unencumbered grant draw downs	\$ 89,104
Grant draw downs reserved for encumbrances	<u>397,976</u>
Total unearned revenue for governmental funds	<u>\$ 487,080</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	<u>Balance, July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2018</u>
<b>Governmental Activities:</b>				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 1,569,680	\$ 364,707		\$ 1,934,387
Buildings and Building Improvements	72,841,657	999,069	\$ -	73,840,726
Machinery and Equipment	26,844,773	1,237,476	-	28,082,249
Total Capital Assets Being Depreciated	<u>101,256,110</u>	<u>2,601,252</u>	<u>-</u>	<u>103,857,362</u>
Less Accumulated Depreciation for:				
Land and Land Improvements	(1,367,438)	(25,779)		(1,393,217)
Buildings and Building Improvements	(30,580,865)	(2,279,956)	-	(32,860,821)
Machinery and Equipment	(20,696,412)	(1,507,907)	-	(22,204,319)
Total Accumulated Depreciation	<u>(52,644,715)</u>	<u>(3,813,642)</u>	<u>-</u>	<u>(56,458,357)</u>
Total Capital Assets, Being Depreciated, Net	<u>48,611,395</u>	<u>(1,212,390)</u>	<u>-</u>	<u>47,399,005</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,611,395</u>	<u>\$ (1,212,390)</u>	<u>\$ -</u>	<u>\$ 47,399,005</u>
	<u>Balance, July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2018</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 1,973,129	\$ 16,629	23,295	\$ 1,966,463
Total Capital Assets Being Depreciated	<u>1,973,129</u>	<u>16,629</u>	<u>23,295</u>	<u>1,966,463</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(1,653,085)	(49,656)	23,295	(1,679,446)
Total Accumulated Depreciation	<u>(1,653,085)</u>	<u>(49,656)</u>	<u>23,295</u>	<u>(1,679,446)</u>
Total Capital Assets, Being Depreciated, Net	<u>320,044</u>	<u>(33,027)</u>	<u>-</u>	<u>287,017</u>
Business-Type Activities Capital Assets, Net	<u>\$ 320,044</u>	<u>\$ (33,027)</u>	<u>\$ -</u>	<u>\$ 287,017</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**D. Capital Assets (Continued)**

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

**Governmental activities:**

Instruction	
Regular	\$ 1,698,596
Vocational Education	<u>1,698,596</u>
Total Instruction	<u>3,397,192</u>
Support Services	
Student and Instruction Related Services	247,126
General Administration	12,985
School Administration	12,985
Operations and Maintenance of Plant	91,996
Student Transportation	21,629
Business and Other Support Services	<u>25,970</u>
Total Support Services	<u>412,691</u>
Total Governmental Funds	<u>3,809,883</u>
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>3,759</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,813,642</u>
<b>Business-Type Activities:</b>	
Food Service Fund	\$ 16,357
Technology Services Fund	27,455
Auditorium Rentals Fund	<u>5,844</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 49,656</u>



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**D. Capital Assets (Continued)**

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2018:

<u>Project</u>	<u>Remaining Commitment</u>
Horticulture/Landscape Facility Building - Paramus Campus	\$ 76,871
Architectural Services - Culinary Academy Addition & Renovation	36,075
Enterprise Resource Software System	39,767
Teterboro Campus Generator Installation	16,140
Teterboro Campus Classroom Renovation	367,403
Boiler Replacement - Adult Education	487,800
Demolition and Construction	2,105,000
Renovation of Auto Shop to Aerospace Classroom	1,186,800
	<u>\$ 4,315,856</u>

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

The composition of interfund balances as of June 30, 2018, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,300,000
General Fund	Internal Service Funds	105,987
General Fund	Enterprise Funds	10,000
General Fund	Agency Funds	2,000
		<u>\$ 1,417,987</u>
Compensated Absences - Internal Service Fund	General Fund	<u>\$ 2,942,334</u>

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**Interfund transfers**

	<u>Internal Service Fund</u>	<u>Enterprise Funds</u>	<u>Transfer In: Capital Projects Fund</u>	<u>Total</u>
Transfer Out:				
General Fund	\$ 125,172	\$ 175,000	\$ 854,463	\$ 1,154,635
	<u>\$ 125,172</u>	<u>\$ 175,000</u>	<u>\$ 854,463</u>	<u>\$ 1,154,635</u>

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

**F. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 2,817,162	\$ 125,172	\$ -	\$ 2,942,334	
Net Pension Liability	<u>60,935,261</u>	<u>-</u>	<u>12,009,175</u>	<u>48,926,086</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 63,752,423</u>	<u>\$ 125,172</u>	<u>\$ 12,009,175</u>	<u>\$ 51,868,420</u>	<u>\$ -</u>

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

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

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

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

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
218	-	\$ 59,500	\$ 37,666	\$ 453,175
2017	-	57,958	19,368	430,473
2016	-	55,976	100,113	391,723

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2018, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Plan Descriptions and Benefits Provided**

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

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

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

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

**Teachers' Pension and Annuity Fund (TPAF)** – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

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

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

**Other Pension Funds**

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Plan Amendments**

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Investments are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Funding Status and Funding Progress**

As of July 1, 2016, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 33 percent with an unfunded actuarial accrued liability of 90.90 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 25.41 percent and \$67.6 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 48.10 percent and \$23.3 billion, respectively.

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

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

**Actuarial Methods and Assumptions**

In the July 1, 2016 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.00 percent and (b) projected salary increases applied through the year 2026 of 1.65-5.15 percent based on age for the PERS and varying percentages based on experience for TPAF.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.34% for PERS, 7.34% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2018.

**Annual Pension Costs (APC)**

For the fiscal year ended June 30, 2018 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Annual Pension Costs (APC) (Continued)**

During the fiscal years ended June 30, 2018, 2017 and 2016 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, was required to contribute for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2018	\$ 1,947,075	\$ 3,627,476	\$ 11,896
2017	1,827,794	2,697,183	12,512
2016	1,706,393	1,906,328	-

In addition for fiscal years 2017/2018 and 2016/2017 the District contributed \$26,563 and \$9,367, respectively for PERS and the State contributed \$4,715 and \$5,065, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,804,185 during the fiscal year ended June 30, 2018 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the fiscal year ended June 30, 2017. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Public Employees Retirement System (PERS)**

To facilitate the separate actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2017 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2017.

At June 30, 2018, the District reported in the statement of net position (accrual basis) a liability of \$48,926,086 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the District's proportionate share was 0.21017 percent, which was an increase of 0.00443 percent from its proportionate share measured as of June 30, 2016 of 0.20574 percent.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$4,211,529 for PERS. The pension contribution made by the District during the current 2017/2018 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2018 with a measurement date of the prior fiscal year end of June 30, 2017. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2018 for contributions made subsequent to the current fiscal year end. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 1,152,040	
Changes of Assumptions	9,856,920	\$ 9,820,783
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	333,154	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>2,369,130</u>	<u>-</u>
Total	<u>\$ 13,711,244</u>	<u>\$ 9,820,783</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

At June 30, 2018, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2019	\$ 1,821,722
2020	2,360,252
2021	1,639,246
2022	(1,017,725)
2023	(913,034)
Thereafter	<u>-</u>
	<u>\$ 3,890,461</u>

***Actuarial Assumptions***

The District's total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000

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

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

*Long-Term Expected Rate of Return*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
US Equities	30.00%	8.19%
Non-US Developed Markets Equity	11.50%	9.00%
Emerging Market Equities	6.50%	11.64%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
Buyouts/Venture Capital	8.25%	13.08%

*Discount Rate*

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	5.00%
2017	June 30, 2016	3.98%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

*Discount Rate (Continued)*

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

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

\* The municipal bond return rate used is 3.58% as of the measurement date of June 30, 2017. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

*Sensitivity of Net Pension Liability*

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 5.00%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00 percent) or 1-percentage-point higher (6.00 percent) than the current rate:

	<b>1% Decrease <u>(4.00%)</u></b>	<b>Current Discount Rate <u>(5.00%)</u></b>	<b>1% Increase <u>(6.00%)</u></b>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>60,696,130</u>	\$ <u>48,926,086</u>	\$ <u>39,120,181</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2017. A sensitivity analysis specific to the District's net pension liability was not provided by the pension system.

*Pension Plan Fiduciary Net Position*

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as a non-employer toward the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2017. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2017, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$11,200,103 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State's proportionate share of the net pension liability attributable to the District is \$161,676,127. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2017. At June 30, 2017, the state's share of the net pension liability attributable to the District was 0.23979 percent, which was an increase of 0.00169 percent from its proportionate share measured as of June 30, 2016 of 0.23810 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Actuarial Assumptions**

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.25%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Long-Term Expected Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

*Discount Rate*

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	4.25%
2017	June 30, 2016	3.22%

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

Period of Projected Benefit

Payments for which the Following  
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2036
Municipal Bond Rate *	From July 1, 2036 and Thereafter

\* The municipal bond return rate used is 3.58% as of the measurement date of June 30, 2017. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

*Sensitivity of Net Pension Liability*

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.25%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current rate:

	<u>1% Decrease (3.25%)</u>	<u>Current Discount Rate (4.25%)</u>	<u>1% Increase (5.25%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 192,076,310</u>	<u>\$ 161,676,127</u>	<u>\$ 136,632,324</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2017. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2017 was not provided by the pension system.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Pension Plan Fiduciary Net Position***

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

**D. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report effective for the fiscal year ended June 30, 2017. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**State Health Benefit Program Fund – Local Education Retired** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage and prescription drug benefits to qualified retired education participants. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2016:

Active Plan Members	223,747
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	142,331
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u>          —</u>
 Total	 <u>366,078</u>

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Funded Status and Funding Progress**

As of July 1, 2016, the most recent actuarial valuation date, the State had a \$69.3 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$25.5 billion for state active and retired members and \$43.8 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Funded Status and Funding Progress (Continued)**

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

**Actuarial Methods and Assumptions**

In the July 1, 2016, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**Post-Retirement Medical Benefits Contributions**

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2017, there were 112,966, retirees receiving post-retirement medical benefits and the State contributed \$1.39 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (ABP) who retired from a board of education or county college with 25 years of service. The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in Fiscal Year 2017.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2018, 2017 and 2016 were \$2,342,909, \$2,247,367 and \$2,269,911, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal year ended June 30, 2017. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District’s proportionate share percentage determined under Statement No. 75 is zero percent and the State’s proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$7,330,526. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State’s proportionate share of the OPEB liability attributable to the District is \$112,477,323. The nonemployer allocation percentages are based on the ratio of the State’s contributions made as an employer and nonemployer towards the actuarially determined contribution amount to total contributions to OPEB during the year ended June 30, 2017. At June 30, 2017, the state’s share of the OPEB liability attributable to the District was 0.20969 percent, which was an increase of 0.00189 percent from its proportionate share measured as of June 30, 2016 of 0.20780 percent.

**Actuarial Assumptions**

The OPEB liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	RP-2014 Headcount-Weighted Healthy Employee, Healthy Annuitant and Disabled Male/Female Mortality Table with Fully Generational Mortality Improvement Projections from the Central Year Using Scale MP-2017
Long-Term Rate of Return	1.00%

\*Salary increases are based on the defined benefit plan that the individual is enrolled in and his or her year of service for TPAF or his or her age for PERS.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Actuarial Assumptions (Continued)**

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5 percent and decreases to a 5.0 percent long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2012 to June 30, 2015 and July 1, 2011 to June 30, 2014, respectively.

**Long-Term Expected Rate of Return**

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2017.

**Discount Rate**

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

<b><u>Fiscal Year</u></b>	<b><u>Measurement Date</u></b>	<b><u>Discount Rate</u></b>
2018	June 30, 2017	3.58%
2017	June 30, 2016	2.85%

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 (measurement date June 30, 2017) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2016 Measurement Date	\$ <u>120,176,443</u>
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 5,356,667
Interest on the Total OPEB Liability	3,531,499
Changes of Assumptions	(14,859,882)
Gross Benefit Payments	(1,793,443)
Contributions from the Member	66,039
<b>Net Changes</b>	<u>\$ (7,699,120)</u>
Balance, June 30, 2017 Measurement Date	\$ <u>112,477,323</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.85 percent in 2016 to 3.58 percent in 2017.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2017 was not provided by the pension system.

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.58%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>133,518,697</u>	\$ <u>112,477,323</u>	\$ <u>95,787,105</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Sensitivity of OPEB Liability (Continued)**

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b><u>1%</u> <u>Decrease</u></b>	<b><u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u></b>	<b><u>1%</u> <u>Increase</u></b>
Total OPEB Liability (School Retirees)	\$ <u>92,501,725</u>	\$ <u>112,477,323</u>	\$ <u>139,004,682</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017 were not provided by the pension system.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**



**BUDGETARY COMPARISON SCHEDULES**

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
<b>Local Sources</b>					
County Property Tax Levy	\$ 30,910,722		\$ 30,910,722	\$ 30,910,722	
Tuition-Other LEAs	26,631,894		26,631,894	27,504,205	\$ 872,311
Tuition - Post Secondary	700,000		700,000	574,046	(125,954)
Tuition - EMS	453,400		453,400	425,098	(28,302)
Tuition - Adult Evening	365,000		365,000	440,644	75,644
Tuition - Adult Evening Makerspace	15,000		15,000	-	(15,000)
Interest on Investments	25,000		25,000	44,974	19,974
Interest on Capital Reserve	1,000		1,000	6,729	5,729
GED Testing Fees	128,619		128,619	53,473	(75,146)
Technology Agreement	266,000		266,000	266,000	-
Miscellaneous	317,000	-	317,000	160,851	(156,149)
<b>Total Local Sources</b>	<b>59,813,635</b>	<b>-</b>	<b>59,813,635</b>	<b>60,386,742</b>	<b>573,107</b>
<b>State Sources</b>					
Adjustment Aid	4,194,257		4,194,257	4,194,257	-
Categorical Special Education Aid	1,264,693		1,264,693	1,264,693	-
Categorical Security Aid	171,777		171,777	171,777	-
Other School Aid	64,820		64,820	64,820	-
Aid for Adult and Past Graduate		\$ 48,348	48,348	48,348	-
On-Behalf TPAF Pension System Contributions- NCGI (Non-Budgeted)				85,944	85,944
On-Behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				4,715	4,715
On-Behalf TPAF Pension System Contributions- Normal Contributions (Non-Budgeted)				3,541,532	3,541,532
On-Behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,342,909	2,342,909
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,804,185	1,804,185
<b>Total State Sources</b>	<b>5,695,547</b>	<b>48,348</b>	<b>5,743,895</b>	<b>13,523,180</b>	<b>7,779,285</b>
<b>Federal Sources</b>					
Medicaid Reimbursement	31,844	-	31,844	31,879	35
<b>Total Federal Sources</b>	<b>31,844</b>	<b>-</b>	<b>31,844</b>	<b>31,879</b>	<b>35</b>
<b>Total Revenues</b>	<b>65,541,026</b>	<b>48,348</b>	<b>65,589,374</b>	<b>73,941,801</b>	<b>8,352,427</b>
<b>EXPENDITURES:</b>					
<b>Regular Programs- Instruction</b>					
Salaries of Teachers	9,239,024	(118,947)	9,120,077	9,101,156	18,921
Other Salaries for Instruction	200,186		200,186	193,677	6,509
Purchased Prof. - Educ. Service	90,000	19,600	109,600	109,565	35
Rentals	30,000		30,000	23,016	6,984
Travel	10,000	31,314	41,314	8,653	32,661
General Supplies	649,000	54,898	703,898	403,261	300,637
Textbooks	100,000	(35,000)	65,000	58,474	6,526
Other Objects	20,000	6,990	26,990	22,819	4,171
<b>Total Regular Programs- Instruction</b>	<b>10,338,210</b>	<b>(41,145)</b>	<b>10,297,065</b>	<b>9,920,621</b>	<b>376,444</b>
<b>Regular Programs- Home Instruction</b>					
Salaries of Teachers	35,000	7,200	42,200	42,169	31
Purchased Professional Educational Service	25,000	(7,200)	17,800	17,792	8
<b>Total Regular Programs- Home Instruction</b>	<b>60,000</b>	<b>-</b>	<b>60,000</b>	<b>59,961</b>	<b>39</b>
<b>Total Regular Programs- Instruction</b>	<b>10,398,210</b>	<b>(41,145)</b>	<b>10,357,065</b>	<b>9,980,582</b>	<b>376,483</b>
<b>Basic Skills/Remedial</b>					
Salaries of Teachers	188,161	7,500	195,661	193,353	2,308
<b>Total Basic Skills/Remedial</b>	<b>188,161</b>	<b>7,500</b>	<b>195,661</b>	<b>193,353</b>	<b>2,308</b>
<b>Bilingual Education</b>					
Salaries of Teachers	87,757	9,000	96,757	96,699	58
<b>Total Bilingual Education</b>	<b>87,757</b>	<b>9,000</b>	<b>96,757</b>	<b>96,699</b>	<b>58</b>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>Other Special Programs</b>					
<b>Regular Vocational Programs- Instruction</b>					
Salaries of Teachers	\$ 5,873,045	\$ (101,500)	\$ 5,771,545	\$ 5,736,791	\$ 34,754
Purchased Professional Educational Services	-	36,400	36,400	36,367	33
Rentals	37,000	10,900	47,900	44,337	3,563
Travel	6,500	-	6,500	2,131	4,369
General Supplies	731,200	157,116	888,316	734,589	153,727
Textbooks	95,000	7,600	102,600	89,303	13,297
Other Objects	17,000	-	17,000	10,767	6,233
<b>Total Regular Vocational Programs- Instruction</b>	<b>6,759,745</b>	<b>110,516</b>	<b>6,870,261</b>	<b>6,654,285</b>	<b>215,976</b>
<b>Special Vocational Programs- Instruction</b>					
Salaries of Teachers	4,822,446	(120,000)	4,702,446	4,675,932	26,514
Purchased Professional Educational Services	580,000	20,000	600,000	600,000	-
Travel	4,000	(1,968)	2,032	1,525	507
General Supplies	195,000	(8,791)	186,209	136,437	49,772
Textbooks	30,000	(12,000)	18,000	13,406	4,594
Other Objects	20,000	(10,000)	10,000	4,020	5,980
<b>Total Special Vocational Programs- Instruction</b>	<b>5,651,446</b>	<b>(132,759)</b>	<b>5,518,687</b>	<b>5,431,320</b>	<b>87,367</b>
<b>Total Vocational Programs</b>	<b>12,411,191</b>	<b>(22,243)</b>	<b>12,388,948</b>	<b>12,085,605</b>	<b>303,343</b>
<b>Other Instructional Programs</b>					
<b>School Sponsored Co/Extra Curricular Activities</b>					
Salaries	435,000	228,000	663,000	662,974	26
Travel	1,700	-	1,700	41	1,659
Other Objects	36,000	(8,000)	28,000	21,296	6,704
<b>Total School Sponsored Co/Extra Curricular Activities</b>	<b>472,700</b>	<b>220,000</b>	<b>692,700</b>	<b>684,311</b>	<b>8,389</b>
<b>School Sponsored Athletics</b>					
Salaries	583,783	-	583,783	583,155	628
Purchased Services	72,000	-	72,000	59,911	12,089
Travel	4,000	-	4,000	1,957	2,043
Supplies and Materials	110,000	(2,406)	107,594	96,688	10,906
Other Objects	48,000	3,600	51,600	51,540	60
<b>Total School Sponsored Athletics</b>	<b>817,783</b>	<b>1,194</b>	<b>818,977</b>	<b>793,251</b>	<b>25,726</b>
<b>Other Instructional Programs- Instruction</b>					
Salaries	270,000	105,000	375,000	374,668	332
<b>Total Other Instructional Programs</b>	<b>270,000</b>	<b>105,000</b>	<b>375,000</b>	<b>374,668</b>	<b>332</b>
<b>Total Instruction</b>	<b>24,645,802</b>	<b>279,306</b>	<b>24,925,108</b>	<b>24,208,469</b>	<b>716,639</b>
<b>Attendance &amp; Social Work</b>					
Salaries	114,177	(7,000)	107,177	80,298	26,879
<b>Total Attendance &amp; Social Work</b>	<b>114,177</b>	<b>(7,000)</b>	<b>107,177</b>	<b>80,298</b>	<b>26,879</b>
<b>Health Services</b>					
Salaries	334,515	7,000	341,515	341,458	57
Purchased Professional and Technical Services	51,500	(3,150)	48,350	35,891	12,459
Supplies and Materials	12,500	(3,016)	9,484	6,427	3,057
Other Objects	13,500	1,550	15,050	11,741	3,309
<b>Total Health Services</b>	<b>412,015</b>	<b>2,384</b>	<b>414,399</b>	<b>395,517</b>	<b>18,882</b>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Speech, OT, PT and Related Services					
Salaries of Other Professional Staff	\$ 269,463	\$ 13,400	\$ 282,863	\$ 282,791	\$ 72
Total Speech, OT, PT and Related Services	269,463	13,400	282,863	282,791	72
Guidance					
Salaries of Other Professional Staff	1,646,882	41,400	1,688,282	1,688,267	15
Salaries of Secretarial and Clerical Assistants	175,251	-	175,251	173,201	2,050
Total Guidance	1,822,133	41,400	1,863,533	1,861,468	2,065
Child Study Teams					
Salaries of Other Professional Staff	519,942	25,600	545,542	545,470	72
Salaries of Secretarial and Clerical Assistants	156,894	1,800	158,694	158,369	325
Purchased Professional Education Services	22,500	(11,800)	10,700	9,424	1,276
Other Purchased Professional & Technical Services	2,000	-	2,000	210	1,790
Travel	4,000	131	4,131	672	3,459
Supplies and Materials	40,000	5,755	45,755	39,472	6,283
Other Objects	8,000	-	8,000	4,268	3,732
Total Child Study Teams	753,336	21,486	774,822	757,885	16,937
Improvement of Instruction Services					
Salaries of Other Professional Staff	768,207	(23,000)	745,207	744,551	656
Salaries of Secretarial and Clerical Assistants	197,915	-	197,915	188,628	9,287
Purchased Professional Educational Services	36,000	14,500	50,500	48,020	2,480
Rentals	3,500	-	3,500	3,048	452
Other Purchased Services	33,000	-	33,000	26,415	6,585
Travel	11,000	406	11,406	7,477	3,929
Supplies and Materials	47,000	(28,453)	18,547	16,727	1,820
Other Objects	63,000	8,000	71,000	67,163	3,837
Total Improvement of Instruction Services	1,159,622	(28,547)	1,131,075	1,102,029	29,046
Educational Media Service/School Library					
Salaries	62,493	-	62,493	56,550	5,943
Other Purchased Services	65,300	-	65,300	58,268	7,032
Supplies and Materials	8,000	(4,000)	4,000	3,572	428
Total Educational Media Services/School Library	135,793	(4,000)	131,793	118,390	13,403
Instructional Staff Training Services					
Travel	57,000	870	57,870	45,678	12,192
Other Objects	29,500	1,975	31,475	24,425	7,050
Total Instructional Staff Training Services	86,500	2,845	89,345	70,103	19,242
Support Services General Administration					
Salaries	528,698	700	529,398	529,379	19
Legal Services	275,000	-	275,000	215,465	59,535
Audit Fees	60,000	-	60,000	60,000	-
Expenditure and Internal Control	10,000	-	10,000	7,998	2,002
Architect/Engineering Fees	20,000	384,254	404,254	371,701	32,553
Other Purchased Professional Services	187,500	(700)	186,800	180,726	6,074
Rentals	7,000	-	7,000	1,620	5,380
Communications/Telephone	475,000	(96,700)	378,300	207,076	171,224
Travel	10,000	57	10,057	7,281	2,776
Other Purchased Services	180,200	2,301	182,501	161,132	21,369
Supplies and Materials	15,000	-	15,000	1,577	13,423
Miscellaneous Expenditures	56,000	-	56,000	50,994	5,006
BOE Membership Dues and Fees	1,000	-	1,000	299	701
Total Support Services General Administration	1,825,398	289,912	2,115,310	1,795,248	320,062
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,479,519	36,000	1,515,519	1,515,473	46
Salaries of Secretarial and Clerical Assistants	599,495	8,100	607,595	607,592	3
Travel	13,725	(1,569)	12,156	3,185	8,971
Other Purchased Services	9,600	(3,000)	6,600	55	6,545
Supplies and Materials	54,000	(12,942)	41,058	24,676	16,382
Other Objects	30,000	(7,000)	23,000	17,207	5,793
Total Support Services School Administration	2,186,339	19,589	2,205,928	2,168,188	37,740

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>Central Services</b>					
Salaries	\$ 1,029,502	\$ 83,200	\$ 1,112,702	\$ 1,112,682	\$ 20
Purchased Technical Services	164,200	15,000	179,200	172,219	6,981
Rentals	12,500	-	12,500	7,164	5,336
Travel	8,500	976	9,476	5,858	3,618
Supplies and Materials	32,000	112,248	144,248	87,234	57,014
Miscellaneous Expenditures	10,500	-	10,500	9,509	991
<b>Total Central Services</b>	<b>1,257,202</b>	<b>211,424</b>	<b>1,468,626</b>	<b>1,394,666</b>	<b>73,960</b>
<b>Admin. Info. Technology</b>					
Salaries	3,019,031	-	3,019,031	2,855,731	163,300
Purchased Professional Technical Services	100,000	-	100,000	100,000	-
Other Purchased Services	1,275,033	(2,117)	1,272,916	1,207,180	65,736
Travel	22,000	401	22,401	15,679	6,722
General Supplies	250,000	102,932	352,932	318,022	34,910
Other Objects	29,000	(25,000)	4,000	(780)	4,780
<b>Total Admin. Info. Technology</b>	<b>4,695,064</b>	<b>76,216</b>	<b>4,771,280</b>	<b>4,495,832</b>	<b>275,448</b>
<b>Required Maintenance for School Facilities</b>					
Salaries	711,751	(35,500)	676,251	587,453	88,798
Cleaning, Repair and Maintenance Services	400,000	58,552	458,552	344,057	114,495
Cleaning, Repair and Maintenance Services-Maintenance Reserve	-	400,000	400,000	400,000	-
General Supplies	125,000	56,816	181,816	181,738	78
<b>Total Required Maintenance for School Facilities</b>	<b>1,236,751</b>	<b>479,868</b>	<b>1,716,619</b>	<b>1,513,248</b>	<b>203,371</b>
<b>Custodial Services</b>					
Salaries	2,784,651	35,500	2,820,151	2,810,818	9,333
Purchased Professional & Technical Services	250,000	35,900	285,900	285,900	-
Cleaning, Repair and Maintenance Services	658,000	15,782	673,782	521,383	152,399
Other Purchased Property Services	110,000	-	110,000	94,137	15,863
Insurance	550,000	(35,900)	514,100	419,800	94,300
Travel	2,000	46	2,046	1,756	290
General Supplies	355,000	6,513	361,513	268,153	93,360
Energy (Natural Gas)	500,000	-	500,000	321,007	178,993
Energy (Electricity)	1,400,000	(50,000)	1,350,000	1,104,048	245,952
Energy (Gasoline)	50,000	-	50,000	8,408	41,592
Other Objects	20,000	-	20,000	15,398	4,602
<b>Total Custodial Services</b>	<b>6,679,651</b>	<b>7,841</b>	<b>6,687,492</b>	<b>5,850,808</b>	<b>836,684</b>
<b>Care and Upkeep of Grounds</b>					
Salaries	343,277	(275)	343,002	257,567	85,435
Cleaning, Repair and Maintenance Services	40,000	67,619	107,619	80,176	27,443
General Supplies	5,000	275	5,275	5,275	-
<b>Total Care and Upkeep of Grounds</b>	<b>388,277</b>	<b>67,619</b>	<b>455,896</b>	<b>343,018</b>	<b>112,878</b>
<b>Security</b>					
Salaries	10,000	20,000	30,000	28,853	1,147
Cleaning, Repair and Maintenance Services	250,000	(20,000)	230,000	160,182	69,818
General Supplies	10,000	-	10,000	-	10,000
<b>Total Security</b>	<b>270,000</b>	<b>-</b>	<b>270,000</b>	<b>189,035</b>	<b>80,965</b>
<b>Total Oper &amp; Maint of Plant Services</b>	<b>8,574,679</b>	<b>555,328</b>	<b>9,130,007</b>	<b>7,896,109</b>	<b>1,233,898</b>
<b>Student Transportation Services</b>					
Salaries for Pupil Transp (Oth. Than Bet. Home & School)	554,117	-	554,117	430,183	123,934
Cleaning, Repair and Maintenance Services	9,000	-	9,000	2,070	6,930
Contr. Services- Other- Vendors	218,000	-	218,000	136,923	81,077
Insurance	75,000	-	75,000	75,000	-
Travel	500	4	504	40	464
Supplies and Materials	12,000	-	12,000	-	12,000
Miscellaneous Expenditures	4,000	-	4,000	1,110	2,890
<b>Total Student Transportation Services</b>	<b>872,617</b>	<b>4</b>	<b>872,621</b>	<b>645,326</b>	<b>227,295</b>
<b>Unallocated Benefits- Employee Benefits</b>					
Social Security Contributions	1,275,000	-	1,275,000	1,271,267	3,733
Other Retirement Contribution- Regular	2,000,000	-	2,000,000	1,995,772	4,228
Workman's Compensation	540,000	-	540,000	522,935	17,065
Health Benefits	9,611,054	(587,600)	9,023,454	7,860,482	1,162,972
Tuition Reimbursement	110,000	-	110,000	108,704	1,296
Other Employee Benefits	276,500	146,000	422,500	422,458	42
<b>Total Unallocated Benefits- Employee Benefits</b>	<b>13,812,554</b>	<b>(441,600)</b>	<b>13,370,954</b>	<b>12,181,618</b>	<b>1,189,336</b>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
On-behalf TPAF Pension System Contributions- NCGI Premium (Non-Budgeted)				\$ 85,944	\$ (85,944)
On-behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				4,715	(4,715)
On-behalf TPAF Pension System Contributions- Normal Contribution (Non-Budgeted)				3,541,532	(3,541,532)
On-behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,342,909	(2,342,909)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,804,185	(1,804,185)
<b>Total Undistributed Expenditures</b>	<b>\$ 37,976,892</b>	<b>\$ 752,841</b>	<b>\$ 38,729,733</b>	<b>\$ 43,024,753</b>	<b>\$ 1,680,080</b>
<b>Total Expenditures - Current</b>	<b>62,622,694</b>	<b>1,032,147</b>	<b>63,654,841</b>	<b>67,233,222</b>	<b>(3,578,381)</b>
<b>CAPITAL OUTLAY</b>					
Equipment					
Instruction	-	418,629	418,629	389,359	29,270
Child Study Teams	-	4,314	4,314	4,131	183
Admin Info Technology		16,246	16,246	16,198	48
Operations and Maintenance of Plant		31,151	31,151	31,146	5
Grounds		13,012	13,012	13,012	-
Special Schools	-	27,700	27,700	-	27,700
<b>Total Equipment</b>	<b>-</b>	<b>511,052</b>	<b>511,052</b>	<b>453,846</b>	<b>57,206</b>
Facilities Acquisition and Construction Services					
Architect Fees		500	500	-	500
Construction Services		516,792	516,792	188,125	328,667
Other Objects	1,000	-	1,000	-	1,000
Assessment for Debt Service	47,894	-	47,894	47,894	-
<b>Total Facilities and Construction Services</b>	<b>48,894</b>	<b>517,292</b>	<b>566,186</b>	<b>236,019</b>	<b>330,167</b>
<b>Total Capital Outlay</b>	<b>48,894</b>	<b>1,028,344</b>	<b>1,077,238</b>	<b>689,865</b>	<b>387,373</b>
<b>SPECIAL SCHOOLS</b>					
Post- Secondary Programs- Instruction					
Salaries of Teachers	365,068	5,000	370,068	369,872	196
Other Purchased Services	4,500	6,000	10,500	9,283	1,217
Travel	1,000	(294)	706	48	658
General Supplies	45,700	28,798	74,498	45,330	29,168
Textbooks	15,000	(5,200)	9,800	6,980	2,820
Other Objects	7,000	200	7,200	7,044	156
<b>Total Post- Secondary Programs -Instruction</b>	<b>438,268</b>	<b>34,504</b>	<b>472,772</b>	<b>438,557</b>	<b>34,215</b>
Post- Secondary Programs- Support Services					
Personal Services-Employee Benefits	113,400	-	113,400	113,400	-
<b>Total Post Secondary Programs - Support Services</b>	<b>113,400</b>	<b>-</b>	<b>113,400</b>	<b>113,400</b>	<b>-</b>
<b>Total Post Secondary Programs</b>	<b>551,668</b>	<b>34,504</b>	<b>586,172</b>	<b>551,957</b>	<b>34,215</b>
Other Special Schools - Instruction					
Salaries of Teachers	717,758	-	717,758	579,418	138,340
General Supplies	292,000	(37,262)	254,738	244,198	10,540
Textbooks	15,000	-	15,000	4,435	10,565
<b>Total Other Special Schools - Instruction</b>	<b>1,024,758</b>	<b>(37,262)</b>	<b>987,496</b>	<b>828,051</b>	<b>159,445</b>
Other Special Schools - Support Services					
Salaries	590,461	-	590,461	572,889	17,572
Purchased Professional and Technical Services	5,600	(3,100)	2,500	1,000	1,500
Other Purchased Services	38,000	7,724	45,724	36,597	9,127
Travel	4,000	(1,782)	2,218	987	1,231
Supplies and Materials	10,800	(2,499)	8,301	3,846	4,455
Other Objects	10,000	65	10,065	4,858	5,207
<b>Total Other Special Schools - Support Services</b>	<b>658,861</b>	<b>408</b>	<b>659,269</b>	<b>620,177</b>	<b>39,092</b>
<b>Total Other Special Schools</b>	<b>1,683,619</b>	<b>(36,854)</b>	<b>1,646,765</b>	<b>1,448,228</b>	<b>198,537</b>
Vocational Evening - Local - Instruction					
Salaries of Teachers	431,357	-	431,357	412,588	18,769
Purchased Professional and Technical Services	1,000	-	1,000	-	1,000
Travel	-	78	78	-	78
General Supplies	30,000	47,733	77,733	61,511	16,222
Textbooks	1,000	-	1,000	-	1,000
Other Objects	-	1,300	1,300	1,295	5
<b>Total Vocational Evening - Local - Instruction</b>	<b>463,357</b>	<b>49,111</b>	<b>512,468</b>	<b>475,394</b>	<b>37,074</b>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Vocational Evening - Local - Support Services					
Salaries	\$ 468,375		\$ 468,375	\$ 415,634	\$ 52,741
Employee Benefits	210,000	\$ (200)	209,800	149,456	60,344
Rentals	6,800	-	6,800	6,768	32
Other Purchased Services	45,000	(20,500)	24,500	23,793	707
Travel	1,000	(940)	60	60	-
General Supplies	7,000	(4,274)	2,726	1,611	1,115
Other Objects	4,000	2,168	6,168	6,145	23
Total Vocational Evening - Local - Support Services	<u>742,175</u>	<u>(23,746)</u>	<u>718,429</u>	<u>603,467</u>	<u>114,962</u>
Total Vocational Evening	<u>1,205,532</u>	<u>25,365</u>	<u>1,230,897</u>	<u>1,078,861</u>	<u>152,036</u>
GED Testing Center (Other Special Schools)					
Salaries	85,119	(1,900)	83,219	72,289	10,930
Other Purchased Services	3,000	-	3,000	800	2,200
Travel	500	-	500	-	500
Supplies and Materials	40,000	1,900	41,900	41,892	8
Total Other Special Schools - Support Services	<u>128,619</u>	<u>-</u>	<u>128,619</u>	<u>114,981</u>	<u>13,638</u>
Total Special Schools	<u>3,569,438</u>	<u>23,015</u>	<u>3,592,453</u>	<u>3,194,027</u>	<u>398,426</u>
Total Expenditures	<u>66,241,026</u>	<u>2,083,506</u>	<u>68,324,532</u>	<u>71,117,114</u>	<u>(2,792,582)</u>
Excess (Deficiency) of Revenues and Over/(Under) Expenditures	<u>(700,000)</u>	<u>(2,035,158)</u>	<u>(2,735,158)</u>	<u>2,824,687</u>	<u>5,559,845</u>
Other Financing Sources (Uses)					
Transfers out	-	(1,029,463)	(1,029,463)	(1,154,635)	(125,172)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>(1,029,463)</u>	<u>(1,029,463)</u>	<u>(1,154,635)</u>	<u>(125,172)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources(Uses)	<u>(700,000)</u>	<u>(3,064,621)</u>	<u>(3,764,621)</u>	<u>1,670,052</u>	<u>5,434,673</u>
Fund Balance, Beginning of Year	<u>9,074,224</u>	<u>-</u>	<u>9,074,224</u>	<u>9,074,224</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 8,374,224</u>	<u>\$ (3,064,621)</u>	<u>\$ 5,309,603</u>	<u>\$ 10,744,276</u>	<u>\$ 5,434,673</u>
Recapitulation:					
Restricted					
Capital Reserve				\$ 4,815,679	
Maintenance Reserve				781,419	
Assigned					
Year End Encumbrances				2,793,656	
Designated for Subsequent Year's Budget				700,000	
Designated for Subsequent Year's Budget - ARRA/SEMI				2,624	
Unassigned					
Unrestricted Fund Balance				<u>1,650,898</u>	
				10,744,276	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis				<u>(569,601)</u>	
Fund Balance per Governmental Funds (GAAP):				<u>\$ 10,174,675</u>	

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**BUDGET (NON-GAAP) AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
State Sources:	\$ 2,031,000	\$ 805,587	\$ 2,836,587	\$ 1,911,345	\$ (925,242)
Federal Sources	8,030,000	116,975	8,146,975	6,849,240	(1,297,735)
Local Sources	50,000	30,461	80,461	19,769	(60,692)
<b>Total Revenues</b>	<b>10,111,000</b>	<b>953,023</b>	<b>11,064,023</b>	<b>8,780,354</b>	<b>(2,283,669)</b>
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries of Teachers	2,355,000	(1,400,718)	954,282	685,751	268,531
Purchased Professional Services	190,000	(110,514)	79,486	13,041	66,445
General Supplies	-	326,439	326,439	259,372	67,067
<b>Total Instruction</b>	<b>2,545,000</b>	<b>(1,184,793)</b>	<b>1,360,207</b>	<b>958,164</b>	<b>402,043</b>
<b>Support Services</b>					
Salaries	7,566,000	(5,159,827)	2,406,173	2,179,006	227,167
Personnel Services Employee Benefits	-	1,039,067	1,039,067	902,995	136,072
Purchased Professional Education Services	-	4,308,599	4,308,599	3,449,504	859,095
Purchased Professional Technical Services	-	527,568	527,568	29,568	498,000
Other Purchased Services	-	209,628	209,628	175,306	34,322
Rental	-	339,151	339,151	338,258	893
Travel	-	14,982	14,982	10,051	4,931
Supplies and Materials	-	119,593	119,593	98,935	20,658
Other Objects	-	25,000	25,000	25,000	-
<b>Total Support Services</b>	<b>7,566,000</b>	<b>1,423,761</b>	<b>8,989,761</b>	<b>7,208,623</b>	<b>1,781,138</b>
<b>Facilities Acquisition and Construction</b>					
Buildings	-	-	-	-	-
Instructional Equipment	-	622,075	622,075	613,567	8,508
Non-Instructional Equipment	-	91,980	91,980	-	91,980
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>714,055</b>	<b>714,055</b>	<b>613,567</b>	<b>100,488</b>
<b>Total Expenditures</b>	<b>10,111,000</b>	<b>953,023</b>	<b>11,064,023</b>	<b>8,780,354</b>	<b>2,283,669</b>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Last State Aid Payment Not Recognized on GAAP Basis				\$ -	
Fund Balance per Governmental Funds (GAAP):				<u>\$ -</u>	



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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Source/Inflows of Resources</b>		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 73,941,801	\$ 8,780,354
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2017		561,169
Encumbrances, June 30, 2018		(397,976)
Last State Aid payments recognized for GAAP purposes, not recognized for budgetary statements (2016/2017 State Aid)	564,759	
Last State Aid payments recognized for Budgetary purposes, not recognized for GAAP statements (2017/2018 State Aid)	(569,601)	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 73,936,959	\$ 8,943,547
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 71,117,114	\$ 8,780,354
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2017		561,169
Encumbrances, June 30, 2018	-	(397,976)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	\$ 71,117,114	\$ 8,943,547

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

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

**Public Employees Retirement System**

**Last Four Fiscal Years\***

	<u>2018</u>		<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>	
District's Proportion of the Net Position Liability (Asset)	0.21017	%	0.20574	%	0.19847	%	0.19306	%	0.19087	%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 48,926,086		\$ 60,935,261		\$ 44,554,713		\$ 36,146,276		\$ 36,480,813	
District's Covered-Employee Payroll	\$ 14,465,635		\$ 14,265,980		\$ 13,751,772		\$ 13,433,021		\$ 12,960,436	
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	338.22%		427.14%		323.99%		269.09%		281.48%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10	%	40.14	%	47.93	%	52.08	%	48.72	%

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

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

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

**Public Employees Retirement System**

**Last Four Fiscal Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,947,075	\$ 1,827,794	\$ 1,706,393	\$ 1,048,496	\$ 1,567,180
Contributions in Relation to the Contractually Required Contribution	<u>1,947,075</u>	<u>1,827,794</u>	<u>1,706,393</u>	<u>1,048,496</u>	<u>1,567,180</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 14,465,635	\$ 14,265,980	\$ 13,751,772	\$ 13,433,021	\$ 12,960,436
Contributions as a Percentage of Covered-Employee Payroll	13.46%	12.81%	12.41%	7.81%	12.09%

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

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

**Teachers Pension and Annuity Fund**

**Last Four Fiscal Years\***

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 161,676,127</u>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
<b>Total</b>	<u>\$ 161,676,127</u>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
District's Covered-Employee Payroll	\$ 24,928,054	\$ 24,753,579	\$ 24,304,151	\$ 23,902,723	\$ 23,580,067
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Change of Benefit Terms:** None.

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

**BERGEN COUNTY TECHNICAL AND VOVATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORAMTION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF  
TOTAL OPEB LIABILITY**

**Postemployment Health Benefit Plan**

**Last One Fiscal Year\***

	<b>2018</b>
<b>Total OPEB Liability</b>	
Service Cost	\$ 5,356,667
Interest on Total OPEB Liability	3,531,499
Changes of Assumptions	(14,859,882)
Gross Benefit Payments	(1,793,443)
Contribution from the Member	66,039
<b>Net Change in Total OPEB Liability</b>	<b>(7,699,120)</b>
<b>Total OPEB Liability - Beginning</b>	<b>120,176,443</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 112,477,323</b>
District's Proportionate Share of OPEB Liability	\$ -
State's Proportionate Share of OPEB Liability	112,477,323
Total OPEB Liability - Ending	\$ 112,477,323
District's Covered-Employee Payroll	\$ 39,393,689
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%

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

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

Assumptions used in calculating the OPEB liability are presented in Note 4.

**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Total Page 2</u>	<u>Adult Basic Education</u>	<u>Displaced Homemaker</u>	<u>Apprentice Coordinator</u>	<u>Visual and Perf Arts</u>	<u>Target Field Trip</u>	<u>ESEA Title I</u>	<u>IDEIA Part B Basic</u>	<u>NCLB Title II-Pt A</u>	<u>Totals</u>
<b>REVENUES</b>										
State Sources	\$ 1,745,735		\$ 145,610	\$ 20,000						\$ 1,911,345
Federal Sources	5,227,163	\$ 931,479					\$ 182,398	\$ 468,786	\$ 39,414	6,849,240
Local Sources	16,637	-	-	-	\$ 2,675	\$ 457	-	-	-	19,769
<b>Total Revenues</b>	<b>\$ 6,989,535</b>	<b>\$ 931,479</b>	<b>\$ 145,610</b>	<b>\$ 20,000</b>	<b>\$ 2,675</b>	<b>\$ 457</b>	<b>\$ 182,398</b>	<b>\$ 468,786</b>	<b>\$ 39,414</b>	<b>\$ 8,780,354</b>
<b>EXPENDITURES</b>										
<b>Instruction</b>										
Salaries of Teachers	\$ 173,062	\$ 344,323					\$ 142,888	\$ 25,478		\$ 685,751
Purchased Prof./Tech Services	10,000	1,766			\$ 1,275					13,041
General Supplies	243,760	12,578	-	-	-	-	-	3,034	-	259,372
<b>Total Instruction</b>	<b>426,822</b>	<b>358,667</b>	<b>-</b>	<b>-</b>	<b>1,275</b>	<b>-</b>	<b>142,888</b>	<b>28,512</b>	<b>-</b>	<b>958,164</b>
<b>Support Services</b>										
Salaries	1,739,468		\$ 88,857	\$ 17,050				333,631		\$ 2,179,006
Purchased Prof. Ed. Services	2,962,636	486,868								3,449,504
Purchased Prof. Tech Services	18,136								\$ 11,432	29,568
Other Purchased Services	134,002		38,101	1,346	1,400	\$ 457				175,306
Personal Services Employee Benefits	696,030	60,544	14,783	1,304			39,510	90,824		902,995
Rentals	338,258									338,258
Travel	4,958	400	1,788	300	-			2,605		10,051
Supplies and Materials	55,658		2,081					13,214	27,982	98,935
Other Objects	-	25,000	-	-	-	-	-	-	-	25,000
<b>Total Support Services</b>	<b>5,949,146</b>	<b>572,812</b>	<b>145,610</b>	<b>20,000</b>	<b>1,400</b>	<b>457</b>	<b>39,510</b>	<b>440,274</b>	<b>39,414</b>	<b>7,208,623</b>
<b>Facilities Acquisition and Construction</b>										
Buildings	-									-
Instructional Equipment	613,567									613,567
<b>Total Facilities Acquisition and Construction</b>	<b>613,567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>613,567</b>
<b>Total Expenditures</b>	<b>\$ 6,989,535</b>	<b>\$ 931,479</b>	<b>\$ 145,610</b>	<b>\$ 20,000</b>	<b>\$ 2,675</b>	<b>\$ 457</b>	<b>\$ 182,398</b>	<b>\$ 468,786</b>	<b>\$ 39,414</b>	<b>\$ 8,780,354</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Total Exhibit Page 3</u>	<u>County Vocational Partnership</u>	<u>County Voc Partnership Grant</u>	<u>WFNJ Program</u>	<u>WFNJ Admin</u>	<u>National Art Educators</u>	<u>Foundation Funds</u>	<u>Perkins Post-Secondary</u>	<u>Perkins Secondary</u>	<u>Perkins Secondary Reserve</u>	<u>Total Page 2</u>
<b>REVENUES</b>											
State	\$ 264,997	\$ 190,180	\$ 80,226	\$ 1,037,433	\$ 172,899						\$ 1,745,735
Federal	4,324,713							\$ 138,694	\$ 690,349	\$ 73,407	5,227,163
Other	2,410	-	-	-	-	\$ 2,000	\$ 12,227	-	-	-	16,637
Total Revenues	<u>\$ 4,592,120</u>	<u>\$ 190,180</u>	<u>\$ 80,226</u>	<u>\$ 1,037,433</u>	<u>\$ 172,899</u>	<u>\$ 2,000</u>	<u>\$ 12,227</u>	<u>\$ 138,694</u>	<u>\$ 690,349</u>	<u>\$ 73,407</u>	<u>\$ 6,989,535</u>
<b>EXPENDITURES</b>											
<b>Instruction</b>											
Salaries of Teachers		\$ 121,304							\$ 51,758		\$ 173,062
Purchased Prof./Tech Services	\$ 10,000										10,000
Other Purchased Services	-										-
General Supplies	10,200	-	\$ 46,758	-	-	-	\$ 3,080	\$ 1,955	181,767	-	243,760
Total Instruction	<u>20,200</u>	<u>121,304</u>	<u>46,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,080</u>	<u>1,955</u>	<u>233,525</u>	<u>-</u>	<u>426,822</u>
<b>Support Services</b>											
Salaries	1,222,071		2,792	\$ 353,416	\$ 124,189			37,000	-		1,739,468
Purchased Prof. Ed. Services	2,496,095	42,073		413,450	-				11,018		2,962,636
Purchased Prof. Tech Services	13,693			-	4,443				-		18,136
Other Purchased Services	101,334		-	20,000	3,521		9,147				134,002
Personal Services Employee Benefits	464,396	26,803		149,788	27,732			12,211	15,100		696,030
Rentals	255,690			70,286	12,282						338,258
Travel	2,306			77	575	\$ 2,000	-				4,958
Supplies and Materials	16,335			30,416	157		-		8,750		55,658
Other Objects	-										-
Indirect Costs	-										-
Total Support Services	<u>4,571,920</u>	<u>68,876</u>	<u>2,792</u>	<u>1,037,433</u>	<u>172,899</u>	<u>2,000</u>	<u>9,147</u>	<u>49,211</u>	<u>34,868</u>	<u>-</u>	<u>5,949,146</u>
<b>Facilities Acquisition and Construction</b>											
Buildings	-										-
Instructional Equipment	-		30,676					87,528	421,956	\$ 73,407	613,567
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>30,676</u>	<u>-</u>	<u>-</u>	<u>\$ 2,000</u>	<u>\$ 12,227</u>	<u>87,528</u>	<u>421,956</u>	<u>73,407</u>	<u>613,567</u>
Total Expenditures	<u>\$ 4,592,120</u>	<u>\$ 190,180</u>	<u>\$ 80,226</u>	<u>\$ 1,037,433</u>	<u>\$ 172,899</u>	<u>\$ 2,000</u>	<u>\$ 12,227</u>	<u>\$ 138,694</u>	<u>\$ 690,349</u>	<u>\$ 73,407</u>	<u>\$ 6,989,535</u>

06

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>ESEA Title IV</u>	<u>Shaping NJ Healthy Community</u>	<u>Workforce Learning Link</u>	<u>WIA Adult</u>	<u>Project Search</u>	<u>WIA Youth</u>	<u>WIA Dislocated</u>	<u>Total Page 3</u>
<b>REVENUES</b>								
State		\$ 13,099	\$ 251,898					\$ 264,997
Federal	\$ 10,000			\$ 1,139,459		\$ 1,174,901	\$ 2,000,353	4,324,713
Other	-	-	-	-	\$ 2,410	-	-	2,410
<b>Total Revenues</b>	<b>\$ 10,000</b>	<b>\$ 13,099</b>	<b>\$ 251,898</b>	<b>\$ 1,139,459</b>	<b>\$ 2,410</b>	<b>\$ 1,174,901</b>	<b>\$ 2,000,353</b>	<b>\$ 4,592,120</b>
<b>EXPENDITURES</b>								
<b>Instruction</b>								
Salaries of Teachers								
Purchased Prof./Tech Services	\$ 10,000							\$ 10,000
Other Purchased Services								-
General Supplies	-	\$ 10,200	-	-	-	-	-	10,200
<b>Total Instruction</b>	<b>10,000</b>	<b>10,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,200</b>
<b>Support Services</b>								
Salaries		2,728	\$ 53,218	\$ 303,427		\$ 245,683	\$ 617,015	1,222,071
Purchased Prof. Ed. Services			119,898	608,296		798,687	969,214	2,496,095
Purchased Prof. Tech Services				4,316		3,827	5,550	13,693
Other Purchased Services			39,000	19,465	\$ 2,410	9,799	30,660	101,334
Personal Services Employee Benefits		171	18,323	119,707		92,167	234,028	464,396
Rentals			11,880	81,765		22,434	139,611	255,690
Travel				695		572	1,039	2,306
Supplies and Materials			9,579	1,788		1,732	3,236	16,335
Other Objects	-	-	-	-	-	-	-	-
<b>Total Support Services</b>	<b>-</b>	<b>2,899</b>	<b>251,898</b>	<b>1,139,459</b>	<b>2,410</b>	<b>1,174,901</b>	<b>2,000,353</b>	<b>4,571,920</b>
<b>Facilities Acquisition and Construction</b>								
Buildings								-
Instructional Equipment	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 10,000</b>	<b>\$ 13,099</b>	<b>\$ 251,898</b>	<b>\$ 1,139,459</b>	<b>\$ 2,410</b>	<b>\$ 1,174,901</b>	<b>\$ 2,000,353</b>	<b>\$ 4,592,120</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOT APPLICABLE

**CAPITAL PROJECTS FUND**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Issue/Project Title</u>		<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2018</u>	
			<u>Prior Years</u>	<u>Current Year</u>		
30-424	Acq of Equipment and Various Improvements	6/8/2006	\$ 4,866,000	\$ 4,511,327	\$ 34,750	\$ 319,923
30-425	Acq of Equipment and Various Improvements	9/8/2006	4,356,000	4,354,785		1,215
30-426	Acq of Equipment and Various Improvements	7/11/2007	5,023,278	4,432,501	16,170	574,607
30-428	Acq of Equipment and Various Improvements	8/13/2008	11,371,280	9,625,788	238,445	1,507,047
30-429	Acq of Equipment and Various Improvements	7/7/2010	2,033,000	1,877,367	20,195	135,438
30-430	Acq of Equipment and Various Improvements	12/1/2010	2,715,000	2,685,157	-	29,843
30-431	Acq of Equipment and Various Improvements	12/1/2011	715,000	597,776	14,234	102,990
30-432	Acq of Equipment and Various Improvements	7/11/2012	735,000	572,574	17,186	145,240
30-433	Acq of Equipment and Various Improvements	7/10/2013	1,268,000	929,141	40,884	297,975
30-413	Acq of Equipment and Various Improvements	7/2014	1,205,000	594,439	156,564	453,997
30-414	Acq of Equipment and Various Improvements	10/14/2015	1,392,481	842,030	457,996	92,455
30-415	Acq of Equipment and Various Improvements	10/19/2016	1,685,000	624,916	282,157	777,927
30-416	Acq of Equipment and Various Improvements	10/18/2017	<u>3,814,208</u>	<u>-</u>	<u>293,568</u>	<u>3,520,640</u>
Fund Total			<u>\$ 41,179,247</u>	<u>\$ 31,647,801</u>	<u>\$ 1,572,149</u>	<u>\$ 7,959,297</u>
				Project Balance, June 30, 2018		\$ 7,959,297
				Unrealized Revenue - Authorized by the County of Bergen		<u>(3,011,540)</u>
				Fund Balance, June 30, 2018		<u>\$ 4,947,757</u>
				Encumbrances Payable		\$ 5,049,874
				Project Balances		<u>(102,117)</u>
						<u>\$ 4,947,757</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<b>Revenues and Other Financing Sources</b>	
Transfer from General Fund - Capital Reserve	\$ 854,463
County Aid	<u>4,774,827</u>
Total Revenues	<u>5,629,290</u>
<b>Expenditures and Other Financing Uses</b>	
Construction Services	830,501
Purchased Professional and Technical Services	275,479
Equipment	180,191
Supplies and Materials	<u>285,978</u>
Total Expenditures	<u>1,572,149</u>
Excess of Revenues Over Expenditures	4,057,141
Fund Balance - Beginning of Year	<u>890,616</u>
Fund Balance - End of Year	<u>\$ 4,947,757</u>

**ENTERPRISE FUNDS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2018**

**Business Type Activities**

	<u>Food Service</u>	<u>Day Care</u>	<u>Summer Science Funds</u>	<u>Academy After Hours</u>	<u>Technology Services</u>	<u>Makerspace</u>	<u>Summer Writing</u>	<u>Math Camp Funds</u>	<u>High School Enrichment</u>	<u>Teterboro Summer</u>	<u>Explorations</u>	<u>Tech Camp</u>	<u>Auditorium Rentals</u>	<u>Totals</u>
<b>ASSETS</b>														
<b>Current Assets</b>														
Cash and Cash Equivalents	\$ 118,841	\$ 4,306	\$ 49,045	\$ 90,688	\$ 203,116	\$ 7,626	\$ 28,170	\$ 332,016	\$ 505	\$ 33,087	\$ 7,245	\$ 18,660	\$ 67,553	\$ 960,858
Intergovernmental Receivable	9,551												19,977	9,551
Other Accounts Receivable	5,150				216,903									242,030
Interfunds Receivable														-
Due from B.C.S.S.D.														-
Inventories	9,864	-	-	-	-	-	-	-	-	-	-	-	-	9,864
<b>Total Current Assets</b>	<b>143,406</b>	<b>4,306</b>	<b>49,045</b>	<b>90,688</b>	<b>420,019</b>	<b>7,626</b>	<b>28,170</b>	<b>332,016</b>	<b>505</b>	<b>33,087</b>	<b>7,245</b>	<b>18,660</b>	<b>87,530</b>	<b>1,222,303</b>
<b>Capital Assets</b>														
Furniture, Machinery & Equipment	649,642			871	1,233,536	-							82,414	1,966,463
Less: Accumulated Depreciation	(508,786)			(871)	(1,125,103)								(44,686)	(1,679,445)
<b>Total Capital Assets</b>	<b>140,856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,433</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,728</b>	<b>287,017</b>
<b>Total Assets</b>	<b>284,262</b>	<b>4,306</b>	<b>49,045</b>	<b>90,688</b>	<b>528,452</b>	<b>7,626</b>	<b>28,170</b>	<b>332,016</b>	<b>505</b>	<b>33,087</b>	<b>7,245</b>	<b>18,660</b>	<b>125,258</b>	<b>1,509,320</b>
<b>LIABILITIES</b>														
<b>Current Liabilities</b>														
Accounts Payable	60,288	6,833	9,116	125	7,611									83,973
Other Payable		1,941			3,215									5,156
Interfunds Payable		10,000												10,000
Unearned Revenue			32,388	99,600			9,282	95,569		30,221		18,660	2,875	288,595
<b>Total Current Liabilities</b>	<b>60,288</b>	<b>18,774</b>	<b>41,504</b>	<b>99,725</b>	<b>10,826</b>	<b>-</b>	<b>9,282</b>	<b>95,569</b>	<b>-</b>	<b>30,221</b>	<b>-</b>	<b>18,660</b>	<b>2,875</b>	<b>387,724</b>
<b>Total Liabilities</b>	<b>60,288</b>	<b>18,774</b>	<b>41,504</b>	<b>99,725</b>	<b>10,826</b>	<b>-</b>	<b>9,282</b>	<b>95,569</b>	<b>-</b>	<b>30,221</b>	<b>-</b>	<b>18,660</b>	<b>2,875</b>	<b>387,724</b>
<b>DEFERRED INFLOW OF RESOURCES</b>														
Deferred Commodities Revenue	1,567													1,567
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>61,855</b>	<b>18,774</b>	<b>41,504</b>	<b>99,725</b>	<b>10,826</b>	<b>-</b>	<b>9,282</b>	<b>95,569</b>	<b>-</b>	<b>30,221</b>	<b>-</b>	<b>18,660</b>	<b>2,875</b>	<b>389,291</b>
<b>NET POSITION</b>														
Net Investment in Capital Assets	140,856				108,433								37,728	287,017
Unrestricted	81,551	(14,468)	7,541	(9,037)	409,193	7,626	18,888	236,447	505	2,866	7,245		84,655	833,012
<b>Total Net Position</b>	<b>\$ 222,407</b>	<b>\$ (14,468)</b>	<b>\$ 7,541</b>	<b>\$ (9,037)</b>	<b>\$ 517,626</b>	<b>\$ 7,626</b>	<b>\$ 18,888</b>	<b>\$ 236,447</b>	<b>\$ 505</b>	<b>\$ 2,866</b>	<b>\$ 7,245</b>	<b>\$ -</b>	<b>\$ 122,383</b>	<b>\$ 1,120,029</b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Business Type Activities**

	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals
<b>OPERATING REVENUES</b>														
Charges for Services														
Daily sales - reimbursable programs														\$ 319,942
Lunch Program	\$ 319,942													9,302
Breakfast Program	9,302													268,589
Daily sales - nonreimbursable programs	268,589													14,749
Special Functions	14,749													
Charges and Fees	-	\$ 183,968	\$ 37,100	\$ 193,840	\$ 1,759,982	23,020	7,925	\$ 116,613	-	\$ 36,802	\$ 11,600	\$ -	\$ 360,726	2,731,576
Total Operating Revenues	612,582	183,968	37,100	193,840	1,759,982	23,020	7,925	116,613	-	36,802	11,600	-	360,726	3,344,158
<b>OPERATING EXPENSES</b>														
Cost of Sales - reimbursable programs	199,246													199,246
Cost of Sales - nonreimbursable programs	194,454													94,454
Salaries	272,663	268,771	21,338	211,902	1,104,818	11,438	3,513	69,074	-	31,103	18,132		299,938	2,312,690
Employee Benefits	85,239	70,561		15,222	415,597	875	269	5,284	-	2,379	-		49,611	645,037
Other Purchased Services	142,449	16,740		11,685	91,332	1,768	2,100						(17,774)	248,300
Supplies and Materials	23,999	3,417	16,334	906		1,313		11,956					23,411	81,336
Depreciation	16,357				27,455								5,844	49,656
Other Objects	-	795												795
Total Operating Expenses	834,407	360,284	37,672	239,715	1,639,202	15,394	5,882	86,314	-	33,482	18,132	-	361,030	3,631,514
Operating Income (Loss)	(221,825)	(176,316)	(572)	(45,875)	120,780	7,626	2,043	30,299	-	3,320	(6,532)	-	(304)	(287,356)
<b>NONOPERATING REVENUES</b>														
State Sources														
State School Lunch Program	5,342													5,342
Federal Sources														
National School Lunch Program	102,666													102,666
National School Lunch Program-PB	6,261													6,261
Commodities Program	36,397													36,397
National School Breakfast Program	12,176													12,176
Total Non-Operating Revenues	162,842													162,842
Net Income (Loss) Before Contributions & Transfers	(58,983)	(176,316)	(572)	(45,875)	120,780	7,626	2,043	30,299	-	3,320	(6,532)	-	(304)	(124,514)
Transfers														
Transfers In(Out)	-	175,000												175,000
Change in Net Position	(58,983)	(1,316)	(572)	(45,875)	120,780	7,626	2,043	30,299	-	3,320	(6,532)	-	(304)	50,486
Total Net Position - Beginning of Year	281,350	(13,152)	8,113	36,838	396,846	-	16,845	206,148	\$ 505	(454)	13,777	-	122,687	1,069,543
Total Net Position - Ending of Year	\$ 222,407	\$ (14,468)	\$ 7,541	\$ (9,037)	\$ 517,626	\$ 7,626	\$ 18,888	\$ 236,447	\$ 505	\$ 2,866	\$ 7,245	\$ -	\$ 122,383	\$ 1,120,029

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

EXHIBIT G-3

	Business Type Activities													Totals
	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>														
Receipts from Customers	\$ 610,891	\$ 183,968	\$ 32,388	\$ 235,341	\$ 1,810,859	\$ 23,020	\$ 9,707	\$ 98,170	-	\$ 29,721	\$ -	\$ 18,660	\$ 391,626	\$ 3,444,351
Payments to Employees	(272,665)	(268,771)	(21,338)	(711,902)	(1,104,818)	(11,438)	(5,513)	(69,074)	-	(31,109)	(18,132)	-	(299,938)	(2,312,690)
Payments for Health Benefits	(85,239)	(70,561)	-	(15,222)	(415,597)	(875)	(269)	(5,284)	-	(2,379)	-	-	(49,611)	(645,077)
Payments to Suppliers	(362,403)	(15,762)	(9,641)	(14,422)	(91,332)	(3,081)	(2,100)	(11,956)	-	-	-	-	(30,938)	(541,635)
Net Cash Provided by (Used for) operating activities	(109,414)	(171,126)	1,409	(6,205)	199,112	7,626	3,825	11,856	-	(3,761)	(18,132)	18,660	11,139	(55,011)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>														
State Sources	5,245	-	-	-	-	-	-	-	-	-	-	-	-	5,245
Federal Sources	119,940	-	-	-	-	-	-	-	-	-	-	-	-	119,940
Interfund Transfers	-	175,000	-	-	-	-	-	-	-	-	-	-	-	175,000
Net cash provided by (used for) Noncapital financing activities	125,185	175,000	-	-	-	-	-	-	-	-	-	-	-	300,185
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>														
Purchases of capital assets	(16,629)	-	-	-	-	-	-	-	-	-	-	-	-	(16,629)
Net cash provided by (used for) capital and related financing activities	(16,629)	-	-	-	-	-	-	-	-	-	-	-	-	(16,629)
Net increase (decrease) in cash and cash equivalents	(858)	3,874	1,409	(6,205)	199,112	7,626	3,825	11,856	-	(3,761)	(18,132)	18,660	11,139	228,545
Cash and Cash Equivalents - Beginning of Year	119,699	432	47,636	96,893	4,004	-	24,345	520,160	\$ 505	36,848	25,377	-	56,414	732,313
Cash and Cash Equivalents - End of Year	\$ 118,841	\$ 4,306	\$ 49,045	\$ 90,688	\$ 203,116	\$ 7,626	\$ 28,170	\$ 532,016	\$ 505	\$ 33,087	\$ 7,245	\$ 18,660	\$ 67,553	\$ 960,858
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities														
Operating Income (Loss)	\$ (221,825)	\$ (176,316)	\$ (572)	\$ (45,875)	\$ 120,780	\$ 7,626	\$ 2,043	\$ 30,299	\$ -	\$ 3,320	\$ (6,532)	\$ -	\$ (304)	\$ (287,356)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities														
Depreciation	16,357	-	-	-	27,455	-	-	-	-	-	-	-	5,844	49,656
Food Distribution (USDA Commodities) National School Lunch Program	37,464	-	-	-	-	-	-	-	-	-	-	-	-	37,464
(Increase) Decrease in accounts receivable, net	(1,691)	-	-	-	50,877	-	-	-	-	-	-	-	28,025	77,211
(Increase) Decrease in inventories	(7)	-	-	-	-	-	-	-	-	-	-	-	-	(7)
Increase (decrease) in unearned revenues	-	-	(4,712)	41,501	-	1,782	(18,443)	-	(7,081)	(11,600)	18,660	2,875	22,982	
Increase (decrease) in other payable	-	-	-	-	-	-	-	-	-	-	-	-	(325)	(325)
Increase (decrease) in accounts payable	60,288	5,190	6,693	(1,831)	-	-	-	-	-	-	-	-	(24,976)	45,364
Total adjustments	112,411	5,190	1,981	39,670	78,352	-	1,782	(18,443)	-	(7,081)	(11,600)	18,660	11,443	232,345
Net cash provided by (used for) operating activities	\$ (109,414)	\$ (171,126)	\$ 1,409	\$ (6,205)	\$ 199,112	\$ 7,626	\$ 3,825	\$ 11,856	\$ -	\$ (3,761)	\$ (18,132)	\$ 18,660	\$ 11,139	\$ (55,011)
Noncash Investing, Capital and Financing Activities														
Fair Value of Food Distribution Program- National School Lunch	\$ 37,464	-	-	-	-	-	-	-	-	-	-	-	-	37,464

**INTERNAL SERVICE FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2018**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIB County</u>	<u>Total</u>
<b>ASSETS</b>						
Current Assets						
Cash		\$ 4,786	-	\$ 240,795	\$ -	\$ 245,581
Intergovernmental Receivable						
Due from B.C.S.S.D		129,770				129,770
Other				120,000	-	120,000
Interfund Receivable	\$ 2,942,334	-	-	-	-	2,942,334
Total Current Assets	<u>2,942,334</u>	<u>134,556</u>	<u>-</u>	<u>360,795</u>	<u>-</u>	<u>3,437,685</u>
Capital Assets						
Furniture, Machinery and Equipment				90,219		90,219
Less: Accumulated Depreciation	-	-	-	(3,759)	-	(3,759)
Total Capital Assets	-	-	-	<u>86,460</u>	-	<u>86,460</u>
Total Assets	<u>2,942,334</u>	<u>134,556</u>	<u>-</u>	<u>447,255</u>	<u>-</u>	<u>3,524,145</u>
<b>LIABILITIES</b>						
Current Liabilities						
Accounts Payable		29,556				29,556
Interfunds Payable	-	105,000	\$ 987	-	-	105,987
Total Current Liabilities	-	<u>134,556</u>	<u>987</u>	<u>-</u>	<u>-</u>	<u>135,543</u>
Noncurrent Liabilities						
Compensated Absences	2,942,334	-	-	-	-	2,942,334
Total Liabilities	<u>2,942,334</u>	<u>134,556</u>	<u>987</u>	<u>-</u>	<u>-</u>	<u>3,077,877</u>
<b>NET POSITION</b>						
New Investment in Capital Assets				86,460		86,460
Unrestricted	-	-	(987)	360,795	-	359,808
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (987)</u>	<u>\$ 447,255</u>	<u>\$ -</u>	<u>\$ 446,268</u>



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**INTERNAL SERVICE FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA Admin</u>	<u>Total</u>
<b>OPERATING REVENUES</b>						
Charges and Fees	-	\$ 2,075,019	-	\$ 400,000	\$ -	\$ 2,475,019
Miscellaneous Income	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>-</b>	<b>2,075,019</b>	<b>-</b>	<b>400,000</b>	<b>-</b>	<b>2,475,019</b>
<b>OPERATING EXPENSES</b>						
Salaries		1,578,508		139,949	-	1,718,457
Employee Benefits		401,632		12,130	-	413,762
Compensated Absences	\$ 125,172					125,172
Other Purchased Services		-		-		-
Tuition Reimbursement					-	-
Communications - Telephone		94,879				94,879
Travel					-	-
Supplies and Materials				66,347		66,347
Depreciation	-	-	-	3,759	-	3,759
<b>Total Operating Expenses</b>	<b>125,172</b>	<b>2,075,019</b>	<b>-</b>	<b>222,185</b>	<b>-</b>	<b>2,422,376</b>
Operating Income	(125,172)	-	-	177,815	-	52,643
Other Financing Sources						
Transfer In (Out)	125,172	-	-	-	-	125,172
Net Position, Beginning of Year	-	-	\$ (987)	269,440	-	268,453
Net Position, End of Year	\$ -	\$ -	\$ (987)	\$ 447,255	\$ -	\$ 446,268

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**INTERNAL SERVICE FUND**  
**COMBINING STATEMENTS OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA/WIB Admin</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash Received from Customers		\$ 2,048,862		\$ 382,000	\$ 65,314	\$ 2,496,176
Cash Payments for Salaries and Benefits	\$ (125,172)	(1,980,140)		(152,079)	-	(2,257,391)
Cash Payments to Suppliers for Goods and Services	-	(78,484)	-	(66,347)	-	(144,831)
Net Cash Provided (Used) by Operating Activities	<u>(125,172)</u>	<u>(9,762)</u>	<u>-</u>	<u>163,574</u>	<u>65,314</u>	<u>93,954</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Interfund Transfers - General Fund	<u>125,172</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>	<u>65,172</u>
Net Cash Provided(Used) by Noncapital Financing activities	<u>125,172</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>	<u>65,172</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchases of capital assets	-	-	-	(90,219)	-	(90,219)
Net cash provided by(used for) capital and related financing activities	-	-	-	(90,219)	-	(90,219)
Net Increase (Decrease) in Cash and Cash Equivalents	-	238	-	73,355	(4,686)	68,907
Cash and Cash Equivalents, Beginning of Year	-	4,548	-	167,440	4,686	176,674
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ 4,786</u>	<u>\$ -</u>	<u>\$ 240,795</u>	<u>\$ -</u>	<u>\$ 245,581</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities</b>						
Operating Income (Loss)	\$ (125,172)	-	-	177,815	-	\$ 52,643
Adjustments to reconcile operating income to net cash provided(used) by operating activities:						
Depreciation				3,759		3,759
(Increase)/Decrease in Intergovernmental Receivable	-	\$ (26,157)		\$ (18,000)	65,314	21,157
Increase/(Decrease) in Accounts Payable	-	16,395	-	-	-	16,395
Total Adjustments	<u>-</u>	<u>(9,762)</u>	<u>-</u>	<u>(14,241)</u>	<u>65,314</u>	<u>41,311</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (125,172)</u>	<u>\$ (9,762)</u>	<u>\$ -</u>	<u>\$ 163,574</u>	<u>\$ 65,314</u>	<u>\$ 93,954</u>

**FIDUCIARY FUNDS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AS OF JUNE 30, 2018**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 810,369	\$ 363,795	\$ 1,174,164
Total Assets	<u>\$ 810,369</u>	<u>\$ 363,795</u>	<u>\$ 1,174,164</u>
<b>LIABILITIES</b>			
Payroll deductions and withholdings		\$ 361,795	\$ 361,795
Due to Other Funds		2,000	2,000
Payable to student groups	\$ 810,369	-	810,369
Total Liabilities	<u>\$ 810,369</u>	<u>\$ 363,795</u>	<u>\$ 1,174,164</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<b>Balance July 1, <u>2017</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash Disburse- <u>ments</u></b>	<b>Balance June 30, <u>2018</u></b>
<b>SCHOOLS</b>				
Applied Technical High School	\$ 2,669	\$ 11,519	\$ 8,868	\$ 5,320
Academy for the Advancement of Science and Technology	589,635	1,274,760	1,267,807	596,588
Teterboro Technical High School	109,516	275,835	246,745	138,606
Paramus Vocational High School	29,024	48,716	46,779	30,961
Athletic Account	<u>1,275</u>	<u>183,939</u>	<u>146,320</u>	<u>38,894</u>
	<b><u>\$ 732,119</u></b>	<b><u>\$ 1,794,769</u></b>	<b><u>\$ 1,716,519</u></b>	<b><u>\$ 810,369</u></b>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Balance July 1, 2017</u>	<u>Cash Receipts</u>	<u>Cash Disburse- ments</u>	<u>Balance June 30, 2018</u>
Payroll Deductions and Withholdings	\$ 26,751	\$ 24,822,107	\$ 24,487,063	\$ 361,795
Due to Other Funds	2,000	-		2,000
Accrued Salaries and Wages	<u>-</u>	<u>26,674,295</u>	<u>26,674,295</u>	<u>-</u>
	<u>\$ 28,751</u>	<u>\$ 51,496,402</u>	<u>\$ 51,161,358</u>	<u>\$ 363,795</u>

## **LONG-TERM DEBT**



**EXHIBIT I-1**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF PAYABLE BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOT APPLICABLE**

**EXHIBIT I-2**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOT APPLICABLE**

**EXHIBIT I-3**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOT APPLICABLE**

## STATISTICAL SECTION

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

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

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

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014 (Restated)	2015	2016	2017	2018
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 49,489,446	\$ 43,808,410	\$ 43,421,022	\$ 50,008,514	\$ 50,867,900	\$ 49,277,231	\$ 49,479,630	\$ 50,030,937	\$ 48,611,395	\$ 47,399,005
Restricted	100,001	1,100,001	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989	10,645,647
Unrestricted	<u>(2,956,411)</u>	<u>2,072,520</u>	<u>2,836,911</u>	<u>2,631,444</u>	<u>4,704,881</u>	<u>(32,517,594)</u>	<u>(33,085,751)</u>	<u>(35,125,320)</u>	<u>(38,748,085)</u>	<u>(40,098,240)</u>
<b>Total Governmental Activities Net Position</b>	<u>\$ 46,633,036</u>	<u>\$ 46,980,931</u>	<u>\$ 47,727,938</u>	<u>\$ 54,111,948</u>	<u>\$ 57,954,657</u>	<u>\$ 20,862,313</u>	<u>\$ 22,551,432</u>	<u>\$ 19,450,242</u>	<u>\$ 15,609,299</u>	<u>\$ 17,946,412</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 592,625	\$ 550,886	\$ 521,640	\$ 467,977	\$ 418,441	\$ 497,126	\$ 417,011	\$ 367,596	\$ 320,044	\$ 287,017
Restricted										
Unrestricted	<u>896,791</u>	<u>900,064</u>	<u>1,196,433</u>	<u>1,378,912</u>	<u>1,840,925</u>	<u>1,081,403</u>	<u>937,336</u>	<u>846,906</u>	<u>749,499</u>	<u>833,012</u>
<b>Total Business-Type Activities Net Position</b>	<u>\$ 1,489,416</u>	<u>\$ 1,450,950</u>	<u>\$ 1,718,073</u>	<u>\$ 1,846,889</u>	<u>\$ 2,259,366</u>	<u>\$ 1,578,529</u>	<u>\$ 1,354,347</u>	<u>\$ 1,214,502</u>	<u>\$ 1,069,543</u>	<u>\$ 1,120,029</u>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 50,082,071	\$ 44,359,296	\$ 43,942,662	\$ 50,476,491	\$ 51,286,341	\$ 49,774,357	\$ 49,896,641	\$ 50,398,533	\$ 48,931,439	\$ 47,686,022
Restricted	100,001	1,100,001	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989	10,645,647
Unrestricted	<u>(2,059,620)</u>	<u>2,972,584</u>	<u>4,033,344</u>	<u>4,010,356</u>	<u>6,545,806</u>	<u>(31,436,191)</u>	<u>(32,148,415)</u>	<u>(34,278,414)</u>	<u>(37,998,586)</u>	<u>(39,265,228)</u>
<b>Total District Net Position</b>	<u>\$ 48,122,452</u>	<u>\$ 48,431,881</u>	<u>\$ 49,446,011</u>	<u>\$ 55,958,837</u>	<u>\$ 60,214,023</u>	<u>\$ 22,440,842</u>	<u>\$ 23,905,779</u>	<u>\$ 20,664,744</u>	<u>\$ 16,678,842</u>	<u>\$ 19,066,441</u>

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 14,796,395	\$ 16,672,216	\$ 15,488,402	\$ 16,296,880	\$ 15,766,744	\$ 16,175,172	\$ 19,292,897	\$ 21,615,596	\$ 23,771,123	\$ 22,652,497
Other Special Education	434,382	382,892	1,273,493	1,623,324	1,361,059	1,202,646	1,207,686	1,417,698	1,259,523	455,157
Vocational	15,102,316	15,129,724	15,694,495	16,425,873	17,385,957	17,203,275	20,727,275	23,049,247	24,578,919	24,590,842
Other Instruction	4,158,396	5,766,856	2,584,804	2,350,887	2,145,071	2,101,112	2,738,122	3,083,333	3,809,101	4,344,779
Adult/Continuing Education Programs	1,963,095	2,168,973	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306	994,264
<b>Support Services:</b>										
Student & Instruction Related Services	18,483,090	16,430,807	20,918,305	20,864,055	20,722,030	21,284,694	15,081,857	14,820,193	15,353,581	17,014,460
School Administrative Services	2,739,881	2,695,296	2,663,009	2,721,457	3,128,511	3,439,812	3,929,539	4,534,126	4,827,057	4,480,170
General Administration	2,779,729	3,017,604	2,648,016	3,501,311	3,994,765	3,582,717	3,507,357	2,674,123	2,882,626	3,438,716
Plant Operations And Maintenance	7,630,125	8,769,953	9,604,982	9,365,347	9,288,606	10,238,259	10,604,646	10,594,482	10,947,900	11,192,029
Pupil Transportation	684,780	538,073	565,186	628,964	643,447	641,645	2,581,110	1,080,865	1,136,645	1,099,529
Other Support Services	3,662,494	2,398,284	2,202,175	2,223,643	2,360,112	2,583,940	6,819,158	8,481,150	9,163,851	9,916,291
Interest	-	-	-	-	-	-	-	5,539	-	-
<b>Total Governmental Activities Expenses</b>	<b>72,434,683</b>	<b>73,970,678</b>	<b>74,650,646</b>	<b>76,908,085</b>	<b>77,286,567</b>	<b>78,989,534</b>	<b>87,024,378</b>	<b>91,987,134</b>	<b>98,644,632</b>	<b>100,178,734</b>
<b>Business-Type Activities:</b>										
Food Service	762,910	717,800	675,057	766,982	704,383	673,446	742,604	754,158	807,823	834,407
Other	1,465,499	1,157,362	1,334,412	1,633,916	2,098,622	2,970,621	2,411,056	2,730,645	2,475,140	2,797,107
<b>Total Business-Type Activities Expense</b>	<b>2,228,409</b>	<b>1,875,162</b>	<b>2,009,469</b>	<b>2,400,898</b>	<b>2,803,005</b>	<b>3,644,067</b>	<b>3,153,660</b>	<b>3,484,803</b>	<b>3,282,963</b>	<b>3,631,514</b>
<b>Total District Expenses</b>	<b>\$ 74,663,092</b>	<b>\$ 75,845,840</b>	<b>\$ 76,660,115</b>	<b>\$ 79,308,983</b>	<b>\$ 80,089,572</b>	<b>\$ 82,633,601</b>	<b>\$ 90,178,038</b>	<b>\$ 95,471,937</b>	<b>\$ 101,927,595</b>	<b>\$ 103,810,248</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges For Services:</b>										
Regular	\$ 7,856,643	\$ 8,422,313	\$ 8,304,719	\$ 8,532,347	\$ 8,763,830	\$ 16,470,979	\$ 8,994,884	\$ 9,862,770	\$ 9,567,603	\$ 10,045,687
Other Special Education	8,190	-	-	-	-	-	-	-	-	-
Vocational	12,746,853	13,526,775	14,275,079	14,898,221	15,140,793	7,756,795	15,520,538	15,546,249	16,790,824	17,458,518
Other Instruction	440,540	474,370	480,111	438,572	201,995	245,530	491,371	512,980	331,603	425,098
Adult/Continuing Education Programs	1,294,588	933,644	1,100,066	1,234,779	1,207,791	1,258,720	1,063,649	1,058,901	1,037,414	1,014,690
<b>Support Services:</b>										
Student & Instruction Related Services	1,026,583	786,578	882,931	843,261	541,878	265,644	359,592	312,320	392,741	451,934
School Administrative Services	328,895	162,146	164,997	-	-	17,715	50,643	42,478	56,472	58,014
General Administration	1,111,868	1,092,432	922,340	777,998	783,994	729,192	707,152	770,064	753,749	756,041
Plant Operations And Maintenance	474,099	449,417	575,377	283,443	159,057	365,823	218,494	254,746	201,944	159,828
Pupil Transportation	145,897	96,568	110,161	125,210	129,140	95,531	93,078	100,436	99,504	98,659
Other Support Services	634,155	556,444	460,510	644,358	641,665	712,557	723,359	1,067,340	1,286,780	1,270,016
Operating Grants And Contributions	10,394,392	12,215,539	11,669,272	12,623,275	14,793,654	15,054,363	20,642,137	23,441,351	27,954,315	30,360,529
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>36,462,703</b>	<b>38,716,226</b>	<b>38,945,563</b>	<b>40,401,464</b>	<b>42,363,797</b>	<b>42,972,849</b>	<b>48,864,897</b>	<b>52,969,635</b>	<b>58,472,949</b>	<b>62,099,014</b>

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

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Business-Type Activities:</b>										
Charges For Services										
Food Service	\$ 596,604	\$ 602,963	\$ 542,448	\$ 761,349	\$ 557,432	\$ 558,872	\$ 576,814	\$ 576,329	\$ 614,017	\$ 612,582
Other	1,511,115	1,152,365	1,648,019	1,675,776	2,558,055	2,310,881	2,250,018	2,655,247	2,366,881	2,731,576
Operating Grants And Contributions	110,530	131,368	136,125	142,589	149,995	143,477	152,646	163,382	157,106	162,842
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Business Type Activities Program Revenues</b>	<b>2,218,249</b>	<b>1,886,696</b>	<b>2,326,592</b>	<b>2,579,714</b>	<b>3,265,482</b>	<b>3,013,230</b>	<b>2,979,478</b>	<b>3,394,958</b>	<b>3,138,004</b>	<b>3,507,000</b>
<b>Total District Program Revenues</b>	<b>\$ 38,680,952</b>	<b>\$ 40,602,922</b>	<b>\$ 41,272,155</b>	<b>\$ 42,981,178</b>	<b>\$ 45,629,279</b>	<b>\$ 45,986,079</b>	<b>\$ 51,844,375</b>	<b>\$ 56,364,593</b>	<b>\$ 61,610,953</b>	<b>\$ 65,606,014</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (35,971,980)	\$ (35,254,452)	\$ (35,705,083)	\$ (36,506,621)	\$ (34,922,770)	\$ (36,016,685)	\$ (38,159,481)	\$ (39,017,499)	\$ (40,171,683)	\$ (38,079,720)
Business-Type Activities	(10,160)	11,534	317,123	178,816	462,477	(630,837)	(174,182)	(89,845)	(144,959)	(124,514)
<b>Total District-Wide Net Expense</b>	<b>\$ (35,982,140)</b>	<b>\$ (35,242,918)</b>	<b>\$ (35,387,960)</b>	<b>\$ (36,327,805)</b>	<b>\$ (34,460,293)</b>	<b>\$ (36,647,522)</b>	<b>\$ (38,333,663)</b>	<b>\$ (39,107,344)</b>	<b>\$ (40,316,642)</b>	<b>\$ (38,204,234)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
County Property Tax Levy	\$ 27,173,800	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408	\$ 30,910,722
County Aid	6,834,143	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577	4,774,827
Federal and State Aid Unrestricted	6,281,757	6,660,479	4,375,445	5,135,736	4,121,860	4,268,255	4,233,029	4,090,475	4,403,793	4,110,588
Federal and State Aid Restricted	767,021	494,647	515,468	879,418	654,679	571,595	646,224	990,341	718,461	582,891
Investment Earnings	47,546	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071	51,954
Miscellaneous Income	222,899	1,057,341	641,636	765,811	218,274	322,331	561,317	354,393	133,830	160,851
Transfers	(150,000)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	(175,000)
Loss on Disposal of Capital Assets	-	-	-	-	(6,634)	-	-	-	(170,400)	-
<b>Total Governmental Activities</b>	<b>41,177,166</b>	<b>40,644,881</b>	<b>36,452,090</b>	<b>42,890,331</b>	<b>38,765,779</b>	<b>35,405,154</b>	<b>39,848,600</b>	<b>35,916,309</b>	<b>36,330,740</b>	<b>40,416,833</b>
Business-Type Activities:										
Transfers	150,000	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	-	175,000
<b>Total Business-Type Activities</b>	<b>150,000</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>-</b>	<b>175,000</b>
<b>Total District-Wide</b>	<b>\$ 41,327,166</b>	<b>\$ 40,594,881</b>	<b>\$ 36,402,090</b>	<b>\$ 42,840,331</b>	<b>\$ 38,715,779</b>	<b>\$ 35,355,154</b>	<b>\$ 39,798,600</b>	<b>\$ 35,866,309</b>	<b>\$ 36,330,740</b>	<b>\$ 40,591,833</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 5,205,186	\$ 5,390,429	\$ 747,007	\$ 6,383,710	\$ 3,843,009	\$ (611,531)	\$ 1,689,119	\$ (3,101,190)	\$ (3,840,943)	\$ 2,337,113
Business-Type Activities	139,840	(38,466)	267,123	128,816	412,477	(680,837)	(224,182)	(139,845)	(144,959)	50,486
<b>Total District</b>	<b>\$ 5,345,026</b>	<b>\$ 5,351,963</b>	<b>\$ 1,014,130</b>	<b>\$ 6,512,526</b>	<b>\$ 4,255,486</b>	<b>\$ (1,292,368)</b>	<b>\$ 1,464,937</b>	<b>\$ (3,241,035)</b>	<b>\$ (3,985,902)</b>	<b>\$ 2,387,599</b>

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund</b>										
Reserved	\$ 169,407	\$ 1,841,826								
Unreserved	764,568	3,724,644								
Restricted			\$ 1,369,001	\$ 1,371,667	\$ 2,676,695	\$ 4,001,915	\$ 2,831,174	\$ 3,410,171	\$ 4,757,456	\$ 5,597,098
Assigned			3,616,299	3,763,868	3,288,996	3,050,029	2,404,228	1,774,978	2,400,164	3,496,280
Unearned	-	-	1,388,774	2,075,886	2,141,872	1,772,575	1,892,562	1,574,623	1,351,845	1,081,297
<b>Total General Fund</b>	<b>\$ 933,975</b>	<b>\$ 5,566,470</b>	<b>\$ 6,374,074</b>	<b>\$ 7,211,421</b>	<b>\$ 8,107,563</b>	<b>\$ 8,824,519</b>	<b>\$ 7,127,964</b>	<b>\$ 6,759,772</b>	<b>\$ 8,509,465</b>	<b>\$ 10,174,675</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 2,105,555	\$ 1,045,988								
Unassigned	(4,134,953)	(1,902,950)	\$ (856,175)	\$ (2,133,623)	\$ (295,398)	\$ (295,398)	\$ 3,226,167	\$ 1,034,092	\$ 890,616	
Nonspendable			100,000	100,000	100,000	100,000	100,000	100,000	100,000	\$ 100,000
Restricted	-	-	1,004	323	579	761	212	362	541	4,948,549
<b>Total All Other Governmental Funds</b>	<b>\$ (2,029,398)</b>	<b>\$ (856,962)</b>	<b>\$ (755,171)</b>	<b>\$ (2,033,300)</b>	<b>\$ (194,819)</b>	<b>\$ (194,637)</b>	<b>\$ 3,326,379</b>	<b>\$ 1,134,454</b>	<b>\$ 991,157</b>	<b>\$ 5,048,549</b>

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

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
County Property Tax Levy	\$ 27,173,800	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408	\$ 30,910,722
County Aid	6,834,143	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577	4,774,827
Tuition - LEA's	22,338,624	23,357,102	24,159,975	25,103,919	25,225,197	25,661,833	26,007,132	26,904,443	27,666,393	28,943,993
Interest Earnings	47,546	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071	53,473
Miscellaneous	263,994	1,061,440	654,787	793,612	398,416	500,345	627,600	788,688	561,785	500,142
State Sources	11,698,489	12,181,302	9,958,263	12,007,500	12,702,958	12,407,358	12,416,181	14,009,042	14,356,081	15,341,091
Federal Sources	5,703,586	7,185,264	6,588,771	6,603,128	6,776,305	7,379,032	7,281,286	7,181,683	7,243,377	7,131,336
<b>Total Revenue</b>	<b>74,060,182</b>	<b>76,167,522</b>	<b>72,231,337</b>	<b>80,567,525</b>	<b>78,830,476</b>	<b>76,141,541</b>	<b>80,690,229</b>	<b>79,314,956</b>	<b>81,072,692</b>	<b>87,655,584</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	13,840,027	15,263,523	14,379,171	15,127,953	14,603,327	14,862,533	15,440,334	16,687,000	16,280,816	16,631,710
Other Special Instruction	440,722	385,032	1,273,493	1,623,324	1,342,690	1,205,266	1,207,686	1,406,736	1,088,873	455,157
Vocational Education	14,149,588	14,083,080	14,624,818	15,306,181	16,186,718	15,913,948	16,572,066	17,769,053	16,743,166	18,012,791
Other Instruction	4,173,346	5,773,276	2,593,804	2,353,257	2,152,541	2,108,972	2,305,667	2,476,996	2,763,401	3,460,228
Adult/Continuing Education	1,963,095	2,168,973	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306	994,264
<b>Support Services:</b>										
Student and Inst. Related Services	17,042,590	15,135,725	19,566,673	19,558,096	19,755,505	20,635,759	14,345,210	14,082,440	14,188,768	15,019,550
General Administration	1,781,765	2,552,657	2,494,442	2,629,178	3,152,218	2,832,404	2,665,676	1,819,055	2,039,452	2,508,498
School Administrative Services	2,451,686	2,152,550	1,640,449	2,688,484	3,046,780	3,344,141	3,395,276	3,900,015	3,727,076	3,494,656
Plant Operations And Maintenance	7,167,761	8,323,257	8,963,114	9,062,453	9,098,463	9,801,146	10,236,125	10,113,603	10,211,895	9,920,250
Pupil Transportation	498,365	394,556	403,808	452,657	459,844	488,295	2,427,018	934,573	950,997	848,254
Other Support Services	2,947,755	1,796,166	1,650,248	1,440,304	1,547,786	1,683,122	5,822,496	7,388,132	7,757,469	7,776,419
Debt Service								289,539	286,000	-
Capital Outlay	5,058,211	2,227,579	2,606,881	9,926,944	4,399,639	1,960,046	3,825,524	4,296,562	2,572,805	2,511,033
<b>Total Expenditures</b>	<b>71,514,911</b>	<b>70,256,374</b>	<b>71,204,680</b>	<b>81,075,175</b>	<b>76,235,776</b>	<b>75,371,894</b>	<b>78,777,809</b>	<b>81,794,486</b>	<b>79,525,024</b>	<b>81,632,810</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,545,271</b>	<b>5,911,148</b>	<b>1,026,657</b>	<b>(507,650)</b>	<b>2,594,700</b>	<b>769,647</b>	<b>1,912,420</b>	<b>(2,479,530)</b>	<b>1,547,668</b>	<b>6,022,774</b>
<b>Other Financing Sources (Uses)</b>										
Capital Leases (Non-Budgeted)										
Transfers In	50,000	50,000	50,000	66,868	139,923	50,000	1,337,113	150,087	485,724	854,463
Transfers Out	(501,508)	(146,217)	(167,262)	-	-	(102,509)	(1,425,072)	(230,674)	(426,996)	(1,154,635)
<b>Total Other Financing Sources (Uses)</b>	<b>(451,508)</b>	<b>(96,217)</b>	<b>(117,262)</b>	<b>66,868</b>	<b>139,923</b>	<b>(52,509)</b>	<b>(87,959)</b>	<b>(80,587)</b>	<b>58,728</b>	<b>(300,172)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 2,093,763</b>	<b>\$ 5,814,931</b>	<b>\$ 909,395</b>	<b>\$ (440,782)</b>	<b>\$ 2,734,623</b>	<b>\$ 717,138</b>	<b>\$ 1,824,461</b>	<b>\$ (2,560,117)</b>	<b>\$ 1,606,396</b>	<b>\$ 5,722,602</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.35%	0.36%	0.00%

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

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

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

Fiscal Year Ended <u>June 30</u>	<u>Tuition</u>	<u>Interest</u>	<u>Miscellaneous</u>	Special schools <u>Tuition and Fees</u>	<u>Total</u>
2018	\$ 28,943,993	\$ 51,703	\$ 160,851	\$ 319,473	\$ 29,476,020
2017	27,666,393	23,892	133,830	327,051	28,151,166
2016	25,383,307	27,511	683,845	1,508,429	27,603,092
2015	24,515,421	36,518	561,317	1,555,021	26,668,277
2014	24,227,774	47,063	322,331	1,504,250	26,101,418
2013	23,904,623	36,273	307,486	1,320,574	25,568,956
2012	23,430,568	25,909	765,811	1,673,351	25,895,639
2011	22,579,798	12,369	641,636	1,580,177	24,813,980
2010	21,949,088	16,634	1,057,341	1,408,014	24,431,077
2009	20,603,526	43,949	222,868	1,735,129	22,605,472

Source: School District's Financial Statements



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

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2009	84,021,555,288	73,867,544,583	157,889,099,871	240,884,027	158,129,983,898	185,908,798,980
2010	84,454,481,049	74,747,147,306	159,201,628,355	285,137,988	159,486,766,343	175,481,754,684
2011	83,995,183,645	75,287,323,039	159,282,506,684	265,906,193	159,548,412,877	173,258,537,441
2012	81,103,273,440	75,153,761,789	156,257,035,229	230,570,595	156,487,605,828	168,748,014,772
2013	79,070,936,935	75,049,684,025	154,120,620,960	129,981,494	154,250,602,454	165,008,934,260
2014	78,408,456,350	75,186,325,534	153,594,781,884	97,873,857	153,692,655,741	162,301,130,131
2015	77,512,874,732	75,335,444,029	152,828,462,316	96,580,480	152,925,042,796	163,570,157,295
2016	77,002,654,839	77,328,202,717	154,291,592,456	90,073,801	154,381,666,257	167,963,794,248
2017	77,502,137,732	79,190,477,789	156,692,615,521	90,385,516	156,783,001,037	172,030,836,227
2018	78,049,679,382	80,870,511,380	158,920,190,762	84,076,455	159,004,267,217	176,365,111,170

Source: County Abstract of Ratables

**EXHIBIT J-7**

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

<u>Assessment</u> <u>Year</u>	<u>General</u>	<u>Open Space</u>	<u>Total County</u> <u>Tax Rate</u>
2009	\$ 0.1820	\$ 0.0100	\$ 0.1920
2010	0.1934	0.0025	0.1959
2011	0.2032	0.0025	0.2057
2012	0.2178	0.0025	0.2203
2013	0.2248	0.0025	0.2273
2014	0.2312	0.0025	0.2337
2015	0.2377	0.0025	0.2402
2016	0.2434	0.0025	0.2459
2017	0.2417	0.0100	0.2517
2018	0.2351	0.0100	0.2451

Source: County Abstract of Ratables

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

Taxpayer	2018		2009	
	Assessed Valuation	% of County's Net Assessed Valuation	Assessed Valuation	% of County's Net Assessed Valuation

INFORMATION NOT AVAILABLE

Source: Bergen County

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	\$ 27,173,800	\$ 27,173,800	100.00%	
2010	28,223,529	28,223,529	100.00%	
2011	29,190,098	29,190,098	100.00%	
2012	29,190,098	29,190,098	100.00%	
2013	29,190,098	29,190,098	100.00%	
2014	29,190,098	29,190,098	100.00%	
2015	29,566,905	29,566,905	100.00%	
2016	29,566,905	29,566,905	100.00%	
2017	30,010,408	30,010,408	100.00%	
2018	30,910,722	30,910,722	100.00%	

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Population	Per Capita
	Capital Leases	Total District		
2009	\$ 54,288	\$ 54,288	895,250	\$ 0.06
2010	4,358	4,358	906,895	0.005
2011	-	-	914,233	-
2012	-	-	921,035	-
2013	-	-	927,202	-
2014	-	-	933,348	-
2015	-	-	938,255	-
2016	-	-	942,387	-
2017	-	-	948,406	-
2018	-	-	948,406 (1)	-

Source: District records

(1) Estimated

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

**NOT APPLICABLE**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2017  
(Unaudited)**

Net Direct Debt of School District  
as of June 30, 2018

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 876,045,885

Bergen County Utilities Authority - Water Pollution (100%)

160,436,654

\$ 1,036,482,539

Total Direct and Overlapping Debt

\$ 1,036,482,539

Source:

County of Bergen Annual Debt Statement

BCUA Audit and 2017 County Equalization Table

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

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Average equalized valuation of taxable property (last three years)	\$ 178,689,519,616	\$ 182,615,485,340	\$ 181,109,724,691	\$ 175,561,330,658	\$ 165,344,818,875	\$ 163,332,190,759	\$ 163,894,415,971	\$ 166,824,155,204	\$ 171,055,311,950
Debt limit (2% of average equalization value)	3,573,790,392	3,652,309,707	3,622,194,494	3,511,226,613	3,306,896,378	3,266,643,815	3,277,888,319	3,336,483,104	3,421,106,239
Net Debt Issued Outstanding and Authorized	<u>630,661,565</u>	<u>681,873,430</u>	<u>730,825,489</u>	<u>698,412,830</u>	<u>849,429,739</u>	<u>933,422,641</u>	<u>1,089,653,537</u>	<u>1,205,030,344</u>	<u>876,045,885</u>
Remaining Borrowing Capacity	<u>\$ 2,943,128,827</u>	<u>\$ 2,970,434,277</u>	<u>\$ 2,891,369,005</u>	<u>\$ 2,812,813,783</u>	<u>\$ 2,457,466,639</u>	<u>\$ 2,333,221,174</u>	<u>\$ 2,188,234,782</u>	<u>\$ 2,131,452,760</u>	<u>\$ 2,545,060,354</u>

Source: Annual Debt Statements

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



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

<u>Year</u>	<u>Population</u>		<u>Per Capita Personal Income**</u>	<u>Unemployment Rate*</u>
2018	948,406	(1)	N/A	N/A
2017	948,406		N/A	3.9%
2016	942,387	\$	77,187	4.2%
2015	938,255		76,388	4.6%
2014	933,348		73,293	5.4%
2013	927,202		71,449	7.1%
2012	921,035		71,953	8.1%
2011	914,233		69,044	7.9%
2010	906,895		66,080	8.1%
2009	895,250		65,097	7.9%

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

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

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

<u>Taxpayer</u>	<u>2018</u>		<u>2009</u>	
	<u>Employees</u>	<u>% of Total County Employment</u>	<u>Employees</u>	<u>% of Total County Employment</u>
	NOT AVAILABLE		NOT AVAILABLE	

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

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction										
Regular	227.8	235.5	225.6	100.5	97.5	97.1	100.2	99.7	99.7	100.7
Vocational				126.1	126.7	145.6	142.5	125.2	123.4	129.4
Other instruction	71.9	78.0	37.0	3.0	3.0	2.0	3.0	3.0	3.0	2.0
Adult/continuing education programs				37.5	45.8	20.3	20.3	20.0	20.6	21.0
Support Services:										
Attendance and Social Work	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Health Services	4.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0
Student & instruction related services	41.0	42.6	38.7	37.4	38.0	39.2	39.1	42.1	40.1	39.0
Educational Media Services	20.6	16.5	36.0	38.0	39.0	40.0	39.9	1.0	1.0	1.0
General administration	1.1	0.7	3.0	3.0	3.0	2.8	2.8	2.8	2.8	3.3
School administrative services	18.9	20.9	19.9	17.9	19.2	22.2	22.2	22.2	21.2	20.2
Central services	5.5	5.6	9.6	10.3	11.1	11.1	11.1	11.5	12.1	11.5
Administrative Information Technology	0.1	0.1	0.1	0.1	0.1	0.1	0.1	39.0	39.4	39.4
Plant operations and maintenance	29.6	26.9	50.3	51.7	51.5	49.3	56.0	51.3	51.3	50.8
Pupil transportation	0.7	0.7	0.7		1.8	6.8	6.8	6.8	6.8	6.8
<b>Total</b>	<u>423.2</u>	<u>434.5</u>	<u>427.9</u>	<u>432.5</u>	<u>442.7</u>	<u>442.5</u>	<u>450.0</u>	<u>430.6</u>	<u>427.4</u>	<u>431.1</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	High School				
2009	2,142	\$ 58,871,856	\$ 27,485	5.95%	284.00	7.54	1,508.70	1,444.50	-23.98%	95.74%
2010	2,182	57,666,544	26,428	-3.84%	280.00	7.79	2,056.10	1,979.00	36.28%	96.25%
2011	2,226	68,597,799	30,817	16.60%	278.00	8.01	2,096.10	2,013.50	1.95%	96.06%
2012	2,276	71,148,231	31,260	1.44%	281.00	8.10	2,125.50	2,042.10	1.40%	96.08%
2013	2,231	71,836,137	32,199	3.00%	273.00	8.17	2,105.00	2,017.70	-0.96%	95.85%
2014	2,260	73,411,848	32,483	0.88%	282.00	8.01	2,122.70	2,039.10	0.84%	96.06%
2015	2,208	74,952,285	33,946	4.50%	268.00	8.24	2,108.01	2,027.00	-0.69%	96.16%
2016	2,277	77,208,385	33,908	-0.11%	225.00	10.12	2,272.30	2,170.90	7.79%	95.54%
2017	2,221	76,666,219	34,519	1.80%	222.00	10.00	2,326.55	2,227.72	2.39%	95.75%
2018	2,283	79,121,777	34,657	0.40%	231.80	9.85	2,381.46	2,281.95	2.36%	95.82%

N/A - Not Applicable

Sources: District records

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

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

<u>District Building</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>High School</u>										
Hackensack Campus										
Square Feet	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692
Capacity (students)										
Enrollment	1,022	1,039	1,063	1,063	1,061	1,052	1,044	1,058	1,069	1,091
Teterboro campus										
Square Feet	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974
Capacity (students)										
Enrollment	619	626	647	647	635	649	665	659	677	662
Paramus Campus										
Square Feet	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924
Capacity (students)										
Enrollment	501	491	516	516	535	546	499	529	531	534
Applied Tech High School @ BCC										
Square Feet								N/A	N/A	22,875
Capacity (students)										
Enrollment								31	59	87

Number of Schools at June 30, 2018  
Senior High School = 4

Source: District Records

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>School Facilities</b>										
Bergen County Academies	\$ 213,245	\$ 306,894	\$ 308,240	\$ 493,638	\$ 497,096	\$ 740,465	\$ 765,127	\$ 915,851	\$ 859,152	\$ 774,488
Voc-Paramus Special Needs	30,461	44,251	44,447	71,189	71,679	106,772	110,328	132,061	123,880	111,678
Bergen County Technical HS Teterboro	103,585	149,064	149,728	239,779	241,466	359,684	371,663	444,864	417,306	376,211
Tech Ed Center Paramus	39,456	56,778	57,032	91,332	91,975	137,005	141,568	169,448	158,951	143,300
Workforce 60 State St., Hackensack	13,802									
Applied Tech HS										74,850
Adult Education Hackensack	9,009	12,961	13,024	20,857	21,002	31,284	32,326	38,716	36,283	32,721
Parkway Facility	13,514	-	-	-	-	-	-	-	-	-
<b>Total School Facilities</b>	<u>\$ 423,072</u>	<u>\$ 569,948</u>	<u>\$ 572,471</u>	<u>\$ 916,795</u>	<u>\$ 923,218</u>	<u>\$ 1,375,210</u>	<u>\$ 1,421,012</u>	<u>\$ 1,700,940</u>	<u>\$ 1,595,572</u>	<u>\$ 1,513,248</u>

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF INSURANCE  
AS OF JUNE 30, 2018**

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

Source: School District's records

**SINGLE AUDIT SECTION**





# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
GARY W. HIGGINS, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
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DEBRA GOLLE, CPA  
CINDY JANACEK, CPA, RMA  
MARK SACO, CPA  
SHERYL M. LEIDIG, CPA, PSA  
ROBERT LERCH, CPA

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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements and have issued our report thereon dated January 18, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Bergen County Technical and Vocational High School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control.

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

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

### Compliance and Other Matters

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

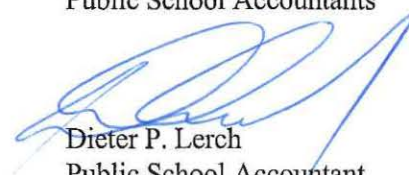
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergen County Technical and Vocational High School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 18, 2019.

### Purpose of this Report

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



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756.

Fair Lawn, New Jersey  
January 18, 2019



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the Bergen County Technical and Vocational High School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bergen County Technical and Vocational High School District's major federal and state programs for the fiscal year ended June 30, 2018. The Bergen County Technical and Vocational High School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Bergen County Technical and Vocational High School District's financial statements include the operations of the Workforce Investment Act Programs, which expended \$4,314,713 in Federal awards and \$1,462,230 in State awards which are reflected in Exhibits K-3 and K-4 during the year ended June 30, 2018. Our audit, described below, did not include the operations of the Workforce Investment Act Programs since the District has contracted for a separate audit of the component unit to be performed in accordance with Uniform Guidance and the regulatory requirements promulgated by the Department of Labor and Workforce Development.

***Management's Responsibility***

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

### *Auditor's Responsibility*

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

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

### *Each Major Federal and State Program*

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we audited the Bergen County Technical and Vocational High School District's compliance with the requirements of the Department of Labor and Workforce Development, the Bergen County Technical and Vocational High School District complied, in all material respects, with the compliance requirements referred to above that have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2018.

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

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

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

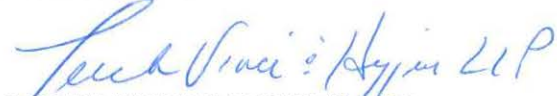
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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



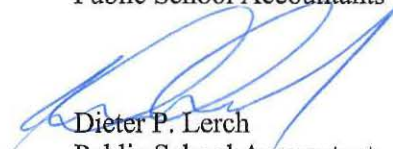
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated January 18, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 18, 2019

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	FAIN Number	Grant Number	Grant Period	Award Amount	Balance June 30, 2017	Adjustment	Carryover Amount	Cash Received	Budgetary Expenditures	Balance June 30, 2018			
											Refund Prior Year's Balances	(Accounts Receivable)	Unearned Revenues	Due to Grantor
U.S. Department of Agriculture Pass-through State Department of Agriculture														
<b>Enterprise Fund</b>														
National School Lunch Program	10.555		N/A											
Cash Assistance		S171NJ304N10		7/1/16-6/30/17	\$ 96,599	\$ (6,477)			\$ 6,477					
Cash Assistance		S181NJ304N10		7/1/17-6/30/18	102,666				95,133	\$ 102,666	\$ (7,533)			
Cash Assistance-PB Program		S181NJ304N10		7/1/17-6/30/18	6,261				5,827	6,261	(434)			
Cash Assistance-PB Program		S171NJ304N10		7/1/16-6/30/17	6,033	(773)			373					
Non-Cash Assistance		S171NJ304N10		7/1/16-6/30/17	36,397	500			37,464	36,397		\$ 1,567		
School Breakfast Program	10.553	S181NJ304N10	N/A	7/1/17-6/30/18	12,176				10,963	12,176	(1,213)			
School Breakfast Program	10.553	S171NJ304N10	N/A	7/1/16-6/30/17	13,552	(1,167)			1,167					
<b>Total Enterprise Fund</b>						<b>(7,517)</b>	<b>-</b>	<b>-</b>	<b>157,404</b>	<b>157,500</b>	<b>-</b>	<b>(9,180)</b>	<b>1,567</b>	<b>-</b>
U.S. Department of Education Pass-through State Department of Education														
<b>General Fund</b>														
Medical Assistance Program	93.778	1705NJ5MAP		7/1/17-6/30/18	31,879	-	-	-	31,879	31,879	-	-	-	-
<b>Total General Fund</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>31,879</b>	<b>31,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Revenue Fund</b>														
ESEA Title I	84.010A	S010A150030	NCLB209018	7/1/17-6/30/18	182,398	-	-	-	109,496	182,398		(72,902)		
NCLB Title I Carryover	84.010A	S010A150030	NCLB209017	7/1/16 - 6/30/17	184,279	(35,548)			35,548					
IDEIA Part B-Basic	84.027	H027A150100	IDEA029018	7/1/17-6/30/18	468,786	-			335,639	468,786		(133,087)		
IDEIA Part B-Basic Carryover	84.027	H027A150100	IDEA029017	7/1/16 - 6/30/17	494,981	(124,290)			124,290					
ESEA-Title II Part A	84.361	S367A150029	NCLB209018	7/1/17-6/30/18	40,394	-			39,414					
ESEA-Title IV	84.424	S434A170031	NCLB209018	7/1/17-6/30/18	10,000	-			10,000					
Community Development-Paranus Chair Lift	14.219		N/A	07/01/14-6/30/15	24,000	(24,000)			24,000					
Vocational (Perkins) Post Secondary	84.048		PKPP029018	7/1/17 - 6/30/18	138,727	-			138,694	138,694				
Vocational (Perkins) Secondary	84.048		PERK0218	7/1/17-6/30/18	691,770	-			532,947	690,349		(157,402)		
Vocational (Perkins) Secondary	84.048		PERK0217	7/1/16 - 6/30/17	662,400	(19,399)			19,399					
Vocational (Perkins) Secondary Reserve	84.048		PERK0218	7/1/17 - 6/30/18	73,407	-			73,407					
Adult Basic Education	84.002		1740002S1	7/1/17-8/31/18	947,200	-			784,810	931,479		(146,669)		
Adult Basic Education	84.002		1640002S1	7/1/16 - 8/31/17	1,076,640	(213,682)			213,682					
<b>Total U.S. Department of Education</b>						<b>(416,919)</b>	<b>-</b>	<b>-</b>	<b>2,441,386</b>	<b>2,534,527</b>	<b>-</b>	<b>(510,060)</b>	<b>-</b>	<b>-</b>
WIA - Adult Training	17.258			7/1/17 - 6/30/18	1,022,202	(631,758)			1,288,014	1,139,459		(483,203)		
WIA - Summer Youth	17.259			7/1/17 - 6/30/18	1,005,762	(569,576)			1,322,070	1,174,901		(422,407)		
WIA - Dislocated Worker	17.278			7/1/17 - 6/30/18	1,891,488	(524,558)			1,961,203	2,000,353		(563,708)		
<b>Total U.S. Department of Labor</b>						<b>(1,725,892)</b>	<b>-</b>	<b>-</b>	<b>4,571,287</b>	<b>4,314,713</b>	<b>-</b>	<b>(1,469,318)</b>	<b>-</b>	<b>-</b>
<b>Total Special Revenue Funds</b>						<b>(2,142,811)</b>	<b>-</b>	<b>-</b>	<b>7,012,673</b>	<b>6,849,240</b>	<b>\$ -</b>	<b>(1,979,378)</b>	<b>\$ -</b>	<b>-</b>
<b>Total Federal Awards</b>						<b>\$ (2,150,328)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,201,956</b>	<b>\$ 7,038,619</b>	<b>\$ -</b>	<b>\$ (1,988,538)</b>	<b>\$ 1,567</b>	<b>\$ -</b>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2017	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2018			MEMO		
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education														
General Fund														
Adjustment Aid	17-495-034-5120-085	7/1/16-6/30/17	\$ 4,194,257	\$ (414,630)		\$ 414,630								
Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	4,194,257			3,624,636	\$ 4,194,257		\$ (569,601)				\$ 4,194,257	
Categorical Special Education Aid	17-495-034-5120-089	7/1/16-6/30/17	1,264,693	(126,469)		126,469								
Categorical Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	1,264,693			1,264,693	1,264,693						1,264,693	
Categorical Security Aid	17-495-034-5120-084	7/1/16-6/30/17	171,777	(17,178)		171,777								
Categorical Security Aid	18-495-034-5120-084	7/1/17-6/30/18	171,777			171,777	171,777						171,777	
PARCC Readiness Aid	17-495-034-5120-098	7/1/16-6/30/17	21,550	(2,155)		21,550								
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	21,550			21,550	21,550						21,550	
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	21,550	(2,155)		21,550								
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	21,550			21,550	21,550						21,550	
Adult Education Program Aid	18-100-034-5120-097	7/1/17-6/30/18	48,348			48,348	48,348						48,348	
Professional Learning Comm Aid	18-495-034-5120-101	7/1/17-6/30/18	21,720			21,720	21,720						21,720	
Professional Learning Comm Aid	17-495-034-5120-101	7/1/16-6/30/17	21,720	(2,172)		21,720								
Total State Aid Public - Cluster				(564,759)	-	5,739,053	5,743,895	-	(569,601)	-	-	-	-	5,743,895
On-Behalf TPAF Pension System Contribution- NCGI Premium														
On-Behalf TPAF Pension System Contribution- LTDI	18-495-034-5095-007	7/1/17-6/30/18	85,944			85,944	85,944							85,944
On-Behalf TPAF Pension System Contribution- Normal Contribution	18-495-034-5095-006	7/1/17-6/30/18	3,541,532			3,541,532	3,541,532							3,541,532
On-Behalf TPAF Pension System Contribution- Post Retirement Medical	18-495-034-5095-001	7/1/17-6/30/18	2,342,909			2,342,909	2,342,909							2,342,909
TPAF Social Security Contributions	18-495-034-5095-002	7/1/17-6/30/18	1,804,185			1,804,185	1,804,185							1,804,185
TPAF Social Security Contributions	17-495-034-5095-002	7/1/16-6/30/17	1,732,143	(85,765)		85,765								
Total General Fund				(650,524)	-	13,604,103	13,523,180	-	(569,601)	-	-	-	-	13,523,180
Special Revenue Fund														
Apprentice Coordinator	18-100-034-5062-032	7/1/17-6/30/18	20,000	-		16,756	20,000		(3,244)				\$ (3,244)	20,000
Apprentice Coordinator	17-100-034-5062-032	7/1/16 - 6/30/17	20,000	(5,818)		5,818								
TQF Grant	N/A	9/3/04-9/30/05	2,700	1,981				1,981						
Div/Women - Displaced Homemaker	17-100-022-8051-036	7/1/16 - 6/30/17	119,575	4,396				4,396						
Div/Women - Displaced Homemaker	18-100-022-8051-036	7/1/17 - 6/30/18	150,000			150,000	145,610			4,390				145,610
County Vocational Partnership	15-VE01-G06	7/1/14-6/30/17	600,000	(140,018)		298,471	190,180		(31,727)				(31,727)	190,180
County Vocational Partnership	18S00134	7/1/17-6/30/17	500,000				80,226		(80,226)				(80,226)	80,226
Shaping NJ/Healthy Community	BERG003	7/1/14-6/30/15	10,000	7,193			7,131	62						7,131
Shaping NJ/Healthy Community	BERG003	7/1/16 - 6/30/17	10,000	10,000			5,460							5,460
Shaping NJ/Healthy Community	BERG003	7/1/17 - 6/30/18	10,000			10,000	508			4,540				508
SDA-Paramus Boilers	0290-075-09-G0WY	7/1/14-6/30/15	210,420	(42,084)		42,084								
NJ Character Education Aid	06-495-034-5120-053	7/1/05-6/30/06	5,794	803				803						
Total State Department of Education-Special Revenue				(163,547)	-	523,129	449,115	7,242	(115,197)	14,032	4,390		(115,197)	449,115
U.S. Department of Labor Pass-through County of Bergen														
Special Revenue Fund														
Workforce Learning Link	4545-767-062-003	7/1/17-6/30/18	252,000			121,865	251,898		(130,033)				(130,033)	251,898
Workforce Learning Link	4545-767-062-003	7/1/16 - 6/30/17	175,000	(28,478)		28,478								
WFNJ Administration 848V1	4545-100-062-313	7/1/17 - 6/30/18	173,161	(72,107)		221,642	172,899		(23,364)				(23,364)	172,899
WFNJ Program 849V1	4545-100-062-313	7/1/15-6/30/16	1,517,581	(47,523)		47,523								
WFNJ Program 849V1	4545-100-062-313	7/1/17 - 6/30/18	1,302,443	(403,275)		1,110,378	1,037,433		(330,330)				(330,330)	1,037,433
Smart Steps	4545-100-062-095	7/1/15-6/30/16	4,815											
Total Department of Labor - Special Revenue				(551,383)	-	1,529,886	1,462,230	-	(483,727)	-	-	-	(483,727)	1,462,230
Total Special Revenue				(714,930)	-	2,053,015	1,911,345	7,242	(598,924)	14,032	4,390		(598,924)	1,911,345

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2017	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2018			MEMO			
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures		
State Department of Agriculture															
Enterprise Fund															
National School Lunch Program State Share	17-100-010-3350-023	7/1/16-6/30/17	\$ 4,382	\$ (274)		\$ 274									
National School Lunch Program State Share	18-100-010-3350-023	7/1/17-6/30/18	5,342	-	-	4,971	\$ 5,342	-	\$ (371)	-	-	\$ (371)	\$ 5,342		
<b>Total Enterprise Fund</b>				<b>(274)</b>	<b>-</b>	<b>5,245</b>	<b>5,342</b>	<b>-</b>	<b>(371)</b>	<b>-</b>	<b>-</b>	<b>(371)</b>	<b>5,342</b>		
<b>Total State Financial Assistance</b>				<b>(1,365,728)</b>	<b>\$ -</b>	<b>\$ 15,662,363</b>	<b>15,439,867</b>	<b>\$ 7,242</b>	<b>\$ (1,168,896)</b>	<b>\$ 14,032</b>	<b>\$ 4,390</b>	<b>\$ (599,295)</b>	<b>15,439,867</b>		
<b>Less :State Financial Assistance Not Subject to Single Audit Determination</b>															
General Fund															
On-Behalf TPAF Pension System Contribution-NCGI Premium		7/1/17-6/30/18	85,944			(85,944)	(85,944)						(85,944)		
On-Behalf TPAF Pension System Contribution-LTDI		7/1/17-6/30/18	4,715			(4,715)	(4,715)						(4,715)		
On-Behalf TPAF Pension System Contribution-Normal Contribution		7/1/17-6/30/18	3,541,532			(3,541,532)	(3,541,532)						(3,541,532)		
On-Behalf TPAF Pension System Contribution-Post Retirement Med. Contrib.		7/1/17-6/30/18	2,342,909			(2,342,909)	(2,342,909)						(2,342,909)		
<b>Total State Financial Assistance Subject to Single Audit</b>				<b>\$ (1,365,728)</b>	<b>\$ -</b>	<b>\$ 9,687,263</b>	<b>\$ 9,464,767</b>	<b>\$ 7,242</b>	<b>\$ (1,168,896)</b>	<b>\$ 14,032</b>	<b>\$ 4,390</b>	<b>\$ (599,295)</b>	<b>\$ 9,464,767</b>		



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

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

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$4,842 for the general fund and an increase of \$163,193 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 31,879	\$ 13,518,338	\$ 13,550,217
Special Revenue Fund	7,099,457	1,822,753	8,922,210
Food Service Fund	<u>157,500</u>	<u>5,342</u>	<u>162,842</u>
Total Financial Assistance	<u>\$ 7,288,836</u>	<u>\$ 15,346,433</u>	<u>\$ 22,635,269</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,804,185 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2018. The amount reported as TPAF Pension System Contributions in the amount of \$3,627,476, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,342,909 and TPAF Long-Term Disability Insurance in the amount of \$4,715 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2018.

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

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

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

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

EXHIBIT K-6

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted?            yes     X     no

**Federal Awards Section**

Internal Control over major programs:

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

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

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.048</u>	<u>Vocational (Perkins)</u>
<u>84.027</u>	<u>IDEA - Part B, Basic</u>
<u>17.258</u>	<u>WIA - Adult Training (1)</u>
<u>17.259</u>	<u>WIA - Summer Youth (1)</u>
<u>17.278</u>	<u>WIA - Dislocated Worker (1)</u>

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

Auditee qualified as low-risk auditee?     X     yes            no

Note 1 - Subject to a separate program specific audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

*Part I – Summary of Auditor’s Results*

**State Awards Section**

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

Auditee qualified as low-risk auditee? X yes        no

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

Internal Control over major programs:

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

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
<u>495-034-5095-002</u>	<u>TPAF Social Security Contributions</u>
<u>495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>4545-100-062-095</u>	<u>WIB Programs (1)</u>
<u>4545-100-062-313</u>	<u>WFNJ Programs (1)</u>
<u>4545-767-062-003</u>	<u>Workforce Learning Link (1)</u>

Note 1 - Subject to a separate program specific audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

*Part 2 – Schedule of Financial Statement Findings*

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

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**CURRENT YEAR STATE AWARDS**

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**STATUS OF PRIOR YEAR FINDINGS**

There were none.