

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

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2018**

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BLOOMINGDALE, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
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OF THE BLOOMINGDALE BOROUGH SCHOOL DISTRICT
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INTRODUCTORY SECTION

Bloomington Board of Education

WALTER T. BERGEN SCHOOL
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Bloomington, NJ 07403

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Interim Superintendent of Schools
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Interim School Business Administrator/Board Secretary
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Honorable President and
Members of the Board of Education
Bloomington School District
County of Passaic, New Jersey 07403

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Bloomington School District for the fiscal year ended June 30, 2018, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Bloomington Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. **REPORTING ENTITY AND ITS SERVICES:** The Bloomington School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Bloomington Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through eight. These include regular, as well as special education for handicapped students. The district completed the 2017-2018 fiscal year with an enrollment of 558 students, which is six (6) students more than the previous year's enrollment. The following details the changes in the student enrollment of the District for the last 12 years.

AVERAGE DAILY ENROLLMENT			
FISCAL YEAR	STUDENT ENROLLMENT	NET CHANGE	PERCENT CHANGE
2017-2018	558	+6	+1.10%
2016-2017	552	-30	-5.15%
2015-2016	582	-10	-1.69%
2014-2015	592	-15	-2.63%
2013-2014	607	-07	-1.15%
2012-2013	614	+03	+0.49%
2011-2012	611	-17	-2.78%
2010-2011	628	+13	+2.07%
2009-2010	615	-17	-2.76%
2008-2009	632	-05	-0.79%
2007-2008	637	+05	+0.78%
2006-2007	632	+06	+0.95%

2. **ECONOMIC CONDITION AND OUTLOOK:** The Borough of Bloomingdale has been experiencing a tax collection rate of 97.79%, indicating a strong economic base. The Borough's proximity to Route 287 and the availability of land within the borough continue to support a reasonable expectation of expansion. Such expansion may result in an increasing number of businesses relocating to the area, as well as a potential increase in the employment level. The result would be an increased tax base for the borough, along with a continuing prosperity.

3. **MAJOR INITIATIVES:**
Administrators and teachers remain focused on the implementation of the New Jersey Student Learning Standards as well as the alignment of all curricula related to these standards. Ongoing staff development continues in the areas of both ELA and Math on all grade levels. The district has given staff access to individualized professional development online and on-demand in order to provide meaningful and ongoing training. Money has been dedicated to the continued purchase of leveled reading books for individual classroom libraries to ensure the availability of large collections of books for students at various reading levels. In the areas of spelling, phonics, and letter formation, kindergarten and first grade are in year two of Foundations implementation, while second grade is in year one with coaching support. Knowing Science, a hands on program aligned to the NJSLs/NGSS, is implemented in grades K-4. Grades 5-8 continue to utilize the inquiry-based hands-on FOSS science program. Through the Achieve3000 platform, literacy instruction is individually differentiated in grades K-8. In mathematics, students benefit from the online component in both the Everyday Math

program in grades K-5, as well as the Connected Math 3 program in grades 6-8. Currently, students in grade eight have 1:1 Chromebooks, while we continue to roll-out the initiative to grade seven. This initiative will enhance information processing skills, ensure student daily interaction with technology, and maximize computer accessibility to build valuable skills for the classroom and the 21st century workplace. In addition to the 1:1 initiative, students in all grade levels have access to laptop carts, ipads, and scheduled additional technology time in computer labs. Technology and 21st Century Life and Career skills are integrated throughout all grades and subjects.

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

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

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

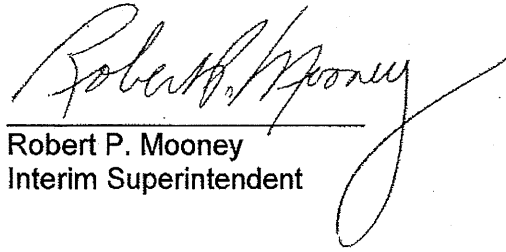
5. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at yearend are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2018.

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to Financial Statements", Note 1.
7. **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The Board continuously strives to contain costs wherever possible.
8. **DEBT ADMINISTRATION:** As of June 30, 2018, the District has \$591,000 in outstanding debt service bonds, payable through June 30, 2025.
9. **CASH MANAGEMENT:** The investment policy of the district is guided in large part by state statute as detailed in "Notes to Financial Statements", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
10. **RISK MANAGEMENT:** The Board carries various forms of insurance including, but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.
11. **OTHER INFORMATION:**
Independent Audit: Independent Audit State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ferraioli, Wielkatz, Cerullo & Cuva, CPA's, was selected by the Board of Education. In addition, to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditor's report on the basic financial statements and specifics required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

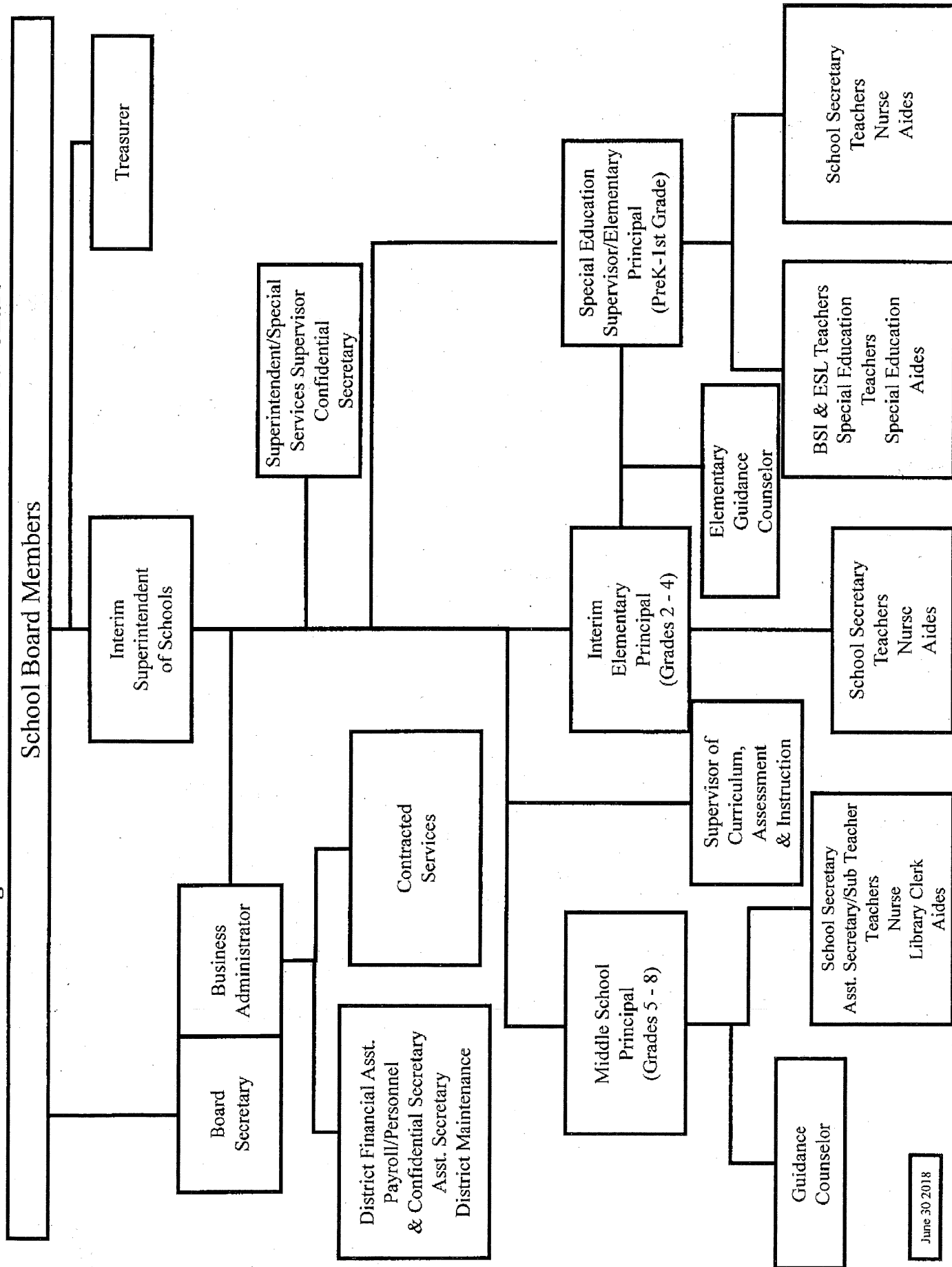
12. **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Bloomingdale Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance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

Respectfully submitted,



Robert P. Mooney
Interim Superintendent

Bloomington Board of Education Administrative Flow Chart



June 30 2018

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

**ROSTER OF OFFICIALS
JUNE 30, 2018**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Lauren Grecco, President	2018
Robert Bloodgood, Esq., Vice-President	2018
Sheldon Bross, Esq.	2020
Charles Caraballo	2019
Keith Ermilio	2019
James Jacobs	2019
Michael Moeller	2020
Maryann Rickelmann	2020
James Schalago	2018

Other Officials

Elaine Baldwin, Interim Superintendent of Schools

George Hagl, School Business Administrator/Board Secretary

Dr. Vincent J. Occhino, Acting School Business Administrator/Acting Board Secretary
(9/1/27-6/30/2018)

Sherry Gallagher, Treasurer of School Moneys

Jeffrey Merlino, Esq., Board Attorney

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

CONSULTANTS AND ADVISORS

JUNE 30, 2018

Audit Firm

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.
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Pompton Lakes, NJ 07442

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Lakeland Bank
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Bloomingdale, NJ 07403

FINANCIAL SECTION

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

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

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Bloomingdale School District, in the County of Passaic, State of New Jersey, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund, and the aggregate remaining fund information of the Borough of Bloomingdale Board of Education, in the County of Passaic, State of New Jersey, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the basic financial statements in 2018, the Board adopted Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (an Amendment of GASB Statement No. 45). Our opinions are not modified 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, Schedules Related to Accounting and Reporting for Pensions and Schedules Related to Accounting and Reporting for Other Post-Employment Benefits identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We

have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

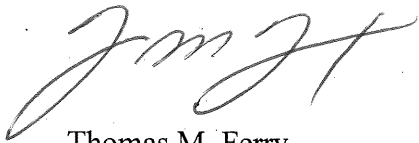
The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and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

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

Honorable President and
Members of the Board of Education
Page 4.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2019 on our consideration of the Borough of Bloomingdale Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Bloomingdale Board of Education's internal control over financial reporting and compliance.



Thomas M. Ferry
Licensed Public School Accountant
No. 20CS00209100

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

Newton New Jersey

January 23, 2019

REQUIRED SUPPLEMENTARY INFORMATION
PART 1

BLOOMINGDALE PUBLIC SCHOOL DISTRICT
BLOOMINGDALE BOROUGH

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

The discussion and analysis of the Bloomington Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and fund financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights (From Exhibit C1)

The following provides a synopsis of the district's fund balance status for the 2017/2018 fiscal year:

Fund Balance as of June 30, 2018	<u>\$4,744,372.51</u>
Less:	
Reserve for Encumbrances	1,227,004.56
Assigned - Designated for Subsequent Year's Expenditures (FY17/18)	515,867.97
Excess Surplus (designated in FY 17/18 budget)	509,373.03
Excess Surplus	1,844,560.51
Capital Reserve Account	93,335.49
Tuition Reserve Account	<u>2,929.94</u>
Unreserved Fund Balance as of July 1, 2018	<u>\$551,301.01</u>

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2017/2018?" The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. The basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Enterprise Fund

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

The School District as a Whole

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

Table 1 provides a summary of the School District's combined net position for 2017/2018 fiscal year.

Table 1
Net Position

	Governmental Activities		Business – Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Assets						
Current and other assets	\$4,971,681.08	\$5,033,529.82	\$30,525.35	\$23,837.52	\$5,002,206.43	\$5,057,367.34
Capital assets, net	\$4,276,954.94	\$4,236,363.20	\$7,451.00	\$48,655.00	\$4,284,405.94	\$4,285,018.20
Total assets	\$9,248,636.02	\$9,269,893.02	\$37,976.35	\$72,492.52	\$9,286,612.37	\$9,342,385.54
Deferred Outflows						
Resources Related to PERS	\$1,186,119.00	\$584,007.20			\$1,186,119.00	\$584,007.20
Liabilities						
Current liabilities	\$920,739.81	\$463,075.25	\$634.48	\$425.51	\$921,374.29	463,500.76
Long term liabilities	\$5,391,604.00	\$3,359,967.00			\$5,391,604.00	\$3,359,967.00
Total liabilities	\$6,312,343.81	\$3,823,042.25	\$634.48	\$425.51	\$6,312,978.29	\$3,823,467.76
Deferred Inflows						
Resources Related to PERS	\$443,786.00	1,537,043.00			\$443,786.00	\$1,537,043.00
Net Position						
Invested in capital assets, net of debt	\$3,608,954.94	\$3,645,363.20	\$7,451.00	\$48,655.00	\$3,616,405.94	\$3,694,018.20
Restricted	\$3,429,730.62	\$4,372,611.92			\$3,429,730.62	\$4,372,611.92
Unrestricted	(\$3,360,060.35)	(\$3,524,160.15)	\$29,890.87	\$23,412.01	(\$3,330,169.48)	(\$3,500,748.14)
Total Net Position	\$3,678,625.21	\$4,493,814.97	\$37,341.87	\$72,067.01	\$3,715,967.08	\$4,565,881.98

Table 2 shows the changes in net position for the 2017/2018 fiscal year. These financial statements are prepared in accordance with GASB Statement 34.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Revenues						
Program Revenues:						
Charges for Services	\$20,137.44	\$19,735.00	\$103,575.41	\$112,919.50	\$123,712.85	\$132,654.50
Operating Grants and Contributions	\$339,517.00	\$365,717.00	\$84,532.11	\$87,832.78	\$424,049.11	\$453,549.78
General Revenues:						
Taxes:						
Property Taxes	\$16,370,717.00	\$16,609,314.00			\$16,370,717.00	\$16,609,314.00
Federal and State Aid not Restricted	\$6,008,964.39	\$6,193,186.30			\$6,008,964.39	\$6,193,186.30
Miscellaneous Income	\$138,741.91	\$233,925.70	\$47.71	\$58.06	\$138,789.62	\$233,983.76
Total Revenue and Transfers	\$22,878,077.74	\$23,421,878.00	\$188,155.23	\$200,810.34	\$23,066,232.97	\$23,622,688.34
Functions / Program Expenses						
Instruction:						
Regular	\$5,781,029.41	\$5,493,335.37			\$5,781,029.41	\$5,493,335.37
Special	\$1,679,181.81	\$1,608,561.66			\$1,679,181.81	\$1,608,561.66
Other Special Instruction	\$148,597.34	\$304,822.62			\$148,597.34	\$304,822.62
Other Instruction	\$106,425.84	\$104,082.26			\$106,425.84	\$104,082.26
Support Services: Tuition	\$7,638,825.86	\$7,342,139.32			\$7,638,825.86	\$7,342,139.32
Student & Instruction Related Services	\$3,720,355.85	\$3,423,727.28			\$3,720,355.85	\$3,423,727.28
General Administrative Services	\$367,990.65	\$412,510.37			\$367,990.65	\$412,510.37
School Administrative Services	\$479,864.85	\$477,733.65			\$479,864.85	\$477,733.65
Central Services and Admin. Info. Tech.	\$538,730.67	\$673,322.07			\$538,730.67	\$673,322.07
Plant Operations and Maintenance	\$979,827.13	\$1,064,346.39			\$979,827.13	\$1,064,346.39
Pupil Transportation	\$1,373,704.68	\$1,365,448.22			\$1,373,704.68	\$1,365,448.22

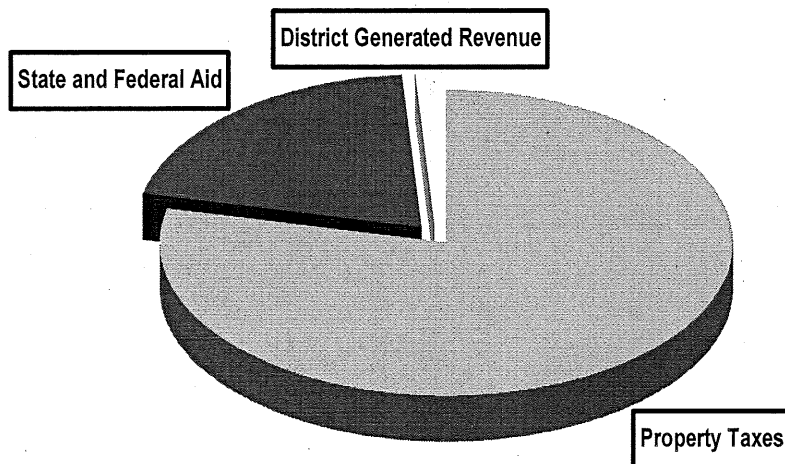
	Governmental Activities		Business-Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Capital Outlay Non Depreciable	\$1,267.00	\$1,267.00			\$1,267.00	\$1,267.00
Transfer to Charter School	\$69,608.00	\$70,789.00			\$69,608.00	\$70,789.00
Interest on Long-Term Debt	\$16,520.66	\$14,671.66			\$16,520.66	\$14,671.66
Unallocated Benefits	(\$2,602.00)	\$5,604.00			(\$2,602.00)	\$5,604.00
Unallocated Depreciation	\$274,373.56	\$244,327.97			\$274,373.56	\$244,327.97
Food Service			\$193,904.13	\$199,789.20	\$193,904.13	\$199,789.20
Total Expenses and Transfers	\$23,173,701.31	22,606,688.24	\$193,904.13	\$199,789.20	\$23,367,605.44	\$22,806,477.44
Increase or (Decrease) in Net Position	(\$295,623.57)	\$815,189.76	(\$5,748.90)	\$1,021.14	(\$301,372.47)	\$816,210.90

Governmental Funds

Revenues

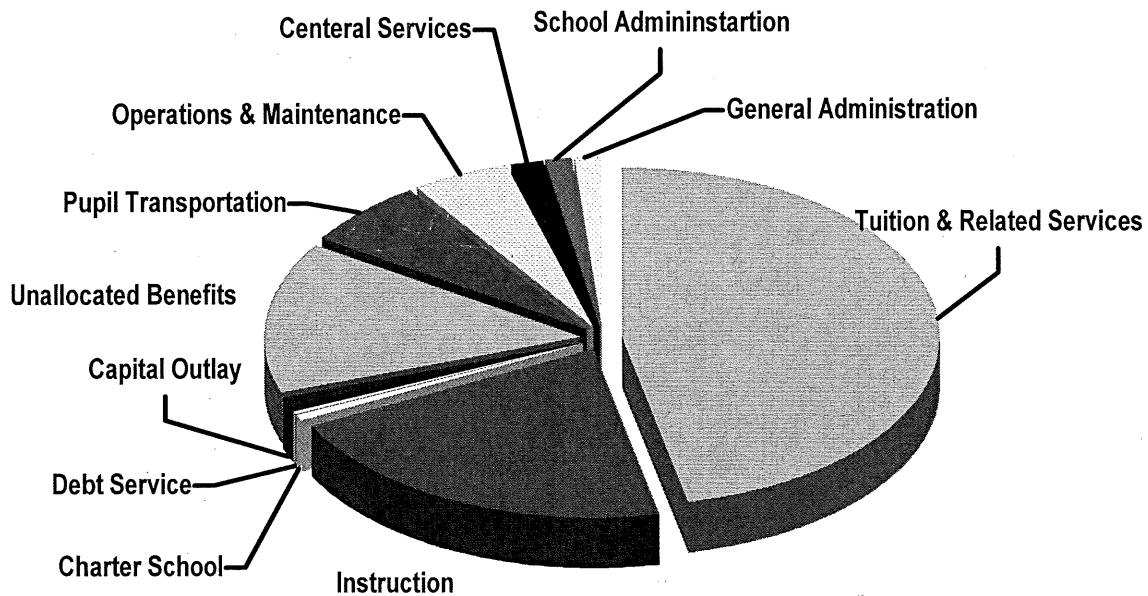
The Bloomingdale School District derived its 2017/2018 school year revenue from Property Taxes (\$16,609,314.00), District Generated Revenue (\$253,660.70), State and Federal Aid (\$4,302,096.30). Total revenues for the fiscal year ending June 30, 2018 were \$21,165,071.00. Sources of these funds are from Exhibit B-2 and are shown in figure 2.1.

**Sources of Revenues for Fiscal Year 2017/2018
(Figure 2.1)**



Allocation of our fiscal year 2017/2018 expenditures from Exhibit B-2 stated in percentage terms are shown in figure 2.2 below.

**Expenses for Fiscal Year 2017/2018
(Figure 2.2)**



Proprietary Funds (From Exhibit B-5)

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

- ◆ Operating Revenue Service represents \$112,919.50 of revenue. This represents amounts paid by patrons for daily food services; Federal and State Aid \$87,832.78; Interest Income \$58.06.
- ◆ Operating expenses amount to \$199,789.20.
- ◆ Changes in net position was \$1,021.14.

Governmental Activities

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

Table 3

	Total Cost of Services 2017	Net Cost of Services 2017	Total Cost of Services 2018	Net Cost of Services 2018
Instruction	\$7,715,234.40	\$7,413,080.40	\$7,510,801.31	\$7,200,105.31
Tuition & Instruction Related Services	\$11,359,181.71	\$11,301,681.27	\$10,765,866.60	\$10,691,110.60
Administration	\$1,386,586.17	\$1,386,586.17	\$1,563,566.09	\$1,563,566.09
Plant Operation and Maintenance	\$979,827.13	\$979,827.13	\$1,064,346.39	\$1,064,346.39
Pupil transportation	\$1,373,704.68	\$1,373,704.68	\$1,365,448.22	\$1,365,448.22
Capital Outlay	\$1,267.00	\$1,267.00	\$1,267.00	\$1,267.00
Transfer to Charter School	\$69,608.00	\$69,608.00	\$70,789.00	\$70,789.00
Interest on Long-Term Debt	\$16,520.66	\$16,520.66	\$14,671.66	\$14,671.66
Unallocated Benefits	(\$2,602.00)	(\$2,602.00)	\$5,604.00	\$5,604.00
Unallocated Deprec. & Amort.	\$274,373.56	\$274,373.56	\$244,327.97	\$244,327.97
Total expenses	\$23,173,701.31	\$22,814,046.87	\$22,606,688.24	\$22,221,236.24

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

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

Administration includes General, School and Business Administration support staff.

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

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

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

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

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

Debt Administration

At June 30, 2018, the District had total debt issued of \$805,000.00 with an outstanding balance of \$591,000.00. The debt was issued through serial bonds. In March 2014 the voters of Bloomingdale Borough approved a referendum to improve district facilities in the amount of \$1,341,780.00 of which \$805,000.00 was issued as debt and the balance came from state grants.

The district maintains a low proportion of debt relative to its maximum overall legal debt margin of \$24,785,981.33 at December 31, 2017.

For the Future

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

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

Contacting the School District's Financial Management

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

BASIC FINANCIAL STATEMENTS

**DISTRICT-WIDE
FINANCIAL STATEMENTS**

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	3,704,602.48	3,099.17	3,707,701.65
Receivables, net	1,243,212.66	5,340.17	1,248,552.83
Internal Balances	(10,550.75)	10,550.75	-
Inventory	-	4,847.43	4,847.43
Restricted assets:			
Capital reserve account - cash	93,335.49	-	93,335.49
Tuition reserve account - cash	2,929.94	-	2,929.94
Capital Assets:			
Construction in Progress	248,290.20	-	248,290.20
Land	48,500.00	-	48,500.00
Other capital assets, net	3,939,573.00	48,655.00	3,988,228.00
Total Assets	<u>9,269,893.02</u>	<u>72,492.52</u>	<u>9,342,385.54</u>
DEFERRED OUTFLOWS			
Deferred Outflows of Resources Related to PERS - Pension	<u>584,007.20</u>		<u>584,007.20</u>
LIABILITIES			
Accounts payable and accrued liabilities	274,078.24	-	274,078.24
Accrued Interest Payable	6,731.16	-	6,731.16
Other liabilities	509.50	100.75	610.25
Payable to federal government	-	324.76	324.76
Payable to state government	85,801.35	-	85,801.35
Unearned revenue	16,955.00	-	16,955.00
Noncurrent liabilities:			
Due within one year	79,000.00	-	79,000.00
Due beyond one year	3,359,967.00	-	3,359,967.00
Total liabilities	<u>3,823,042.25</u>	<u>425.51</u>	<u>3,823,467.76</u>
DEFERRED INFLOWS			
Deferred Inflows of Resources Related to PERS - Pension	<u>1,537,043.00</u>	-	<u>1,537,043.00</u>
NET POSITION			
Invested in capital assets	3,645,363.20	48,655.00	3,694,018.20
Restricted for:			
Debt Service	0.21	-	0.21
Capital projects	272,875.70	-	272,875.70
Tuition reserve	2,929.94	-	2,929.94
Other purposes	4,096,806.07	-	4,096,806.07
Unrestricted	<u>(3,524,160.15)</u>	<u>23,412.01</u>	<u>(3,500,748.14)</u>
Total net position	<u><u>4,493,814.97</u></u>	<u><u>72,067.01</u></u>	<u><u>4,565,881.98</u></u>

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

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Contributions	Governmental Activities	Business-type Activities
Governmental activities:							
Instruction:							
Regular	3,195,285.88	2,298,049.49		310,696.00		(5,182,639.37)	(5,182,639.37)
Special education	887,904.65	720,656.41				(1,608,561.06)	(1,608,561.06)
Other special instruction	180,804.13	124,018.49				(304,822.62)	(304,822.62)
Other instruction	56,403.00	47,679.26				(104,082.26)	(104,082.26)
Support services:							
Tuition	7,342,139.32	-	19,735.00			(7,322,404.32)	(7,322,404.32)
Student & instruction related services	2,273,762.11	1,149,965.17		55,021.00		(3,368,706.28)	(3,368,706.28)
General administrative services	289,658.92	122,851.45				(412,510.37)	(412,510.37)
School administrative service	264,866.12	212,867.53				(477,733.65)	(477,733.65)
Central Services and Admin. Info. Tech.	380,165.87	293,156.20				(673,322.07)	(673,322.07)
Plant operations and maintenance	998,031.72	66,314.67				(1,064,346.39)	(1,064,346.39)
Pupil transportation	1,355,076.54	10,371.68				(1,365,448.22)	(1,365,448.22)
Capital Outlay - Non-depreciable	1,267.00	-				(1,267.00)	(1,267.00)
Transfer to Charter School	70,789.00	-				(70,789.00)	(70,789.00)
Unallocated Benefits		5,604.00				(5,604.00)	(5,604.00)
Interest on Long-Term Debt	14,671.66					(14,671.66)	(14,671.66)
Unallocated depreciation and amortization		244,327.97				(244,327.97)	(244,327.97)
Total governmental activities	17,310,825.92	5,295,862.32	19,735.00	365,717.00	-	(22,221,236.24)	(22,221,236.24)
Business-type activities:							
Food Service	199,789.20		112,919.50	87,832.78	-	-	963.08
Total business-type activities	199,789.20		112,919.50	87,832.78	-	-	963.08
Total primary government	17,510,615.12		132,654.50	453,549.78	-	(22,221,236.24)	(22,220,273.16)
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					16,516,770.00		16,516,770.00
Property taxes, levied for debt service					92,544.00		92,544.00
Federal and State aid not restricted					6,193,186.30		6,193,186.30
Interest Earned					4,080.21		4,138.27
Rentals					14,730.00		14,730.00
Miscellaneous Income					215,115.49		215,115.49
Total general revenues, special items, extraordinary items and transfers					23,036,426.00		23,036,426.00
Change in Net Position					815,189.76		816,210.90
Net Position - Beginning							
Restatement of Net Position for adjustments to Capital Assets							
Net Position - Beginning (Restated)							
Net Position—ending							

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

FUND FINANCIAL STATEMENTS

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	3,533,189.86	33,512.27		137,900.35	3,704,602.48
Due from other funds	452,003.19				452,003.19
Receivables from State government	591,379.10		536,780.00		1,128,159.10
Receivables from other governments	57,811.57				57,811.57
Other Receivables	7,440.00				7,440.00
Restricted cash and cash equivalents	96,265.43				96,265.43
Total assets	<u>4,738,089.15</u>	<u>33,512.27</u>	<u>536,780.00</u>	<u>137,900.35</u>	<u>5,446,281.77</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	65,736.04	33,416.00	85,735.00		184,887.04
Accrued salaries and benefits	509.50				509.50
Interfund payable	10,550.75	96.27	264,204.79	137,900.14	412,751.95
Payable to state government	85,801.35				85,801.35
Deferred Revenue	16,955.00				16,955.00
Total liabilities	<u>179,552.64</u>	<u>33,512.27</u>	<u>349,939.79</u>	<u>137,900.14</u>	<u>700,904.84</u>
Fund Balances:					
Assigned to:					
Designated for subsequent year's expenditures	515,867.97				515,867.97
Year-End Encumbrances	1,227,004.56		7,300.00		1,234,304.56
Restricted for:					
Excess surplus	1,844,560.51				1,844,560.51
Excess surplus - designated for subsequent year's expenditures	509,373.03				509,373.03
Capital Reserve Account	93,335.49				93,335.49
Tuition Reserve Account	2,929.94				2,929.94
Capital Projects Fund			179,540.21		179,540.21
Unassigned:					
General Fund	365,465.01				365,465.01
Debt Service Fund				0.21	0.21
Total fund balances	<u>4,558,536.51</u>	<u>-</u>	<u>186,840.21</u>	<u>0.21</u>	<u>4,745,376.93</u>
Total liabilities and fund balances	<u>4,738,089.15</u>	<u>33,512.27</u>	<u>536,780.00</u>	<u>137,900.35</u>	
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:					
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.					
					(6,731.16)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$8,595,338.28 and the accumulated depreciation is \$4,358,975.08					
					4,236,363.20
Accounts Payable for Subsequent Pension payment is not a Payable in the Funds					
					(89,191.20)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.					
Deferred Outflows of Resources Related to PERS Pension Liability					
					584,007.20
Deferred Inflows of Resources Related to PERS Pension Liability					
					(1,537,043.00)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					(3,438,967.00)
Net position of governmental activities					<u>\$ 4,493,814.97</u>

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	16,516,770.00			92,544.00	16,609,314.00
Tuition/Transportation charges	19,735.00				19,735.00
Interest earned on Investment	2,392.28				2,392.28
Interest earned on capital reserve funds	185.96				185.96
Interest earned on Tuition reserve funds	1,501.97				1,501.97
Rentals	14,730.00				14,730.00
Unrestricted miscellaneous revenues	215,115.49				215,115.49
Total - Local sources	16,770,430.70	-	-	92,544.00	16,862,974.70
State sources	3,914,640.47		-		3,914,640.47
Federal sources	21,738.83	365,717.00			387,455.83
Total revenues	20,706,810.00	365,717.00	-	92,544.00	21,165,071.00
EXPENDITURES					
Current:					
Regular instruction	2,884,589.88	310,696.00			3,195,285.88
Special education instruction	887,904.65				887,904.65
Other special instruction	180,804.13				180,804.13
Other instruction	56,403.00				56,403.00
Support services and undistributed costs:					
Tuition	7,342,139.32				7,342,139.32
Student & instruction related services	2,218,741.11	55,021.00			2,273,762.11
General administrative services	289,658.92				289,658.92
School administrative services	264,866.12				264,866.12
Central services and admin. Info. Tech.	380,165.87				380,165.87
Plant operations and maintenance	998,031.72				998,031.72
Pupil transportation	1,355,076.54				1,355,076.54
Unallocated employee benefits	2,964,330.32				2,964,330.32
Capital outlay	252,952.26		-		252,952.26
Transfer to charter schools	70,789.00				70,789.00
Debt Service:					
Principal				77,000.00	77,000.00
Interest and Other Charges				15,548.65	15,548.65
Total expenditures	20,146,452.84	365,717.00	-	92,548.65	20,604,718.49
Excess (Deficiency) of revenues over expenditures	560,357.16	-	-	(4.65)	560,352.51
Fund balance—July 1	3,998,179.35	-	186,840.21	4.86	4,185,024.42
Fund balance—June 30	4,558,536.51	-	186,840.21	0.21	4,745,376.93

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Total net change in fund balances - governmental funds (from B-2)	560,352.51
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current fiscal year.	
Depreciation expense	\$ (292,277.00)
Depreciable capital outlay	<u>251,685.26</u>
	(40,591.74)
Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. In the current year, these amounts consist of:	
Principal Payments on Bonds Payable	77,000.00
In the statement of activities, certain operating expenses (e.g., compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	
(Increase) Decrease in compensated absences payable	(5,604.00)
District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.	
District Pension Contributions	(138,212.00)
Pension Expense	<u>84,944.00</u>
(Increase)/Decrease in Pension Expense	223,156.00
In the statement of activities, interest on long-term debt is accrued regardless of when due. In the governmental funds, interest is reported when due. The increase in accrued interest is a (decrease) in the reconciliation. A (decrease) in accrued interest is an increase in the reconciliation.	
	876.99
Per GASB No. 68 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements	
Increase in On-behalf State Aid TPAF Pension	1,400,014.00
Increase in On-behalf TPAF Pension Expense	<u>(1,400,014.00)</u>
Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements	
Increase in On-behalf State Aid TPAF Post Employment Medical Revenue	856,793.00
Increase in On-behalf State Aid TPAF Post Employment Medical Expense	<u>(856,793.00)</u>
Change in net position of governmental activities	<u><u>815,189.76</u></u>

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Business-type Activities -</u> <u>Enterprise Funds</u>
	<u>Food</u> <u>Service</u>
 <u>ASSETS</u>	
CURRENT ASSETS	
Cash and cash equivalents	3,099.17
Accounts receivables:	
State	181.53
Federal	5,158.64
Interfund Accounts Receivable:	
General Fund	10,550.75
Inventories	4,847.43
Total current assets	<u>23,837.52</u>
FIXED ASSETS:	
Furniture, machinery & equipment	97,487.00
Less accumulated depreciation	<u>(48,832.00)</u>
Total fixed assets	<u>48,655.00</u>
TOTAL ASSETS	<u><u>72,492.52</u></u>
 <u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES	
Accounts Payable:	
Vendors	100.75
Federal	324.76
TOTAL CURRENT LIABILITIES	<u>425.51</u>
NET POSITION	
Invested in capital assets net of related debt	48,655.00
Unrestricted	23,412.01
TOTAL NET POSITION	<u>72,067.01</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>72,492.52</u></u>

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

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Business-type Activities - Enterprise Fund
	Food Service
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	83,738.64
Daily sales - non-reimbursable programs	28,767.00
Special functions	413.86
Total operating revenues	<u>112,919.50</u>
Operating expenses:	
Cost of sales - reimbursable programs	77,273.66
Cost of sales - non-reimbursable programs	20,134.00
Salaries	61,682.68
Payroll taxes	8,749.20
Repairs	396.00
Management Fees	7,462.00
Worker Compensation/Liability Insurance	6,002.52
Depreciation	3,728.00
Rental Equipment	4,764.00
Miscellaneous	9,597.14
Total operating expenses	<u>199,789.20</u>
Operating loss	<u>(86,869.70)</u>
Non-operating revenues (expenses):	
State sources:	
State school lunch program	2,316.68
Federal sources:	
National school lunch program	67,668.66
School Breakfast program	1,735.77
Food distribution programs	16,111.67
Interest and investment revenue	58.06
Total non-operating revenues (expenses)	<u>87,890.84</u>
Change in net position	1,021.14
Total Net Position - Beginning of Year	<u>37,341.87</u>
Prior Period adjustment, fixed assets revaluation	33,704.00
Net Position - Beginning (Restated)	<u>71,045.87</u>
Total net position - End of year	<u><u>72,067.01</u></u>

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

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Business-type Activities - Enterprise Funds
	Food Service
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	112,919.50
Payments to employees for services	(61,682.68)
Payments to suppliers for goods and services	(136,785.91)
Net cash provided (used for) operating activities	(85,542.19)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	2,318.78
Federal Sources	86,331.36
Net cash provided by (used for) non-capital financing activities	88,650.14
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on cash equivalents	58.06
Net cash provided by (used for) investing activities	58.06
Net increase (decrease) in cash and cash equivalents	(8,061.99)
Balances—beginning of year	11,161.16
Balances—end of year	3,099.17
Reconciliation of operating income (loss) to net cash provided (used for) operating activities:	
Operating income (loss)	(86,869.70)
Adjustments to reconcile operating income (loss) to net cash provided (used for) operating activities:	
Depreciation	3,728.00
(Increase)/ decrease in inventories	(2,198.42)
Increase /(decrease) in accounts payable	(208.97)
Total adjustments	1,327.51
Net cash provided by (used for) operating activities	(85,542.19)

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018**

	<u>Unemployment Compensation Trust</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	<u>81,534.91</u>	<u>405,785.23</u>
Total assets	<u>81,534.91</u>	<u>405,785.23</u>
LIABILITIES		
Interfund payable		49,801.99
Accrued salaries and wages		183,841.30
Flexible spending account		89.11
Payable to student groups		82,767.35
Payroll deductions and withholdings		<u>89,285.48</u>
Total liabilities	<u>-</u>	<u><u>405,785.23</u></u>
NET POSITION		
Held in trust for unemployment claims and other purposes	<u><u>81,534.91</u></u>	

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

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Unemployment Compensation Trust</u>
ADDITIONS	
Contributions:	
Employee Contributions	12,577.65
Board Contributions	23,347.41
Total Contributions	<u>35,925.06</u>
Investment earnings:	
Interest	151.01
Net investment earnings	151.01
Total additions	<u>36,076.07</u>
DEDUCTIONS	
Unemployment claims	27,053.17
Total deductions	<u>27,053.17</u>
Change in net position	9,022.90
Net position—beginning of the year	<u>72,512.01</u>
Net position—end of the year	<u><u>81,534.91</u></u>

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

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Board of Education ("Board") of the Borough of Bloomingdale School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Bloomingdale School District is a Type II district located in the County of Passaic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-8. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation

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

District-wide Financial Statements

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

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

Fund Financial Statements

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (continued)

GOVERNMENTAL FUNDS

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

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

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

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

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

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

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

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (continued)

PROPRIETARY FUNDS

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

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

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

FIDUCIARY FUNDS

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

B. Measurement Focus

District-wide Financial Statements

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus (continued)

Fund Financial Statements

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

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

C. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

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

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting (continued)

Revenues - Exchange and Non-exchange Transactions (continued)

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

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

Expenses/Expenditures

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

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

D. Budgets/Budgetary Control

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budgets/Budgetary Control (continued)

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

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

E. Encumbrances

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

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

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

F. Cash, Cash Equivalents and Investments

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

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

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash, Cash Equivalents and Investments (continued)

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

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

G. Tuition Revenues/Receivable

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

H. Tuition Payable

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

I. Inventories

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

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

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Short-Term Interfund Receivables/Payables

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

L. Capital Assets

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

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

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

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

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Compensated Absences

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

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

N. Unearned Revenue

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

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

O. Accrued Liabilities and Long-term Obligations

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

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Accounting and Financial Reporting for Pensions

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

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

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

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Accounting and Financial Reporting for Pensions (continued)

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

Q. Deferred Outflows/Inflows of Resources

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

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

R. Fund Balances:

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

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Fund Balances: (continued)

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

S. Net Position

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

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

T. Operating Revenues and Expenses

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

U. Extraordinary and Special Items

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

V. Allocation of Indirect Expenses

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

W. Use of Estimates

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

X. Recent Accounting Pronouncements:

The Government Accounting Standards Board issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for fiscal years beginning after June 15, 2017 and was implemented by the District for the year ended June 30, 2018.

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

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

X. Recent Accounting Pronouncements: (continued)

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

In March 2017, the Government Accounting Standards Board issued GASB Statement No. 85, *Omnibus 2017*, which addresses practice issues that have been identified during the implementation and application of certain GASB statements. This Statement addresses a variety of topics including issues relating to blending component units, goodwill, fair value measurement and application, and postemployment benefits. The District implemented this statement for the year ended June 30, 2018.

In May 2017, the Governmental Accounting Standards Board issued GASB Statement No. 86, *Certain Debt Extinguishment Issues*, which improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The District had no transactions of this type for the year ended June 30, 2018.

In June 2017, the Government Accounting Standards Board issued GASB Statement 87, *Leases*, which improves accounting and financial reporting for leases by governments. This Statement requires 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. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The District is currently reviewing what effect, if any, this Statement may have on future financial statements.

In March 2018, the Government Accounting Standards Board issued GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placement*. The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. This Statement is effective for reporting periods beginning after June 15, 2018. The District believes this may impact the disclosures relating to debt in the notes to the financial statements.

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2018, \$-0- of the District's bank balance of \$5,435,890.04 was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risks

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

Concentration of Credit Risk

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 4. RECEIVABLES

Receivables at June 30, 2018 consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Proprietary/ Enterprise Fund	District Wide Financial Statements
Other Governments	\$ 57,811.57	\$ -	\$ 57,811.57
State Aid	1,128,159.10	181.53	1,128,340.63
Federal Aid	4,999.93	5,158.64	10,158.57
Interfunds	451,003.63	10,557.65	48,802.43
Other	<u>7,440.00</u>	<u>-</u>	<u>7,440.00</u>
Gross Receivables	1,649,414.23	15,897.82	1,252,553.20
Less: Allowance for Uncollectables	<u>-</u>	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$1,649,414.23</u>	<u>\$ 15,897.82</u>	<u>\$1,252,553.20</u>

NOTE 5. INTERFUND BALANCES AND ACTIVITY

Balance due to/from other funds at June 30, 2018 consist of the following:

Due to the General Fund from Special Revenue the Fund for the beginning balance.	\$ 96.97
Due to the General Fund from the Trust & Agency Funds for interest earned and disbursements made in the General Fund for Net Payroll and Payroll Agency.	49,801.99
Due to the General Fund from the Capital Projects Fund for Interfund Loan to finance Capital Projects.	264,204.79
Due to General Fund from Debt Service Fund for receipts and disbursements.	137,900.14
Due to the Enterprise Fund from the General Fund for the lunch reimbursement program.	<u>10,550.75</u>
	<u>\$462,554.64</u>

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 6. CAPITAL ASSETS

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

<u>Governmental Activities:</u>	<u>Balance</u> <u>6/30/17</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Balance</u> <u>6/30/18</u>
Capital Assets, Not Being Depreciated:					
Land	48,500.00	-	-	-	48,500.00
Construction in Progress	<u>271,696.94</u>	<u>123,994.26</u>	<u>-</u>	<u>(147,401.00)</u>	<u>248,290.20</u>
Total Capital Assets, Not Being Depreciated	<u>320,196.94</u>	<u>123,994.26</u>	<u>-</u>	<u>(147,401.00)</u>	<u>296,790.20</u>
Capital Assets, Being Depreciated					
Building and Building Improvements	7,539,912.00	119,143.00	-	147,401.00	7,806,456.00
Machinery and Equipment	<u>518,979.00</u>	<u>8,548.00</u>	<u>(35,435.00)</u>	<u>-</u>	<u>492,092.00</u>
Total Capital Assets, Being Depreciated	<u>8,058,891.00</u>	<u>127,691.00</u>	<u>(35,435.00)</u>	<u>147,401.00</u>	<u>8,298,548.00</u>
Less: Accumulated Depreciation:					
Building and Improvements	(3,838,290.00)	(247,715.00)	-	-	(4,086,005.00)
Equipment	<u>(263,843.00)</u>	<u>(44,562.00)</u>	<u>35,435.00</u>	<u>-</u>	<u>(272,970.00)</u>
Total Accumulated Depreciation	<u>(4,102,133.00)</u>	<u>(292,277.00)</u>	<u>35,435.00</u>	<u>-</u>	<u>(4,358,975.00)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>3,956,758.00</u>	<u>(164,586.00)</u>	<u>-</u>	<u>147,401.00</u>	<u>3,939,573.00</u>
Governmental Activities Capital Assets, Net	<u>4,276,954.94</u>	<u>(40,591.74)</u>	<u>-</u>	<u>-</u>	<u>4,236,363.20</u>
<u>Business-Type Activity:</u>					
Equipment	52,555.00	11,228.00	-	33,704.00	97,487.00
Less: Accumulated Depreciation:					
Food Services	<u>(45,104.00)</u>	<u>(3,728.00)</u>	<u>-</u>	<u>-</u>	<u>(48,832.00)</u>
Business -Type Activity Capital Assets, Net	<u>7,451.00</u>	<u>7,500.00</u>	<u>-</u>	<u>33,704.00</u>	<u>48,655.00</u>

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 6. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Instruction:

Regular	\$ 826.89
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Support Services:

Student and Instruction Related Services	8,868.98
Central Services and Admin. Info. Tech.	29,937.18
Plant operations and Maintenance	8,315.98
Unallocated	<u>244,327.97</u>

Total Depreciation Expense	<u><u>\$ 292,277.00</u></u>
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NOTE 7. LONG-TERM OBLIGATION ACTIVITY

Changes in long-term obligations for the fiscal year ended June 30, 2018 are as follows:

	<u>Balance</u> <u>June 30, 2017</u>	<u>Increased</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2018</u>	<u>Due Within</u> <u>One Year</u>	<u>ong-Term</u> <u>Portion</u>
School Bonds of 2014	668,000.00	-	(77,000.00)	591,000.00	79,000.00	512,000.00
Net Pension Liability - PERS	4,015,713.00	-	(1,881,241.00)	2,134,472.00	-	2,134,472.00
Compensated Absences Payable	<u>707,891.00</u>	<u>5,604.00</u>	<u>-</u>	<u>713,495.00</u>	<u>-</u>	<u>713,495.00</u>
	<u><u>5,391,604.00</u></u>	<u><u>5,604.00</u></u>	<u><u>(1,958,241.00)</u></u>	<u><u>3,438,967.00</u></u>	<u><u>79,000.00</u></u>	<u><u>3,359,967.00</u></u>

A. Bonds Payable

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

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 7. LONG-TERM OBLIGATION ACTIVITY (continued)

A. Bonds Payable (continued)

Outstanding Bonds Payable at June 30, 2018 consisted of the following:

<u>Issue</u>	<u>Original Amount Issued</u>	<u>Issue Date</u>	<u>Principal Interest Rate</u>	<u>Date of Maturity</u>	<u>Balance at June 30, 2018</u>
School Bonds of 2014	<u>805,000.00</u>	7/15/2014	2.47%	7/15/2024	<u>591,000.00</u>

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	79,000.00	13,622.05	92,622.05
2020	80,000.00	11,658.40	91,658.40
2021	82,000.00	9,657.70	91,657.70
2022	84,000.00	7,607.60	91,607.60
2023	86,000.00	5,508.10	91,508.10
2024-2025	<u>180,000.00</u>	<u>4,470.70</u>	<u>184,470.70</u>
	<u>591,000.00</u>	<u>52,524.55</u>	<u>643,524.55</u>

B. Bonds Authorized But Not Issued

As of June 30, 2018 the District had no bonds authorized but not issued.

NOTE 8. OPERATING LEASES

The School District has a commitment to lease 8 copiers under an operating lease that expires December 15, 2022. Total operating lease payments made during the fiscal year were \$19,122.00. Future operating lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$13,956.00
2020	13,956.00
2021	13,956.00
2022	13,956.00
2023	<u>6,978.00</u>
Total future operating lease payments	<u>\$62,802.00</u>

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS

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

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

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

Defined Contribution Retirement Program

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

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

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

Contributions Requirements Fund Based Statements

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

<u>Year</u> <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/18	\$84,944.00	\$10,750.07
6/30/17	120,454.00	8,508.98
6/30/16	121,390.00	9,416.30

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

<u>Year</u> <u>Ending</u>	<u>Pension</u> <u>Contributions</u>	<u>Post-Retirement</u> <u>Medical</u> <u>Contributions</u>	<u>NCGI</u> <u>Premium</u>	<u>Long-Term</u> <u>Disability</u> <u>Insurance</u> <u>Contribution</u>
6//30/18	\$617,503.00	\$408,511.00	\$14,985.00	\$570.00
6/30/17	472,348.00	407,834.00	17,114.00	794.00
6/30/16	350,728.00	438,423.00	17,471.00	-

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$315,483.47 during the 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 included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

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

Public Employees Retirement System (PERS)

At June 30, 2018, the District had a liability of \$2,134,472.00 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 proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the District's proportion was 0.0091693246 percent, which was a decrease of 0.0043894256 percent from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$(138,212.00). At June 30, 2018, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$50,259.00	\$ -
Changes of assumptions	430,023.00	428,446.00
Net difference between projected and actual earnings on pension plan investments	14,534.00	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	-	1,108,597.00
District contributions subsequent to the measurement date	<u>89,191.00</u>	<u>-</u>
Total	<u>\$584,007.00</u>	<u>\$1,537,043.00</u>

The estimated \$89,191.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2018, the plan measurement date is June 30, 2017) will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$50,248.00
2019	75,825.00
2020	45,946.00
2021	(61,108.00)
2022	(44,540.00)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.48, 5.57, 5.72 and 6.44 years for 2017, 2016, 2015 and 2014 amounts, respectively.

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

Additional Information

Local Group Collective balances at June 30, 2017 and June 30, 2016 are as follows:

	<u>42915</u>	<u>42550</u>
Collective deferred outflows of resources	\$6,424,455,842	\$8,685,338,380
Collective deferred inflows of resources	5,700,625,981	870,133,595
Collective net pension liability	23,278,401,588	29,617,131,759
District s Proportion	0.0091693246%	0.0135587502%

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 rolled forward to June 30, 2017. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases:	
Through 2016	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 9. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

Mortality Rates

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

<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%

Discount Rate

The discount rate used to measure the total pension liability was 5.00% and 3.98% as of June 30, 2017 and 2016, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% and 2.85% as of June 30, 2017 and 2016, respectively, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

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

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

	June 30, 2017		
	1% Decrease <u>4.00%</u>	At Current Discount Rate <u>5.00%</u>	1% Increase <u>6.00%</u>
District's proportionate share of the pension liability	\$2,647,958	\$2,134,472	\$1,706,675

Pension Plan Fiduciary Net Position

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

Teachers Pensions and Annuity Fund (TPAF)

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

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 9. PENSION PLANS (continued)

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

Teachers Pensions and Annuity Fund (TPAF) (continued)

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2018 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>29,339,644.00</u>
	<u>\$29,339,644.00</u>

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 June 30, 2016 rolled forward to June 30, 2017. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2017, the proportion of the TPAF net pension liability associated with the District was 0.0435153879%.

For the year ended June 30, 2018, the District recognized on-behalf pension expense and revenue of \$2,032,502.00 for contributions provided by the State in the District-Wide Financial Statements.

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:

Inflation rate	2.25%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.00%

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 9. PENSION PLANS (continued)

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

Teachers Pensions and Annuity Fund (TPAF) (continued)

Mortality Rates

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 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%

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 9. PENSION PLANS (continued)

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

Teachers Pensions and Annuity Fund (TPAF) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 4.25% and 3.22% as of June 30, 2017 and 2016, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.85% and 3.80% as of June 30, 2017 and 2016, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuary determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

NOTE 10. POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

Plan description and benefits provided

P.L. 1987, c. 384 and P.L. 1990, c. 6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 10. POST-RETIREMENT BENEFITS (continued)

The State is also responsible for the cost attributable to P.L. 1992 Chapter 126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

Employees covered by benefits terms. At June 30, 2017, the following employees were covered by the benefit terms:

TPAF participant retirees:

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.

PERS participant retirees:

The State paid \$238.9 million toward Chapter 126 benefits for 209,913 eligible retired members in Fiscal Year 2017.

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASBnotices> OPEB.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2018 was as follows:

OPEB Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>23,295,907</u>
	<u>\$23,295,907</u>

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 10. POST-RETIREMENT BENEFITS (continued)

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2017 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%	
	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:		
Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Health Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Health Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2010 – June 30, 2013, and July 1, 2011 – June 30, 2014 for TPAF and PFRS, respectively.

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 10. POST-RETIREMENT BENEFITS (continued)

(a) Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

(b) Discount Rate

The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

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

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2018, the board of education/board of trustees recognized on-behalf OPEB expense of \$1,265,304 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Bloomingdale School District proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 11. DEFERRED COMPENSATION

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

Lincoln Life
Siracusa
Valic

NOTE 12. RISK MANAGEMENT

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

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

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

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

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

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

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 12. RISK MANAGEMENT (continued)

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

<u>Fiscal year</u>	<u>Interest Earning/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017-2018	\$23,498.42	\$12,577.65	\$27,053.17	\$81,534.91
2016-2017	13,083.79	12,922.20	16,770.04	72,512.01
2015-2016	69,871.23	12,620.03	73,534.29	63,276.06

NOTE 13. CAPITAL RESERVE ACCOUNT

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

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

The activity of the capital reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning balance, July 1, 2017	\$93,149.53
Interest earnings	185.96
Deposit:	
Board Resolution	90,000.00
Withdrawals:	
Budgeted Withdrawal	<u>(90,000.00)</u>
Ending balance, June 30, 2018	<u>\$93,335.49</u>

Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018

NOTE 13. CAPITAL RESERVE ACCOUNT (continued)

The balance in the capital reserve account at June 30, 2018 does not exceed the balance of local support costs of uncompleted capital projects in its LRFP. Withdrawals from the capital reserve, where applicable, are for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan.

NOTE 14. TUITION RESERVE ACCOUNT

The tuition reserve account represents a year end fund balance classification to reserve unrestricted fund balance for a foreseeable future tuition adjustment pursuant to N.J.A.C. 6A:23A-17.1(f). The tuition reserve enables the District to reserve fund balance for an anticipated large tuition adjustment. The activity of the tuition reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning balance, July 1, 2017	\$752,360.97
Interest earnings	1,501.97
Withdrawals:	
Budgeted Withdrawal	<u>(750,933.00)</u>
Ending balance, June 30, 2018	<u>\$ 2,929.94</u>

NOTE 15. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$4,558,536.51 General Fund fund balance at June 30, 2018, \$1,227,004.56 is reserved for encumbrances; \$2,929.94 has been legally reserved for tuition adjustment in accordance with N.J.A.C. 6A:23A-3.1(f)(8); \$2,353,933.54 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F7 (\$509,373.03 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2019); \$93,335.49 has been reserved in the Capital Reserve Account; \$515,867.97 has been appropriated and included as anticipated revenue for the year ending June 30, 2019; and \$365,465.01 is unreserved and undesignated.

NOTE 16. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2018 is \$2,353,933.54. Of this amount \$1,844,560.51 is the result of current year operations and \$509,373.03 is a result of prior year operations.

**Borough of Bloomingdale
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2018**

NOTE 17. INVENTORY

Inventory in the Food Service Fund at June 30, 2018 consisted of the following:

Food	\$3,111.42
Supplies	<u>1,736.01</u>
	<u>\$4,847.43</u>

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

NOTE 18. CONTINGENT LIABILITIES

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

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

NOTE 19. SUBSEQUENT EVENT

The Board has evaluated subsequent events through January 23, 2019, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**REQUIRED SUPPLEMENTARY STATEMENTS
PART II**

BUDGETARY COMPARISON SCHEDULE

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	16,516,770.00	-	16,516,770.00	16,516,770.00	-
Tuition In District - Resident/Individuals	-	-	-	18,735.00	18,735.00
Transportation Fees From Individuals	1,000.00	-	1,000.00	1,000.00	-
Interest Earned on Investment	-	-	-	2,392.28	2,392.28
Interest Earned on Capital Reserve Account	-	-	-	185.96	185.96
Interest Earned on Tuition Reserve Account	-	-	-	1,501.97	1,501.97
Rents and Royalties	6,000.00	-	6,000.00	14,730.00	8,730.00
Unrestricted Miscellaneous Revenues	8,000.00	-	8,000.00	215,115.49	207,115.49
Total - Local Sources	16,531,770.00	-	16,531,770.00	16,770,430.70	238,660.70
State Sources:					
Categorical Special Education Aid	557,300.00	-	557,300.00	557,300.00	-
Equalization Aid	1,258,651.00	-	1,258,651.00	1,258,651.00	-
Categorical Security Aid	16,458.00	-	16,458.00	16,458.00	-
Categorical Transportation Aid	68,641.00	-	68,641.00	68,641.00	-
Additional Adjustment Aid	56,460.00	-	56,460.00	56,460.00	-
PARCC Readiness Aid	8,670.00	-	8,670.00	8,670.00	-
Per Pupil Growth Aid	8,670.00	-	8,670.00	8,670.00	-
Professional Learning Community Aid	8,610.00	-	8,610.00	8,610.00	-
Extraordinary Aid	-	400,000.00	400,000.00	545,063.00	145,063.00
Non-Public Transportation Aid	-	-	-	30,450.00	30,450.00
On-behalf TPAF Pension (non-budgeted)	-	-	-	617,503.00	617,503.00
On-behalf LTIDI Contribution (non-budgeted)	-	-	-	570.00	570.00
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	14,985.00	14,985.00
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	408,511.00	408,511.00
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	315,483.47	315,483.47
Total State Sources	1,983,460.00	400,000.00	2,383,460.00	3,916,025.47	1,532,565.47
Federal Sources:					
Medicaid Assistance Program - SEMI	18,758.00	-	18,758.00	21,738.83	2,980.83
Total Federal Sources	18,758.00	-	18,758.00	21,738.83	2,980.83
Total Revenues	18,533,988.00	400,000.00	18,933,988.00	20,708,195.00	1,774,207.00
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	241,275.00	5,000.00	246,275.00	246,262.23	12.77
Grades 1-5 - Salaries of Teachers	1,337,131.00	12,000.00	1,349,131.00	1,290,925.11	58,205.89
Grades 6-8 - Salaries of Teachers	1,044,435.00	(68,370.00)	976,065.00	957,010.66	19,054.34
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	237,695.00	20,806.00	258,501.00	223,314.16	35,186.84
Purchased Professional-Educational Services	3,450.00	(3,423.00)	27.00	27.00	-
Purchased Technical Services	2,000.00	(2,000.00)	-	-	-
Other Purchased Services (400-500 series)	26,740.00	(9,313.00)	17,427.00	17,394.63	32.37
General Supplies	184,676.00	(35,640.00)	149,036.00	147,833.39	1,202.61
Textbooks	-	910.00	910.00	762.18	147.82
Other Objects	2,620.00	(1,559.00)	1,061.00	1,060.52	0.48
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,080,022.00	(81,589.00)	2,998,433.00	2,884,589.88	113,843.12
SPECIAL EDUCATION - INSTRUCTION					
Multiple Disabilities:					
Salaries of Teachers	101,636.00	-	101,636.00	97,352.48	4,283.52
Other Salaries for Instruction	70,480.00	-	70,480.00	49,218.21	21,261.79
General Supplies	1,732.00	(588.00)	1,144.00	1,141.48	2.52
Other Objects	-	748.00	748.00	747.13	0.87
Total Multiple Disabilities	173,848.00	160.00	174,008.00	148,459.30	25,548.70
Resource Room/Resource Center:					
Salaries of Teachers	563,443.00	176.00	563,619.00	555,552.36	8,066.64
General Supplies	5,648.00	(1,648.00)	4,000.00	3,996.25	3.75
Total Resource Room/Resource Center	569,091.00	(1,472.00)	567,619.00	559,548.61	8,070.39
Preschool Disabilities - Full Time:					
Salaries of Teachers	81,142.00	1,271.00	82,413.00	82,412.92	0.08
Other Salaries for Instruction	68,964.00	-	68,964.00	61,970.98	6,993.02
General Supplies	1,226.00	(413.00)	813.00	812.26	0.74
Total Preschool Disabilities - Full Time	151,332.00	858.00	152,190.00	145,196.16	6,993.84

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Home Instruction:					
Salaries of Teachers	10,000.00	609.00	10,609.00	6,006.00	4,603.00
Purchased Professional -Educational Services	35,000.00	12,344.00	47,344.00	28,694.58	18,649.42
General Supplies	250.00	(250.00)	-	-	-
Total Home Instruction	45,250.00	12,703.00	57,953.00	34,700.58	23,252.42
TOTAL SPECIAL EDUCATION - INSTRUCTION	939,521.00	12,249.00	951,770.00	887,904.65	63,865.35
Basic Skills/Remedial - Instruction					
Salaries of Teachers	64,875.00	82,736.00	147,611.00	146,709.82	901.18
General Supplies	1,040.00	(244.00)	796.00	747.19	48.81
Total Basic Skills/Remedial - Instruction	65,915.00	82,492.00	148,407.00	147,457.01	949.99
Bilingual Education - Instruction					
Salaries of Teachers	34,230.00	1,365.00	35,595.00	32,636.00	2,959.00
General Supplies	798.00	-	798.00	711.12	86.88
Total Bilingual Education - Instruction	35,028.00	1,365.00	36,393.00	33,347.12	3,045.88
School-Spon. Co/Extra Curr. Actvts. - Instruction					
Salaries	47,490.00	-	47,490.00	37,829.00	9,661.00
Purchased Services (300-500 Series)	500.00	(500.00)	-	-	-
Total School-Spon. Co/Extra Curr. Actvts. - Instruction	47,990.00	(500.00)	47,490.00	37,829.00	9,661.00
School - Sponsored Athletics - Instruction					
Salaries	18,574.00	-	18,574.00	18,574.00	-
Other Objects	635.00	(635.00)	-	-	-
Total School-Sponsored Athletics - Instruction	19,209.00	(635.00)	18,574.00	18,574.00	-
Total Instruction	4,187,685.00	13,382.00	4,201,067.00	4,009,701.66	191,365.34
Undistributed Expenditures - Instruction:					
Tuition to Other LEAS Within the State - Regular	4,099,104.00	(81,852.70)	4,017,251.30	4,013,695.85	3,555.45
Tuition to Other LEAS Within the State - Special	1,166,992.00	(13,591.68)	1,153,400.32	1,136,888.13	16,512.19
Tuition to County Voc. School Dist.- Regular	448,400.00	7,618.52	456,018.52	451,398.52	4,620.00
Tuition to County Voc. School Dist.- Special	7,140.00	(6,897.50)	242.50	242.50	-
Tuition to CSSD & Reg. Day Schools	95,250.00	(6,752.00)	88,498.00	88,498.00	-
Tuition to Priv.Sch. For the Disabled W/I State	1,377,498.00	312,521.03	1,690,019.03	1,642,857.32	47,161.71
Tuition - State Facilities	-	8,559.00	8,559.00	8,559.00	-
Total Undistributed Expenditures - Instruction:	7,194,384.00	219,604.67	7,413,988.67	7,342,139.32	71,849.35
Undist. Expend.-Attendance and Social Work					
Salaries	83,389.00	835.00	84,224.00	62,283.30	21,940.70
Purchased Professional and Technical Services	8,833.00	2,948.65	11,781.65	11,781.65	-
Total Undist. Expend.-Attendance and Social Work	92,222.00	3,783.65	96,005.65	74,064.95	21,940.70
Undist. Expenditures- Health Services					
Salaries	185,305.00	12,796.00	198,101.00	198,073.46	27.54
Purchased Professional and Technical Services	210,800.00	101,527.25	312,327.25	167,514.78	144,812.47
Supplies and Materials	6,280.00	(1,438.00)	4,842.00	4,752.30	89.70
Other Objects	1,000.00	(640.68)	359.32	359.00	0.32
Total Undist. Expenditures- Health Services	403,385.00	112,244.57	515,629.57	370,699.54	144,930.03
Undist. Expend.-Speech, OT, PT and Related SVCS					
Salaries	241,820.00	-	241,820.00	232,059.67	9,760.33
Purchased Professional - Educational Services	41,860.00	9,168.00	51,028.00	31,890.87	19,137.13
Supplies and Materials	2,698.00	271.68	2,969.68	2,888.56	81.12
Total Undist. Expend.-Speech, OT, PT and Related SVCS	286,378.00	9,439.68	295,817.68	266,839.10	28,978.58
Undist Expend-Oth Supp Serv Std-Extra Serv					
Salaries	30,151.00	-	30,151.00	25,337.05	4,813.95
Purchased Professional- Educational Services	315,114.00	122,698.21	437,812.21	367,509.46	70,302.75
Total Undist Expend-Oth Supp Serv Std-Extra Serv	345,265.00	122,698.21	467,963.21	392,846.51	75,116.70
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	96,034.00	-	96,034.00	94,803.68	1,230.32
Purchased Professional-Educational Services	5,648.29	2,573.00	8,221.29	6,191.93	2,029.36
Supplies and Materials	185.00	(167.00)	18.00	18.00	-
Other Objects	130.00	-	130.00	130.00	-
Total Undist. Expenditures - Guidance	101,997.29	2,406.00	104,403.29	101,143.61	3,259.68

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expenditures- Child Study Teams					
Salaries of Other Professional Staff	403,715.00	3,500.00	407,215.00	407,191.96	23.04
Salaries of Secretarial and Clerical Assistants	40,405.00	-	40,405.00	36,500.09	3,904.91
Purchased Professional - Educational Services	3,000.00	(3,000.00)	-	-	-
Other Purchased Prof. And Tech. Services	3,315.00	-	3,315.00	3,250.00	65.00
Misc Pur Serv(400-500 series O/than Resid Costs)	2,000.00	(1,507.79)	492.21	485.68	6.53
Supplies and Materials	5,609.00	(1,056.21)	4,552.79	4,509.24	43.55
Other Objects	200.00	-	200.00	167.70	32.30
Total Undist. Expenditures - Child Study Teams	458,244.00	(2,064.00)	456,180.00	452,104.67	4,075.33
Undist. Expend.-Improv. Of Inst. Serv					
Sal of Other Professional Staff	110,115.00	-	110,115.00	101,289.37	8,825.63
Purchased Prof-Educational Services	69,615.00	(31,515.00)	38,100.00	29,845.32	8,254.68
Other Purch Services (400-500)	8,995.00	(8,732.00)	263.00	262.24	0.76
Supplies and Materials	13,001.00	(5,190.00)	7,811.00	7,810.57	0.43
Other Objects	1,500.00	(1,441.00)	59.00	59.00	-
Total Undist. Expend.-Improv. Of Inst. Serv	203,226.00	(46,878.00)	156,348.00	139,266.50	17,081.50
Undist. Expend.-Edu. Media Serv./Library					
Salaries	235,847.00	823.00	236,670.00	217,677.92	18,992.08
Purchased Profession and Technical Services	2,000.00	(1,789.03)	210.97	210.00	0.97
Other Purchased Services (400-500 Series)	129,400.00	(6,704.90)	122,695.10	105,939.47	16,755.63
Supplies and Materials	78,629.62	14,524.73	93,154.35	91,634.20	1,520.15
Other Objects	-	439.00	439.00	439.00	-
Total Undist. Expend.-Edu. Media Serv./Library	445,876.62	7,292.80	453,169.42	415,900.59	37,268.83
Undist. Expend.-Instr. Staff Training Serv.					
Purchased Professional - Educational Services	-	500.00	500.00	400.00	100.00
Other Purchased Services (400-500 series)	17,500.00	(11,811.15)	5,688.85	5,475.64	213.21
Total Undist. Expend.-Instr. Staff Training Serv.	17,500.00	(11,311.15)	6,188.85	5,875.64	313.21
Undist. Expend.-Support Serv.-Gen. Admin					
Salaries	185,371.00	3,201.00	188,572.00	145,329.24	43,242.76
Legal Services	35,000.00	8,076.00	43,076.00	43,075.75	0.25
Audit Fees	59,000.00	4,550.00	63,550.00	29,000.00	34,550.00
Architectural/Engineering Services	35,000.00	(32,200.00)	2,800.00	2,800.00	-
Other Purchased Professional Services	4,000.00	1,205.00	5,205.00	2,952.36	2,252.64
Communications/Telephone	42,542.00	5,721.00	48,263.00	40,773.39	7,489.61
BOE Other Purchased Services	2,000.00	(1,900.00)	100.00	-	100.00
Miscellaneous Purchased Services	15,021.00	399.00	15,420.00	15,417.70	2.30
General Supplies	6,088.00	(4,000.00)	2,088.00	1,784.03	303.97
BOE In-House Training/Meeting Supplies	1,000.00	(900.00)	100.00	-	100.00
Judgments Against The School District	40,000.00	(39,946.00)	54.00	-	54.00
Miscellaneous Expenditures	1,000.00	(800.00)	200.00	175.00	25.00
BOE Membership Dues and Fees	10,000.00	(1,600.00)	8,400.00	8,351.45	48.55
Total Undist. Expend.-Support Serv.-Gen. Admin.	436,022.00	(58,194.00)	377,828.00	289,658.92	88,169.08
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principal/Asst. Principals/Prog Dir	173,599.00	3,511.00	177,110.00	163,505.84	13,604.16
Salaries of Secretarial and Clerical Assistants	90,421.00	1.00	90,422.00	88,309.48	2,112.52
Purchased Professional and Technical Services	3,900.00	-	3,900.00	3,811.00	89.00
Other Purchased Services (400-500 series)	3,540.00	(2,804.64)	735.36	734.50	0.86
Supplies and Materials	10,226.31	(4,632.98)	5,593.33	5,532.32	61.01
Other Objects	2,800.00	208.98	3,008.98	2,972.98	36.00
Total Undist. Expend. - Support Serv. - School Admin.	284,486.31	(3,716.64)	280,769.67	264,866.12	15,903.55
Undist. Expend. - Central Services					
Salaries	258,686.00	52,695.00	311,381.00	311,379.49	1.51
Purchased Professional Service	1,500.00	62,531.00	64,031.00	38,605.38	25,425.62
Supplies and Materials	5,087.04	4,856.99	9,944.03	9,944.00	0.03
Miscellaneous Expenditures	1,500.00	-	1,500.00	1,165.00	335.00
Total Undist. Expend. - Central Services	266,773.04	120,082.99	386,856.03	361,093.87	25,762.16
Undist. Expend. -Admin. Info Technology					
Purchased Technical Services	17,560.00	-	17,560.00	17,072.00	488.00
Supplies & Materials	2,000.00	-	2,000.00	2,000.00	-
Total Undist. Expend. -Admin. Info Technology	19,560.00	-	19,560.00	19,072.00	488.00
Undist. Expend.-Required Maint for Sch Fac					
Salaries	52,210.00	60.00	52,270.00	51,963.48	306.52
Cleaning, Repair, and Maintenance Services	100,525.00	15,416.24	115,941.24	101,488.10	14,453.14
General Supplies	16,000.00	(3,330.48)	12,669.52	9,371.21	3,298.31
Total Undist. Expend.-Required Main for Sch Fac	168,735.00	12,145.76	180,880.76	162,822.79	18,057.97

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services					
Salaries	8,716.00	660.00	9,376.00	2,755.00	6,621.00
Salaries of Non-Instructional Aides	28,356.00	-	28,356.00	13,892.07	14,463.93
Purchased Professional and Technical Services	5,000.00	32,425.00	37,425.00	4,523.10	32,901.90
Cleaning, Repair, and Maintenance Services	510,000.00	(41,305.00)	468,695.00	466,838.34	1,856.66
Other Purchased Property Services	11,000.00	-	11,000.00	8,604.37	2,395.63
Insurance	85,301.00	(2,948.00)	82,353.00	82,353.00	-
Miscellaneous Purchased Services	26,000.00	2,990.00	28,990.00	23,856.21	5,133.79
General Supplies	19,500.00	(1,154.01)	18,345.99	13,746.61	4,599.38
Energy (Natural Gas)	100,000.00	20,000.00	120,000.00	53,930.46	66,069.54
Energy (Electricity)	140,000.00	(20,000.00)	120,000.00	101,822.54	18,177.46
Energy (Gasoline)	2,000.00	(1,310.00)	690.00	-	690.00
Total Undist. Expend. - Custodial Services	935,873.00	(10,642.01)	925,230.99	772,321.70	152,909.29
Undist Expend.-Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	40,000.00	19,335.00	59,335.00	55,540.00	3,795.00
General Supplies	4,000.00	2,524.00	6,524.00	6,523.23	0.77
Other Objects	3,000.00	(2,158.00)	842.00	824.00	18.00
Total Undist Expend.-Care and Upkeep of Grounds	47,000.00	19,701.00	66,701.00	62,887.23	3,813.77
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	1,151,608.00	21,204.75	1,172,812.75	998,031.72	174,781.03
Undist. Expend. - Student Transportation Serv.					
Sal. For Pupil Trans(Bet Home & Sch)-Reg	5,851.00	400.00	6,251.00	6,227.05	23.95
Sal For Pupil Trans(Bet Home & Sch)-Sp Ed	7,557.00	-	7,557.00	6,042.32	1,514.68
Management Fee - ESC & CTSA Trans. Program	30,726.00	21.00	30,747.00	30,620.68	126.32
Cleaning, Repair, & Maint. Services	-	150.00	150.00	-	150.00
Contract. Serv. -Aid in Lieu Pymts-NonPub Sch	98,419.00	3,426.79	101,845.79	101,845.12	0.67
Contract. Serv. -Aid in Lieu Pymts-Charter Sch	3,547.00	2,453.00	6,000.00	6,000.00	-
Contract. Serv. -Aid in Lieu Pymts-Choice Sch	5,320.00	(2,319.03)	3,000.97	3,000.00	0.97
Contr Serv (Bet. Home and Sch)-Vendors	265,163.00	82,638.60	347,801.60	311,764.91	36,036.69
Contr Serv(Oth. Than Bet Home & Sch)-Vend	29,840.00	(9,840.00)	20,000.00	7,941.80	12,058.20
Contract. Serv. (Sp Ed Stds)-Vendors	147,040.00	89,762.00	236,802.00	228,253.95	8,548.05
Contract. Serv.(Reg. Students)-ESCs & CTSAs	-	99,960.96	99,960.96	59,187.47	40,773.49
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAs	768,146.00	(94,131.57)	674,014.43	594,035.24	79,979.19
Transportation Supplies	650.00	1,158.00	1,808.00	158.00	1,650.00
Total Undist. Expend. - Student Transportation Serv.	1,362,259.00	173,679.75	1,535,938.75	1,355,076.54	180,862.21
UNALLOCATED BENEFITS					
Group Insurance	300.00	-	300.00	192.00	108.00
Social Security Contributions	135,000.00	(16,211.30)	118,788.70	117,280.08	1,508.62
Other Retirement Contributions - PERS	160,000.00	(58,772.35)	101,227.65	96,640.63	4,587.02
Unemployment Compensation	75,000.00	(51,652.00)	23,348.00	23,347.41	0.59
Workmen's Compensation	60,000.00	(18,331.00)	41,669.00	40,190.00	1,479.00
Health Benefits	1,903,974.00	(88,087.67)	1,815,886.33	1,308,795.37	507,090.96
Tuition Reimbursement	37,900.00	(19,288.00)	18,612.00	15,866.36	2,745.64
Other Employee Benefits	29,620.00	(15,312.96)	14,307.04	4,966.00	9,341.04
TOTAL UNALLOCATED BENEFITS	2,401,794.00	(267,655.28)	2,134,138.72	1,607,277.85	526,860.87
On-behalf TPAF Pension (non-budgeted)	-	-	-	617,503.00	(617,503.00)
On-behalf LTDI Contribution (non-budgeted)	-	-	-	570.00	(570.00)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	14,985.00	(14,985.00)
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	408,511.00	(408,511.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	315,483.47	(315,483.47)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	1,357,052.47	(1,357,052.47)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	2,401,794.00	(267,655.28)	2,134,138.72	2,964,330.32	(830,191.60)
TOTAL UNDISTRIBUTED EXPENDITURES	15,470,980.26	402,618.00	15,873,598.26	15,813,009.92	60,588.34
TOTAL GENERAL CURRENT EXPENSE	19,658,665.26	416,000.00	20,074,665.26	19,822,711.58	251,953.68
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures:					
Support Serv. - Inst. Staff	39,000.00	-	39,000.00	6,863.50	32,136.50
Care and Upkeep of Grounds	48,000.00	-	48,000.00	-	48,000.00
Total Equipment	87,000.00	-	87,000.00	6,863.50	80,136.50

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services					
Legal Services	56,800.00	(56,800.00)	-	-	-
Architectural/Engineering Services	141,100.00	56,800.00	197,900.00	11,340.00	186,560.00
Construction Services	1,230,301.76	-	1,230,301.76	233,481.76	996,820.00
Assessment for Debt Service on SDA Funding	1,267.00	-	1,267.00	1,267.00	-
Total Facilities Acquisition and Construction Services	1,429,468.76	-	1,429,468.76	246,088.76	1,183,380.00
TOTAL CAPITAL OUTLAY	1,516,468.76	-	1,516,468.76	252,952.26	1,263,516.50
Transfer to Charter Schools	70,789.00	-	70,789.00	70,789.00	-
TOTAL EXPENDITURES	21,245,923.02	416,000.00	21,661,923.02	20,146,452.84	1,515,470.18
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,711,935.02)	(16,000.00)	(2,727,935.02)	561,742.16	3,289,677.18
Other Financing Sources (uses):					
Transfer to Enterprise Fund	(17,000.00)	16,000.00	(1,000.00)	-	(1,000.00)
Total Other Financing Sources:	(17,000.00)	16,000.00	(1,000.00)	-	(1,000.00)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(2,728,935.02)	0.00	(2,728,935.02)	561,742.16	3,290,677.18
Fund Balance, July 1	4,182,630.35	-	4,182,630.35	4,182,630.35	-
Fund Balance, June 30	1,453,695.33	0.00	1,453,695.33	4,744,372.51	3,290,677.18
Recapitulation of excess (deficiency) of revenues under expenditures:					
Adjustment for Prior Year Encumbrances	(68,021.02)	-	(68,021.02)	(68,021.02)	-
Withdrawal from Capital Reserve for Local Share	(90,000.00)	-	(90,000.00)	-	90,000.00
Withdrawal from Tuition Reserve for Tuition Adjustment	(750,933.00)	-	(750,933.00)	(750,933.00)	-
Increase in Capital Reserve:					
Interest	-	-	-	185.96	185.96
Increase in Tuition Reserve:					
Interest	-	-	-	1,501.97	1,501.97
Budgeted Fund Balance	(1,819,981.00)	-	(1,819,981.00)	1,379,008.25	3,198,989.25
	(2,728,935.02)	-	(2,728,935.02)	561,742.16	3,290,677.18
Recapitulation:					
Assigned Fund Balance:					
Year-End Encumbrances				1,227,004.56	
Designated for Subsequent Year's Expenditures				515,867.97	
Restricted Fund Balance:					
Excess Surplus				1,844,560.51	
Excess Surplus - Designated for Subsequent Year's Expenditures				509,373.03	
Capital Reserve Account				93,335.49	
Tuition Reserve Account				2,929.94	
Unassigned Fund Balance				551,301.01	
				4,744,372.51	
Reconciliation to Government Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				(185,836.00)	
Fund Balance per Governmental Funds (GAAP)				4,558,536.51	

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	288,589.00	77,128.00	365,717.00	365,717.00	-
Total Revenues	288,589.00	77,128.00	365,717.00	365,717.00	-
EXPENDITURES:					
Instruction					
Salaries	109,790.00	2,020.00	111,810.00	111,810.00	-
Purchased Professional and Technical Services	-	3,000.00	3,000.00	3,000.00	-
Other Purchased Services	169,088.00	22,399.00	191,487.00	191,487.00	-
Supplies & Materials	-	4,399.00	4,399.00	4,399.00	-
Total Instruction	278,878.00	31,818.00	310,696.00	310,696.00	-
Support Services					
Personal Services - Employee Benefits	-	25,216.00	25,216.00	25,216.00	-
Purchased Professional and Technical Services	9,711.00	17,880.00	27,591.00	27,591.00	-
Supplies & Materials	-	2,214.00	2,214.00	2,214.00	-
Total Support Services	9,711.00	45,310.00	55,021.00	55,021.00	-
Total Expenditures	288,589.00	77,128.00	365,717.00	365,717.00	-
Excess (Deficiency) of Revenues Over (Under)	-	-	-	-	-
Expenditures and Other Financing Sources (Uses)	-	-	-	-	-

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BUDGET - TO - GAAP RECONCILIATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

		<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]&[C-2]	20,708,195.00	365,717.00
Difference - budget to GAAP:			
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(185,836.00)	
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		184,451.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - government funds.	[B-2]	<u>20,706,810.00</u>	<u>365,717.00</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	20,146,452.84	365,717.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - government funds.	[B-2]	<u>20,146,452.84</u>	<u>365,717.00</u>

**REQUIRED SUPPLEMENTARY STATEMENTS
PART III**

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

<u>Fiscal Year Ending June30,</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Covered Payrol -PERS Employee's</u>	<u>District's Proportion Share of the Net Pension Liability (Asset) as a perecentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2015	0.0159089392%	\$ 2,978,589	\$ 878,868	338.91%	52.08%
2016	0.0141195195%	3,169,549	711,781	445.30%	47.93%
2017	0.0135587502%	4,015,713	717,495	559.69%	59.86%
2018	0.0091693246%	2,134,472	636,921	335.12%	48.10%

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

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

<u>Fiscal Year Ending June30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>District's PERS Covered- Employee Payroll</u>	<u>Contributions as a Percentage of PERS Covered- Employee Payroll</u>
2015	\$ 131,151	\$ 131,151	\$ -	\$878,868	14.92%
2016	121,390	121,390	-	711,781	17.05%
2017	120,454	120,454	-	717,495	16.79%
2018	84,944	84,944	-	636,921	13.34%

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

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

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payrol -TPAF Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a perecentage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2015	0.0443114466%	\$ -	\$ 23,683,026	\$ 4,547,541	0.00%	33.64%
2016	0.0434916910%	\$ -	27,488,606	4,298,163	0.00%	28.71%
2017	0.0459881957%	\$ -	36,343,968	4,510,638	0.00%	22.33%
2018	0.0435153879%	\$ -	29,339,644	4,550,501	0.00%	25.41%

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

BOROUGH OF BLOOMINGDALE BOARD SCHOOL DISTRICT
Note to Required Schedules of Supplementary Information - Part III
For the fiscal year ended June 30, 2018

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (2.85%) to the current measurement date (3.58%), resulting in a change in the discount rate from 3.98% to 5.00%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (2.85%) to the current measurement date (3.58%), resulting in a change in the discount rate from 3.22% to 4.25%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

BOROUGH OF BLOOMINGDALE BOARD SCHOOL DISTRICT
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
Last 10 Fiscal Years*

	<u>2018</u>
Total OPEB Liability	
Service Costs	\$ 859,034
Interest on Total OPEB Liability	735,778
Changes in Assumptions	(2,994,972)
Gross Benefit Payments	(539,583.00)
Contribution from the Member	19,869
Net Changes in total Share of OPEB Liability	<u>(1,919,874)</u>
Total OPEB Liability - Beginning	25,215,781
Total OPEB Liability - Ending	<u><u>\$ 23,295,907</u></u>
 District's Proportionate Share of OPEB Liability	 \$ -
State's Proportionate Share of OPEB Liability	23,295,907
Total OPEB Liability - Ending	<u><u>\$ 23,295,907</u></u>
 District's Covered Employee Payroll	 <u><u>\$ 5,187,422</u></u>
 Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	 0%

Notes to Schedule:

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

Change in benefit terms None

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

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

OTHER SUPPLEMENTARY INFORMATION

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Title I Part - A Improving Basic Program	Title II Part - A Teacher / Principal Training & Recruiting	Title IV Safe & Drug Free Schools	I.D.E.A. Part B Basic	Preschool	Total
REVENUES:						
Federal sources	136,665.00	20,603.00	10,000.00	191,487.00	6,962.00	365,717.00
Total Revenues	136,665.00	20,603.00	10,000.00	191,487.00	6,962.00	365,717.00
EXPENDITURES:						
Instruction:						
Salaries	110,050.00	-	1,760.00	-	-	111,810.00
Purchased prof. & tech. services	-	-	3,000.00	-	-	3,000.00
Other Purchased Services	-	-	-	191,487.00	-	191,487.00
Supplies and Materials	1,399.00	-	3,000.00	-	-	4,399.00
Total instruction	111,449.00	-	7,760.00	191,487.00	-	310,696.00
Support Services:						
Employee benefits	25,216.00	-	-	-	-	25,216.00
Purchased prof. & tech. services	-	20,603.00	26.00	-	6,962.00	27,591.00
Supplies and Materials	-	-	2,214.00	-	-	2,214.00
Total support services	25,216.00	20,603.00	2,240.00	-	6,962.00	55,021.00
Total Expenditures	136,665.00	20,603.00	10,000.00	191,487.00	6,962.00	365,717.00
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-

Exhibit F-1

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2018**

Fund Balance - Beginning	<u>186,840.21</u>
Fund Balance - Ending	<u><u>186,840.21</u></u>
Unrestricted Fund Balance	186,840.21
Reconciliation to Governmental Fund Statements (GAAP):	
SDA Grants Receivable not Recognized on GAAP Basis	(138,402.30)
Fund Balance per Governmental Funds (GAAP)	<u><u>48,437.91</u></u>

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - BOILER REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2018

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

Additional Project Information:

Project Number	31-0420-050-13-11005-G04 & 31-0420-020-13-7004-G0
Grant Date/Letter of Notification	1/6/2014
Bonds Authorized	\$694,585
Bonds Issued	\$694,585
Original Project Authorized Cost	\$33,800
Percentage Completion	87.61%

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - LIGHTING FOR SECURITY
FOR THE YEAR ENDED JUNE 30, 2018

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

Additional Project Information:

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
MARTHA B. DAY SCHOOLS - BARRIER FREE
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:			
State sources - ROD Grant	30,431.00	30,431.00	30,431.00
Bond proceeds and transfers	72,321.00	72,321.00	72,321.00
Total Revenues	<u>102,752.00</u>	<u>102,752.00</u>	<u>102,752.00</u>
Expenditures and Other Financing Uses:			
Purchased professional and technical services	6,500.00	6,500.00	6,500.00
Construction services	96,247.20	96,247.20	96,252.00
Total Expenditures	<u>102,747.20</u>	<u>102,747.20</u>	<u>102,752.00</u>
Excess (Deficiency) of revenues over (under) expenses	<u>4.80</u>	<u>4.80</u>	<u>-</u>
Additional Project Information:			
Project Number	0420-020-13-7003-G04		
Grant Date/Letter of Notification	2/21/2014		
Bonds Authorized	\$72,321		
Bonds Issued	\$72,321		
Original Project Authorized Cost	\$69,364.80		
Revised Authorized Cost	\$69,364.80		
Percentage Completion	99.995%		

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
MARTHA B. DAY SCHOOLS - STAIR/MASONRY WORK
FOR THE YEAR ENDED JUNE 30, 2018**

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

Additional Project Information:

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

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

PROJECT DESCRIPTION	APPROVAL DATE	REVISED BUDGETARY APPROPRIATION	EXPENDITURES		EXPENDITURES		UNEXPENDED BALANCE
			PRIOR YEARS	CURRENT YEAR	PRIOR YEARS	CURRENT YEAR	
WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - BOILER REPLACEMENT	01/06/2014	1,175,538.00	1,029,840.50	7,300.00			138,397.50
WALTER T BERGEN AND MARTHA B. DAY SCHOOLS - LIGHTING FOR	01/06/2014	21,998.00	1,386.36	-			20,611.64
MARTHA B. DAY SCHOOLS - BARRIER FREE	02/21/2014	102,752.00	102,747.20	-			4.80
MARTHA B. DAY SCHOOLS - STAIR/MASONRY WORK	02/21/2014	41,492.00	20,965.73	-			20,526.27
		<u>1,341,780.00</u>	<u>1,154,939.79</u>	<u>7,300.00</u>			<u>179,540.21</u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
FOOD SERVICES
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	3,099.17
Accounts receivable:	
State	181.53
Federal	5,158.64
Interfund Accounts Receivable:	
General Fund	10,550.75
Inventories	<u>4,847.43</u>
Total current assets	<u>23,837.52</u>
FIXED ASSETS:	
Equipment	97,487.00
Less: accumulated depreciation	<u>(48,832.00)</u>
Total fixed assets	<u>48,655.00</u>
TOTAL ASSETS	<u><u>72,492.52</u></u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES:	
Accounts payable:	
Vendors	100.75
Federal	<u>324.76</u>
Total Current Liabilities	<u>425.51</u>
NET POSITION	
Invested in Capital Assets Net of	
Related Debt	48,655.00
Unrestricted	<u>23,412.01</u>
Total Net Position	<u>72,067.01</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>72,492.52</u></u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
FOOD SERVICES
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

OPERATING REVENUES:

Charges for services:	
Daily sales - reimbursable programs	83,738.64
Daily Sales - non-reimbursable programs	28,767.00
Special functions	413.86

Total operating revenues	<u>112,919.50</u>
--------------------------	-------------------

OPERATING EXPENSES:

Salaries	61,682.68
Cost of Sales - reimbursable programs	77,273.66
Cost of Sales - non- reimbursable programs	20,134.00
Payroll Taxes	8,749.20
Worker Compensation/Liability Insurance	6,002.52
Repairs	396.00
Management Fees	7,462.00
Depreciation	3,728.00
Rental Equipment	4,764.00
Miscellaneous	9,597.14

Total operating expenses	<u>199,789.20</u>
--------------------------	-------------------

OPERATING INCOME (LOSS)	<u>(86,869.70)</u>
-------------------------	--------------------

NON-OPERATING REVENUES (EXPENSES):

State sources:	
State school lunch program	2,316.68
Federal sources:	
National school lunch program	67,668.66
School breakfast program	1,735.77
Food distribution programs	16,111.67
Interest revenue	58.06

Total non-operating revenues (expenses)	<u>87,890.84</u>
---	------------------

Change in Net Position	1,021.14
------------------------	----------

Total Net Position - Beginning of Year	<u>37,341.87</u>
Prior Period adjustment, fixed assets revaluation	33,704.00
Net Position - Beginning (Restated)	<u>71,045.87</u>

Total Net Position - Ending	<u><u>72,067.01</u></u>
-----------------------------	-------------------------

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
FOOD SERVICES
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from customers	112,919.50
Payments to employees for services	(61,682.68)
Payments to suppliers for goods and services	<u>(136,785.91)</u>
Net cash provided by (used for) operating activities	<u>(85,542.19)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

State Sources	2,318.78
Federal Sources	<u>86,331.36</u>
Net cash provided by (used for) non-capital financing activities	<u>88,650.14</u>

CASH FLOW USED BY CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchase of equipment	<u>(11,228.00)</u>
-----------------------	--------------------

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest on cash equivalents	<u>58.06</u>
Net cash provided by (used for) by investing activities	<u>58.06</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (8,061.99)

CASH AND CASH EQUIVALENTS, July 1 11,161.16

CASH AND CASH EQUIVALENTS, June 30 3,099.17

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating Income (loss)	(86,869.70)
Adjustments to reconcile operating income loss to cash provided (used for) by operating activities:	
Depreciation	3,728.00
(Increase)/decrease in inventory	(2,198.42)
Increase/(decrease) in accounts payable	<u>(208.97)</u>
Total adjustments	<u>1,327.51</u>
Net cash provided by (used for) operating activities	<u><u>(85,542.19)</u></u>

NONCASH NONCAPITAL FINANCING ACTIVITIES

During the year the District received \$16,111.67 of food commodities from the U.S. Department of Agriculture.

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ASSETS

	<u>Agency Funds</u>		<u>Expendable Trust Fund Unemployment Compensation Insurance</u>
	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:			
Cash and cash equivalents	82,767.35	323,017.88	81,534.91
Total Assets	<u>82,767.35</u>	<u>323,017.88</u>	<u>81,534.91</u>

LIABILITIES AND NET POSITION

LIABILITIES:

Payroll Deductions	-	89,285.48	-
Accrued salaries and wages	-	183,841.30	-
Flexible spending account	-	89.11	-
Interfund Payable - General Fund	-	49,801.99	-
Due to student groups	82,767.35	-	-
Total liabilities	<u>82,767.35</u>	<u>323,017.88</u>	<u>-</u>

NET POSITION

Held in Trust for Unemployment
Claims and other Purposes

Total Net Position			<u>81,534.91</u>
			<u>81,534.91</u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Unemployment Compensation Insurance Trust
ADDITIONS	
Contributions:	
Plan member	12,577.65
Board unemployment contributions	<u>23,347.41</u>
Total contributions	<u>35,925.06</u>
Investment Earnings:	
Interest	<u>151.01</u>
Net investment earnings	<u>151.01</u>
Total additions	<u>36,076.07</u>
DEDUCTIONS:	
Unemployment compensation claims	<u>27,053.17</u>
Total deductions	<u>27,053.17</u>
Change in Net Position	<u>9,022.90</u>
Net Position - Beginning of year	<u>72,512.01</u>
Net Position - End of year	<u><u>81,534.91</u></u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
STUDENT ACTIVITY 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 Disbursements</u>	<u>Balance June 30, 2018</u>
Walter T. Bergen School	51,206.72	88,761.44	92,419.73	47,548.43
Martha B. Day School	10,290.70	9,965.15	13,228.29	7,027.56
Samuel R. Donald School	<u>26,284.85</u>	<u>20,302.72</u>	<u>18,396.21</u>	<u>28,191.36</u>
Total all schools	<u><u>87,782.27</u></u>	<u><u>119,029.31</u></u>	<u><u>124,044.23</u></u>	<u><u>82,767.35</u></u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
ASSETS:				
Cash	269,488.16	10,427,461.37	10,373,931.65	323,017.88
TOTAL ASSETS	<u>269,488.16</u>	<u>10,427,461.37</u>	<u>10,373,931.65</u>	<u>323,017.88</u>
 LIABILITIES:				
Interfunds payable	48,795.53	3,621,548.46	3,620,542.00	49,801.99
Accrued salaries and wages	139,021.31	184,001.02	139,181.03	183,841.30
Payroll deductions and withholdings	81,582.21	6,621,911.89	6,614,208.62	89,285.48
Flexible spending account	89.11			89.11
TOTAL LIABILITIES	<u>269,488.16</u>	<u>10,427,461.37</u>	<u>10,373,931.65</u>	<u>323,017.88</u>

BLOOMINGDALE BOROUGH SCHOOL DISTRICT
GENERAL LONG TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS
AS OF JUNE 30, 2018

Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 30, 2017	Retired	Balance June 30, 2018
		Date	Amount				
2014 School Bonds	805,000.00	7/15/2018	79,000.00	2.470%			
		7/15/2019	80,000.00	2.470%			
		7/15/2020	82,000.00	2.470%			
		7/15/2021	84,000.00	2.470%			
		7/15/2022	86,000.00	2.470%			
		7/15/2023	89,000.00	2.470%			
		7/15/2024	91,000.00	2.470%	668,000.00	77,000.00	591,000.00

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Local sources:					
Local tax levy	92,544.00	-	92,544.00	92,544.00	-
Total revenues - local sources	92,544.00	-	92,544.00	92,544.00	-
TOTAL REVENUES	92,544.00	-	92,544.00	92,544.00	-
EXPENDITURES					
Regular debt service:					
Interest on bonds	15,549.00	-	15,549.00	15,548.65	0.35
Redemption of principal	77,000.00	-	77,000.00	77,000.00	-
Total regular debt service	92,549.00	-	92,549.00	92,548.65	0.35
TOTAL EXPENDITURES	92,549.00	-	92,549.00	92,548.65	0.35
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5.00)	-	(5.00)	(4.65)	0.35
FUND BALANCES, July 1	4.86	-	4.86	4.86	-
FUND BALANCES, June 30	(0.14)	-	(0.14)	0.21	0.35
Recapitulation:					
Unassigned Fund Balance	-	-	-	0.21	-

STATISTICAL SECTION

OUTLINE OF NJ DOE STATISTICAL TABLES SECTION (GASB 44)

Exhibit #

Financial Trends Information/Schedules

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

Revenue Capacity Information

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

Debt Capacity Information

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

Demographic and Economic Information

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

Operating Information

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

BLOOMINGDALE BOARD OF EDUCATION

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Invested in capital assets	1,171,690	1,330,969	1,330,571	1,424,825	2,226,469	3,132,153	3,302,019	3,398,920	3,608,955	3,645,363
Restricted	997,406	796,875	1,582,474	1,313,004	1,560,931	1,262,447	2,875,577	3,442,795	3,429,730	4,372,612
Unrestricted	(270,252)	(68,974)	(113,971)	536,709	666,012	1,173,218	(3,372,384)	(2,867,466)	(3,360,060)	(3,524,160)
Total governmental activities net position	1,898,843	2,058,870	2,799,074	3,274,538	4,453,412	5,567,818	2,805,212	3,974,249	3,678,625	4,493,815
Business-type activities										
Invested in capital assets, net of related debt	42,710	37,122	31,294	25,731	20,169	14,607	9,585	9,042	7,451	48,655
Unrestricted	38,760	41,793	38,737	28,154	27,851	24,435	22,596	34,049	29,891	23,412
Total business-type activities net position	81,471	78,915	70,031	53,885	48,020	39,042	32,181	43,091	37,342	72,067
District-wide										
Invested in capital assets, net of related debt	1,214,400	1,368,092	1,361,864	1,450,556	2,246,638	3,146,760	3,311,603	3,407,962	3,616,406	3,694,018
Restricted	997,406	796,875	1,582,474	1,910,614	1,560,931	1,262,447	2,875,577	3,442,795.3	3,429,730.0	4,372,611.9
Unrestricted	(231,492)	(27,181)	(75,234)	(32,748)	693,863	1,197,653	(3,349,787)	(2,836,036)	(3,330,169)	(3,500,748)
Total district net position	1,980,314	2,137,786	2,869,104	3,328,422	4,501,432	5,606,860	2,837,393	4,014,721	3,715,967	4,565,882

Source: CAFR Schedule A-1

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

BLOOMINGDALE BOARD OF EDUCATION

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities										
Instruction										
Regular	3,555,410	3,677,592	3,350,672	3,610,539	4,247,734	4,417,361	4,891,818	5,181,135	5,781,029	5,493,336
Special education	1,082,157	1,184,449	1,354,277	1,262,086	1,206,555	1,289,740	1,730,160	1,388,569	1,679,182	1,608,561
Other special education	294,212	218,973	304,389	285,387	199,082	220,451	220,244	130,441	148,597	304,823
Other instruction	59,093	53,921	53,557	54,368	71,813	75,788	75,934	104,165	106,426	104,082
Support Services:										
Tuition	5,492,636	5,878,316	5,821,923	5,707,890	5,555,760	5,803,370	6,436,935	6,624,807	7,638,825	7,342,139
Student & instruction related services	1,859,917	2,081,041	2,211,695	2,355,186	2,677,863	2,862,258	3,281,641	3,183,338	3,720,355	3,423,727
General administrative services	354,182	377,135	378,041	296,026	279,775	356,322	356,412	377,694	367,991	412,510
School administrative services	423,583	368,447	377,218	478,846	608,449	522,608	497,731	420,860	479,865	477,734
Central Services and Admin. Info. Tech.	314,124	327,451	341,427	366,163	420,436	425,502	469,831	544,343	538,731	673,322
Plant operations and maintenance	893,122	910,348	938,071	1,043,766	1,021,178	1,074,532	1,130,563	961,870	979,827	1,064,346
Pupil transportation	1,140,358	1,031,888	908,057	958,544	1,027,909	1,049,752	1,216,985	1,146,926	1,373,705	1,365,448
Capital Outlay			1,587	923		1,267	1,267		1,267	1,267
Charter Schools	43,531	48,867	45,744	38,802	37,815	27,616	28,274	57,233	69,608	70,789
Unallocated Benefits	625,814	628,900	620,932	755,598	26,633	52,675	(12,309)	(32,011)	(2,602)	5,604
Interest on Long-Term Debt								37,569	16,521	14,672
Unallocated depreciation and Amortization								140,057	274,374	244,328
Total governmental activities expenses	16,225,089	16,873,514	16,806,141	17,220,556	17,488,155	18,297,860	20,493,179	20,266,995	23,173,701	22,606,688
Business-type activities:										
Food service	178,062	182,408	180,129	192,183	185,337	177,268	184,553	179,696	193,904	199,789
Total business-type activities expense	178,062	182,408	180,129	192,183	185,337	177,268	184,553	179,696	193,904	199,789
Total district expenses	16,403,152	17,055,922	16,986,270	17,412,739	17,673,492	18,475,128	20,677,732	20,446,691	23,367,605	22,806,477
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)										
Unallocated depreciation and amortization				5,280			68,741	29,057	20,138	19,735
Operating grants and contributions	296,150	529,924	311,126	297,742	300,702	296,205	262,021	356,040	339,517	365,717
Total governmental activities program revenues	296,150	529,924	311,126	303,022	300,702	296,205	330,762	385,098	359,655	385,452
Business-type activities:										
Charges for services										
Food service	125,401	128,027	121,428	112,416	102,725	103,392	106,647	111,295	103,575	112,920
Operating grants and contributions	46,314	51,672	49,717	63,570	76,707	64,851	70,999	78,032	84,532	87,833
Total business-type activities program revenues	171,714	179,699	171,145	175,986	179,432	168,243	177,646	189,327	188,107	200,752
Total district program revenues	467,864	709,623	482,271	479,008	480,134	464,448	508,408	574,425	547,762	586,204
Net (Expense)/Revenue										
Governmental activities	(15,928,940)	(16,343,590)	(16,495,015)	(16,917,534)	(17,187,453)	(18,001,655)	(20,162,417)	(19,881,897)	(22,814,046)	(22,221,236)
Business-type activities	(6,348)	(2,709)	(8,984)	(16,196)	(5,905)	(9,025)	(6,907)	9,631	(5,797)	963
Total district-wide net expense	(15,935,288)	(16,346,299)	(16,503,999)	(16,933,730)	(17,193,358)	(18,010,680)	(20,169,324)	(19,872,266)	(22,819,843)	(22,220,273)

BLOOMINGDALE BOARD OF EDUCATION

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	12,977,455	13,422,616	14,290,069	14,142,093	14,895,821	15,422,086	15,648,198	15,961,161	16,278,291	16,516,770
Taxes levied for debt service	3,190,985	2,867,702	2,608,797	3,080,634	3,332,996	3,237,423	4,424,685	4,766,793	6,008,964	6,193,186
Unrestricted grants and contributions	1,102	782	685	1,692	1,408	661	809	845	10,614	4,080
Investment earnings	161,704	212,517	335,668	168,579	136,102	455,891	606,995	133,709	128,128	229,845
Miscellaneous income	16,331,246	16,503,618	17,235,219	17,392,998	18,366,327	19,116,061	20,680,667	20,961,177	22,518,423	23,036,426
Total governmental activities										
Business-type activities:										
Investment earnings	171	154	98.91	51	40	47	45	38	48	58
Miscellaneous income	171	154	99	51	40	47	45	38	48	58
Total business-type activities	16,331,417	16,503,771	17,235,317	17,393,049	18,366,367	19,116,108	20,680,712	20,961,215	22,518,471	23,036,484
Total district-wide										
Change in Net Position										
Governmental activities	402,307	160,027	740,204	475,464	1,178,874	1,114,406	518,250	1,079,280	(295,623)	815,190
Business-type activities	(6,178)	(2,555)	(8,885)	(16,145)	(5,865)	(8,978)	(6,861)	9,669	(5,749)	1,021
Total district	396,129	157,472	731,319	459,319	1,173,009	1,105,428	511,389	1,088,949	(301,372)	816,211

Sources: CAP Schedule A-2

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

BLOOMINGDALE BOARD OF EDUCATION

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	997,406	796,875								
Unreserved	398,671	620,541								
Restricted			1,068,558	1,313,004	1,560,931	1,262,447	1,623,105	2,606,466	2,150,173	2,450,199
Committed			21,413	21,000						
Assigned			492,504	576,610	758,966	1,283,864	925,122	1,322,464	1,092,713	1,742,873
Unassigned			584,535	614,603	609,184	644,168	635,577	310,698	755,293	365,465
Total general fund	<u>1,396,076</u>	<u>1,417,416</u>	<u>2,167,009</u>	<u>2,525,217</u>	<u>2,929,081</u>	<u>3,190,479</u>	<u>3,183,805</u>	<u>4,239,628</u>	<u>3,998,179</u>	<u>4,558,537</u>
All Other Governmental Funds										
Assigned	-	-	-	-	-	-	-	-	-	7,300
Capital projects fund										
Unreserved, reported in:										
Special revenue fund			-	-	-	-	1,156	-	-	-
Capital projects fund	-	-	-	-	-	-	327,349	309,154	186,840	179,540
Debt service fund	-	-	-	-	-	-	-	5	5	0
Total all other governmental funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>328,505</u>	<u>309,159</u>	<u>186,845</u>	<u>186,840</u>

Source: CAFR Schedule B-1

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

	Fiscal Year Ending June 30,										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues											
Tax levy	\$ 12,570,850	\$ 12,977,455	\$ 13,422,616	\$ 14,290,069	14,142,093	14,895,821	15,422,086	15,648,198	16,052,221	16,370,717	16,609,314
Tuition charges				215,252	99,006	80,812	189,289	68,741	23,057	20,137	19,735
Interest earnings	2,967	1,102	782	685	1,692	1,408	5,657	8,217	8,455	10,614	4,080
Miscellaneous	127,005	195,504	212,517	120,415	69,573	55,290	261,607	260,607	133,709	128,128	229,845
State sources	3,421,347	3,189,550	2,589,611	2,584,949	2,988,281	3,316,076	3,225,277	3,888,500	3,435,996	3,753,831	3,914,640
Federal sources	278,407	297,585	799,808	327,053	390,095	317,622	308,351	295,728	376,609	365,897	387,456
Total revenue	16,400,577	16,861,196	17,025,335	17,538,425	17,690,740	18,667,029	19,412,267	20,169,451	20,036,047	20,649,324	21,165,071
Expenditures											
Instruction											
Regular instruction	2,759,351	2,825,853	2,991,213	2,660,985	2,786,720	2,897,856	3,050,383	3,143,962	3,219,002	3,258,614	3,195,286
Special education instruction	719,288	868,214	967,454	1,091,334	964,636	1,039,398	1,128,846	1,147,152	843,492	900,261	887,905
Other special instruction	200,031	234,117	172,396	234,825	211,483	129,738	147,010	147,069	89,489	93,689	180,804
Other instruction	46,641	47,949	42,884	41,208	40,245	46,748	50,237	46,677	61,219	56,185	56,403
Support Services:											
Tuition	5,678,361	5,492,636	5,878,316	5,821,923	5,707,890	5,555,760	5,803,371	6,436,935	6,624,807	7,638,826	7,342,139
Student & instruction related services	1,512,298	1,804,147	1,759,892	1,863,939	1,916,253	2,000,415	2,208,434	2,411,696	2,236,504	2,521,468	2,273,762
General administrative services	347,357	309,233	326,801	322,017	275,453	223,039	299,710	278,985	275,154	252,461	289,659
School Administrative services	335,710	339,707	291,938	293,230	359,101	403,167	352,277	312,367	252,355	258,023	264,866
Central Services	239,557	253,891	260,280	266,417	276,824	280,172	288,309	296,135	321,518	278,309	380,166
Admin. Information Technology											
Plant operations and maintenance	910,732	862,522	877,894	893,250	897,814	962,849	1,017,985	1,051,571	899,318	903,219	998,032
Pupil transportation	817,583	1,112,501	1,001,609	886,586	938,316	990,403	995,430	1,188,001	1,146,926	1,372,045	1,355,077
Unallocated employee benefits	2,438,952	2,021,532	2,138,634	2,255,200	2,725,527	2,773,933	2,728,717	2,790,215	2,765,657	2,853,432	2,964,330
Charter Schools	61,321	43,531	48,867	45,744	38,802	37,815	27,616	28,274	57,233	69,608	70,789
Capital outlay	66,749	61,592	255,817	112,164	209,468	921,872	1,052,544	1,268,793	112,686	484,521	252,952
Debt Service:											
Principal											
Interest and Other Charges											
Total expenditures	16,133,932	16,077,425	17,003,995	16,788,831	17,332,532	18,263,165	19,150,869	20,547,831	18,907,358	21,013,087	20,604,718
Excess (Deficiency) of revenues over (under) expenditures	266,645	583,771	21,340	749,593	358,208	403,864	261,398	(378,379)	1,128,689	(363,763)	560,353
Other Financing sources (uses)											
Cancellation of Prior Years Accounts Receivable											
Bond Proceeds											
Transfers out									(91,055)		
Total other financing sources (uses)									(91,055)		
Net change in fund balances	\$ 266,645	\$ 583,771	\$ 21,340	\$ 749,593	\$ 358,208	\$ 403,864	\$ 261,398	\$ 320,675	\$ 1,037,634	\$ (363,763)	\$ 560,353
Debt service as a percentage of noncapital expenditures	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.450%	0.455%

Source: District CAFR Exhibit B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Services and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
 Prior to June 30, 2005, Central Services and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

BLOOMINGDALE BOARD OF EDUCATION

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

Fiscal Year Ended June 30,	Interest on Investments	Tuition	Misc.	Total
2009	1,102	-	161,704	162,806
2010	782	-	212,517	213,299
2011	685	215,252	120,415	336,353
2012	1,692	99,006	69,573	170,271
2013	1,408	80,812	55,290	137,510
2014	6,487	189,289	260,776	456,552
2015	9,560	68,741	258,724	337,025
2016	8,455	29,057	133,709	171,221
2017	10,614	20,137	128,128	158,879
2018	4,080	19,735	229,845	253,661

Source: District Records

BLOOMINGDALE BOARD OF EDUCATION

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

Fiscal Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2008	12,745,900	363,721,500	492,900	64,264	32,801,200	6,000	11,245,500	421,077,264	301,800	421,379,064	3.031	1,013,724,794
2009	12,650,800	364,644,100	492,900	58,264	33,034,900	6,000	10,861,500	421,748,464	324,360	422,072,824	3.127	1,001,864,289
2010	11,849,100	364,474,800	492,900	97,664	32,625,650	6,000	10,361,500	420,407,614	318,198	420,725,822	3.294	939,566,665
2011	12,820,400	364,341,500	492,900	97,664	31,839,200	140,400	10,709,900	420,441,964	0	420,441,964	3.382	897,229,970
(1) 2012	32,918,200	625,962,300	874,800	86,400	60,037,400	5,578,800	22,618,100	748,076,000	0	748,076,000	1.941	820,438,693
2013	32,367,100	623,684,300	874,800	86,400	59,251,800	5,578,800	22,560,300	744,403,500	0	744,403,500	2.037	785,981,945
2014	25,910,100	627,648,300	884,800	86,400	58,434,600	5,578,800	22,560,300	741,103,300	0	741,103,300	2.096	799,981,973
2015	26,171,400	625,595,800	1,317,900	88,200	55,521,500	5,365,600	22,160,300	736,220,700	0	736,220,700	2.147	796,430,874
2016	25,447,300	623,791,300	1,823,200	91,200	55,407,900	5,200,100	22,160,300	733,921,300	0	733,921,300	2.222	831,921,673
2017	25,484,300	624,082,800	1,823,200	91,200	53,049,500	5,200,100	22,160,300	731,891,400	0	731,891,400	2.253	850,245,586

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

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

Reassessment occurs when ordered by the County Board of Taxation

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

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

(1) Revaluation Year

BLOOMINGDALE BOARD OF EDUCATION

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per \$100 of assessed value)

Fiscal Year Ended Dec. 31,	Bloomington Board of Education					Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Bloomington	Passaic County	
2008	3.031		3.031	1.415	1.233	5.679
2009	3.127		3.127	1.510	1.215	5.852
2010	3.294		3.294	1.659	1.278	6.231
2011	3.382		3.382	1.744	1.288	6.414
2012 (1)	1.941		1.941	1.045	0.695	3.681
2013	2.037		2.037	1.071	0.742	3.850
2014	2.096		2.096	1.063	0.746	3.905
2015	2.147		2.147	1.085	0.822	4.054
2016	2.197	0.025	2.222	1.109	0.824	4.155
2017	2.240	0.013	2.253	1.108	0.852	4.213

Source: District Records and Municipal Tax Collector

Note:

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

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

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

(1) Revaluation Year

BLOOMINGDALE BOARD OF EDUCATION

Principal Property Tax Payers,
Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Waterfall Village LLC	14,890,100	1	2.03%	7,286,000.00	1	1.73%
Finbar Equity I LLC C/O Tilcon	11,160,000	2	1.52%			
Lake losco	6,196,900	3	0.85%	3,164,700.00	4	0.75%
Bloomingtondale Real Property LLC	5,000,000	4	0.68%			
Tilcon New York Inc	4,160,100	5	0.57%	1,643,600.00	6	0.39%
LCL Mountaintop LLC	2,800,000	6	0.38%	1,227,500.00	8	0.29%
Bloomingtondale Urban Renewal LLC	2,475,000	7	0.34%			
Tait Realty Management, LLC	2,034,900	8	0.28%	1,050,500.00	10	0.25%
Wachovia/World Svgs Bank-Tx Propert	1,599,500	9	0.22%			
Durling Realty LLC	1,583,900	10	0.22%			
Bloomingtondale Convalescent Center				5,331,400.00	2	1.26%
Tree Top Terrace Assoc				4,000,000.00	3	0.95%
Kampp Lake Assoc				2,323,060.00	5	0.55%
Meer Bloomingtondale Estates				1,445,400.00	7	0.34%
Wayne Johnson				1,206,000.00	9	0.29%
Total	\$ 51,900,400		7.09%	\$ 28,678,160		6.79%

Source: Municipal Tax Assessor

BLOOMINGDALE BOARD OF EDUCATION

Property Tax Levies and Collections,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	12,977,455	12,977,455	100.00%	-
2010	13,422,616	13,422,616	100.00%	-
2011	14,290,069	14,290,069	100.00%	-
2012	14,142,093	14,142,093	100.00%	-
2013	14,895,821	14,895,821	100.00%	-
2014	15,422,086	15,422,086	100.00%	-
2015	15,648,198	15,648,198	100.00%	-
2016	16,052,221	16,052,221	100.00%	-
2017	16,370,717	16,370,717	100.00%	-
2018	16,609,314	16,609,314	100.00%	-

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

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

BLOOMINGDALE BOARD OF EDUCATION

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases			
2009	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A
2015	805,000	N/A	805,000	0.2089%	98
2016	743,000	N/A	743,000	0.1899%	90
2017	668,000	N/A	668,000	Not Available	81
2018	591,000	N/A	591,000	Not Available	Not Available

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

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

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

BLOOMINGDALE BOARD OF EDUCATION

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	805,000.00	-	805,000.00	0.1093%	98
2016	743,000.00	-	743,000.00	0.1012%	90
2017	668,000.00	-	668,000.00	0.0913%	81
2018	591,000.00	-	591,000.00	Not Available	Not Available

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

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

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

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

BLOOMINGDALE BOARD OF EDUCATION

Direct and Overlapping Governmental Activities Debt

As of June 30, 2018

<u>Governmental Unit</u>	<u>(1) Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Bloomingdale	8,694,750	100.000%	8,694,750
Other debt			
Passaic County Utility Authority - Borough's Share	48,950,000	1.787%	874,737
County of Passaic	356,654,874	1.787%	6,373,423
Subtotal, overlapping debt			15,942,909
Borough of Bloomingdale School District Direct Debt			<u>591,000</u>
Total direct and overlapping debt			<u>\$ 16,533,909</u>

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

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

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

(1) Debt Information as of December 31, 2017

BLOOMINGDALE BOARD OF EDUCATION

Legal Debt Margin Information,
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized valuation basis	
2015	796,430,874
2016	831,921,673
2017	850,245,586
[A]	\$ 2,478,598,133

Average equalized valuation of taxable property

[A/3] \$ 826,199,378

Debt limit (3% of average equalization value)

[B] 24,785,981 a

Net bonded school debt

[C] 591,000

Legal debt margin

[B-C] \$ 24,194,981

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 30,073,321	\$ 30,386,387	\$ 29,542,114	\$ 28,380,184	\$ 26,569,171	\$ 25,036,506	\$ 24,064,026	\$ 23,080,948	\$ 23,615,345	\$ 24,194,981
Total net debt applicable to limit										
Legal debt margin	\$ 30,073,321	\$ 30,386,387	\$ 29,542,114	\$ 28,380,184	\$ 26,569,171	\$ 25,036,506	\$ 23,259,026	\$ 22,337,948	\$ 22,947,345	\$ 23,603,981
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.35%	3.22%	2.83%	2.44%

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

BLOOMINGDALE BOARD OF EDUCATION

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

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2008	7,415	298,201,640.00	40,216	3.7%
2009	7,454	295,200,762.00	39,603	7.4%
2010	7,673	310,288,447.00	40,439	7.5%
2011	7,726	325,156,436.00	42,086	7.7%
2012	7,742	331,388,568.00	42,804	7.3%
2013	7,764	334,783,680.00	43,120	10.3%
2014	8,216	370,155,448.00	45,053	6.9%
2015	8,227	385,352,680.00	46,840	5.5%
2016	8,229	391,264,263.00	47,547	5.1%
2017	8,242	Not Available	Not Available	4.6%

Source:

- (1) U.S. Bureau of the Census, Population Division, (Estimates July 1, 2008-2017)
- (2) Personal income of the District is based on the County Information.
- (3) U.S. Department of Commerce, County Information 2007-2016.
- (4) NJ Dept of Labor.

BLOOMINGDALE BOARD OF EDUCATION

Principal Employers,
Current Year and Nine Years Ago

	2018			2009		
	Employers	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Employer						

No Data is available for this schedule.

BLOOMINGDALE BOARD OF EDUCATION

Full-time Equivalent District Employees by Function/Program,

Function/Program	Last Ten Fiscal Years									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction										
Regular	65	63	45	45	46	48	50	48	46	47
Special education	8	6	35	19	23	23	20	19	14	14
Other instruction	4	4	6	13	10	11	16	16	16	15
Support Services:										
Tuition										
Student & instruction related services	1	1		3	3	3	3	3	3	3
General administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	4	3	4	5	5	5	4	4	4	4
Business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	2	3	4	8	8	7	5	5	2	2
Pupil transportation	3	3	3	3	3	3	2			
Total	92	88	102	101	103	105	105	100	90	90

Source: District Personnel Records

BLOOMINGDALE BOARD OF EDUCATION

Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2009	633	16,015,833	25,301	-2.50%	57	1:11.5	1:10.4	632.0	605.0	-0.50%	95.73%
2010	610	16,748,178	27,456	2.22%	54	1:11	1:12	615.0	589.0	-2.69%	95.77%
2011	627	16,676,667	26,598	-3.13%	57	1:11.7	1:10.2	628.0	601.0	2.03%	95.70%
2012	616	17,123,064	27,797	4.51%	58	1:8.9	1:10.2	611.0	586.0	-2.71%	95.91%
2013	618	17,341,293	28,060	0.95%	57	1:8.8	1:9.1	614.0	584.0	0.49%	95.11%
2014	612	18,098,325	29,572	5.39%	59	1:11	1:11	607.0	579.0	-1.14%	95.39%
2015	600	19,226,346	32,044	8.36%	59	1:13	1:12	592.0	573.0	-2.47%	96.79%
2016	605	18,794,672	31,066	-3.05%	56	1:10.9	1:10.6	582.0	561.0	-1.69%	96.39%
2017	551	20,456,140	37,125	19.51%	57	1:9.5	1:12	527.5	513.2	-9.36%	97.29%
2018	532	20,259,218	38,081	2.57%	57	1:9.1	1:10	530.1	521.9	0.49%	98.45%

Sources: District records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay

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

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

BLOOMINGDALE BOARD OF EDUCATION

School Building Information

		Last Ten Fiscal Years									
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>District Building</u>											
<u>Elementary</u>											
Martha B. Day											
Square Feet		28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198
Capacity (students)		216	216	216	216	216	216	216	216	216	216
Enrollment		160	152	152	139	139	154	154	154	154	117
<u>Elementary</u>											
Samuel R. Donald											
Square Feet		36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588
Capacity (students)		257	257	257	257	257	257	257	257	257	257
Enrollment		202	210	210	199	199	189	189	189	189	172
<u>Middle School</u>											
Walter T. Bergen											
Square Feet		55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965
Capacity (students)		399	399	399	399	399	399	399	399	399	399
Enrollment		275	248	248	278	278	269	269	269	269	246

Number of Schools at June 30, 2017

Elementary = 2

Middle School = 1

Source: District Facilities Office

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

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

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

School Facilities*	Project # (s)	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Martha B. Day School	N/A	41,376	14,587	19,656	17,798	8,994	34,484	27,685	26,186	\$ 25,023	\$ 22,162
Samuel R. Donald School	N/A	46,638	19,277	15,902	44,612	15,558	36,142	31,529	33,838	29,952	22,761
Walter T. Bergen School	N/A	74,809	15,203	9,994	88,033	39,609	33,590	43,403	52,749	32,531	36,537
Total School Facilities		162,823	49,067	45,552	150,443	64,161	104,216	102,617	112,773	87,506	81,460

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

Source: District Records

BLOOMINGDALE BOARD OF EDUCATION
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED

<u>Package Policy - American Guarantee and Liability Insurance Company</u>	<u>Limit</u>	<u>Deductible</u>
Policy CPO 3701598-12 & BAP 3701599-12		
<u>Property & Casualty</u>		
Building & Contents including Equipment Breakdown	\$ 26,230,625	\$ 5,000
Employee Dishonesty including Faithful Performance	\$ 500,000	\$ 5,000
Forgery or Alteration	\$ 50,000	\$ 1,000
Business Income with Extra Expense	\$ 5,000,000	
Limited Pollution Liability Extension	\$ 1,000,000	
Ordinance or Law Coverage B&C	\$ 3,500,000	\$ 5,000
Form C Loss (Inside) Money & Securities	\$ 50,000	\$ 1,000
EDP Equipment Coverage	\$ 2,500,000	\$ 5,000
Earthquake- Blanket Coverage	\$ 5,000,000	5% of Limit
Flood (Outside Zones A,V or B)	\$ 5,000,000	\$ 50,000
(Zone B)	\$ 2,000,000	\$ 100,000
(Zones A or V)	\$ 1,000,000	\$ 500,000
Commerical Automobile Liability	\$ 1,000,000	
Towing & Labor	\$ 5,000	\$ 25
Comprehensive & Collision	Symbol 7 & 8	\$ 1,000
Commercial General Liability:		
Per Occurrence	\$ 1,000,000	
Personal and Advertising Injury Limit	\$ 1,000,000	
Damage to Rented Premises	\$ 1,000,000	
Product/Completed Operations Aggregate	\$ 3,000,000	
General Aggregate - Policy Limit	\$ 3,000,000	
Medical Expenses	\$ 10,000	
Employee Benefits Liability	\$ 1,000,000	
<u>Excess Liability- Fireman's Fund</u>	\$ 50,000,000	\$ 10,000
Policy- SHX-000-245-46541		
<u>School Board Legal Liability E & O - Greenwich Insurance Company</u>		
Policy-ELL0950347	\$ 1,000,000	
Insuring Agreement A & C		\$ 10,000
Insuring Agreement B		\$ 20,000
<u>Public Official Bonds- CNA Surety & Selective Insurance</u>		
Bond # 70543706 & 70099309 & B1193691		
Sherry Lisa Gallagher - Treasurer - 70543706	\$ 300,000	N/A
George Hagl - Bus. Adm/Brd. Sec. - 70099309	\$ 150,000	
Vincent Occhino - Bus. Admin/Brd. Sec. B1193691	\$ 150,000	
<u>Technology E&O - Indian Harbor Insurance Company</u>		
Policy- MTP004157205		<u>Retention</u>
Combined Policy Aggregate Limit	\$ 4,000,000	
Self-Insured - Retention		\$ 25,000

BLOOMINGDALE BOARD OF EDUCATION
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED

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

Claims Made Form	<u>Limit</u>	<u>Retention</u>
Policy- PPL-G27064607006		
Each Occurrence	\$ 1,000,000	
Self-Insured - Retention		\$ 25,000
Program Aggregate	\$ 10,000,000	

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

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

Volunteer Accident - QBC Insurance Corporation

Policy- FHH 030022	
Medical Maximum	\$ 10,000.00

SINGLE AUDIT SECTION

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Bloomingdale School District, in the County of Passaic, New Jersey, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 23, 2019.

Internal Control Over Financial Reporting

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

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

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

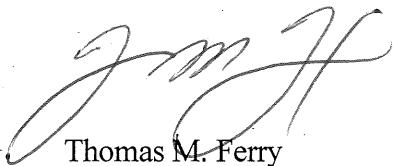
Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Borough of Bloomingdale School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated January 23, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Thomas M. Ferry
Licensed Public School Accountant
No. 20CS00209100

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

Newton, New Jersey
January 23, 2019

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

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

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

Report on Compliance for Each Major State Program

We have audited the Board of Education of the Borough of Bloomingdale School District in the County of Passaic, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Bloomingdale Board of Education's major state programs for the fiscal year ended June 30, 2018. The Borough of Bloomingdale Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough of Bloomingdale Board of Education's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08. These statements, the Uniform Guidance and N.J. OMB 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test

basis, evidence about the Borough of Bloomingdale Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the Borough of Bloomingdale Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2018.

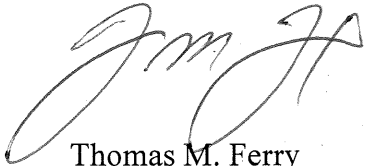
Report on Internal Control Over Compliance

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

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

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

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



Thomas M. Ferry
Licensed Public School Accountant
No. 20CS00209100
Ferraioli, Wielkotz, Cerullo & Cuva, P.A.
Ferraioli, Wielkotz, Cerullo & Cuva, P.A.
Certified Public Accountants

Newton, New Jersey

January 23, 2019

Bloomington Board of Education
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ending June 30, 2018

Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From / To	June 30, 2017				June 30, 2018				MEMO Cumulative Total Expenditures	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor at	Carryover/ Adjustments	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue		Due to Grantor at
U.S. Department of Education														
Passed - through State Department of Education:														
General Fund:														
U.S. Department of Health and Human Services:	93.778	N/A	21,738.83	7/1/17-6/30/18										21,738.83
Medicaid Assistance Program	93.778	N/A	24,182.97	7/1/16-6/30/17	(4,999.93)			4,999.93						24,182.97
Total General Fund					(4,999.93)	-	-	4,999.93						45,921.80
U.S. Department of Agriculture														
Passed - through State Department of Education:														
Enterprise Fund:														
U.S.D.A. Commodities Program	10.550	N/A	16,111.67	7/1/17-6/30/18		2,476.18								16,111.67
National School Lunch Program	10.555	N/A	67,668.66	7/1/17-6/30/18								2,224.98		67,668.66
National School Lunch Program	10.555	N/A	68,957.26	7/1/16-6/30/17	(5,973.90)						(5,158.64)			68,957.26
School Breakfast Program	10.553	N/A	1,735.77	7/1/17-6/30/18						(1,101.29)			324.76	1,101.29
School Breakfast Program	10.553	N/A	914.33	7/1/16-6/30/17			634.48				(634.48)			914.33
Total Enterprise Fund					(5,973.90)	2,476.18	634.48	-		85,770.44	(85,516.10)	2,224.98	324.76	154,753.21
U.S. Department of Education														
Passed - through State Department of Education:														
Special Revenue Fund:														
Title I - Improving Basic Programs	84.010A	NCLB0420-18	136,665.00	9/1/17-8/31/18										136,665.00
Title II - A - Teacher & Principal Training/Recruiting	84.367A	NCLB0420-18	20,603.00	9/1/17-8/31/18										20,603.00
Title IV - Student Support & Academic Enrichment	84.424	NCLB0420-18	10,000.00	9/1/17-8/31/18										10,000.00
I.D.E.A. Part B, Basic Regular	84.027	IDEA0420-18	191,487.00	9/1/17-8/31/18										191,487.00
I.D.E.A. Part B, Preschool	84.173	IDEA0420-18	6,962.00	9/1/17-8/31/18										6,962.00
Total Special Revenue Fund										365,717.00	(365,717.00)			365,717.00
Total Federal Financial Awards					(10,973.83)	2,476.18	634.48	4,999.93		473,226.27	(472,971.93)	2,224.98	324.76	556,392.01

Bloomington Board of Education
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ending June 30, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From / To	Balance June 30, 2017		Cash Received	Budgetary Expenditures	Balance June 30, 2018 (Accounts Receivable)	MEMO		
				Unearned Revenue (Accts Receivable)					Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education:											
General Fund:											
Special Education Categorical Aid	18-495-034-5120-089	557,300.00	7/1/17-6/30/18	-	-	505,084.98	(557,300.00)	-	*	(52,215.02)	557,300.00
Equalization Aid	18-495-034-5120-078	1,258,651.00	7/1/17-6/30/18	-	-	1,140,724.41	(1,258,651.00)	-	*	(117,926.59)	1,258,651.00
Security Aid	18-495-034-5120-084	16,458.00	7/1/17-6/30/18	-	-	14,916.00	(16,458.00)	-	*	(1,542.00)	16,458.00
Transportation Aid	18-495-034-5120-014	68,641.00	7/1/17-6/30/18	-	-	62,209.83	(68,641.00)	-	*	(6,431.17)	68,641.00
Additional Adjustment Aid	18-495-034-5120-085	56,460.00	7/1/17-6/30/18	-	-	51,170.10	(56,460.00)	-	*	(5,289.90)	56,460.00
PARCC Readiness Aid	18-495-034-5120-098	8,670.00	7/1/17-6/30/18	-	-	7,857.69	(8,670.00)	-	*	(812.31)	8,670.00
Per Pupil Growth Aid	18-495-034-5120-097	8,670.00	7/1/17-6/30/18	-	-	7,857.69	(8,670.00)	-	*	(812.31)	8,670.00
Professional Learning Community Aid	18-495-034-5120-101	8,510.00	7/1/17-6/30/18	-	-	7,803.30	(8,610.00)	-	*	(806.70)	8,610.00
Extraordinary Special Education Aid	18-100-034-5120-473	545,063.00	7/1/17-6/30/18	-	-	535,498.00	-	(545,063.00)	*	-	545,063.00
Extraordinary Special Education Aid	17-100-034-5120-473	535,498.00	7/1/16-6/30/17	(535,498.00)	-	535,498.00	-	-	*	-	535,498.00
Non-Public Transportation Aid	18-495-034-5120-014	30,450.00	7/1/17-6/30/18	-	-	19,314.00	(30,450.00)	(30,450.00)	*	-	30,450.00
Non-Public Transportation Aid	17-495-034-5120-014	19,314.00	7/1/16-6/30/17	(19,314.00)	-	19,314.00	-	-	*	-	19,314.00
On-Behalf TPAF Pension	18-495-034-5094-002	617,503.00	7/1/17-6/30/18	-	-	617,503.00	(617,503.00)	-	*	-	617,503.00
On-Behalf TPAF NCGI Premium	18-495-034-5094-004	14,985.00	7/1/17-6/30/18	-	-	14,985.00	(14,985.00)	-	*	-	14,985.00
On-Behalf TPAF LTDI Contribution	18-495-034-5094-004	570.00	7/1/17-6/30/18	-	-	570.00	(570.00)	-	*	-	570.00
On-Behalf TPAF Post Retirement Medical	18-495-034-5094-001	408,511.00	7/1/17-6/30/18	-	-	408,511.00	(408,511.00)	-	*	-	408,511.00
Reimbursed TPAF Social Security	18-495-034-5094-003	315,483.47	7/1/17-6/30/18	-	-	299,617.37	(315,483.47)	(15,866.10)	*	-	315,483.47
Reimbursed TPAF Social Security	17-495-034-5094-003	314,100.00	7/1/16-6/30/17	(15,712.45)	-	15,712.45	-	-	*	-	314,100.00
Total General Fund				(570,524.45)	3,709,334.82	(3,916,025.47)		(591,379.10)	*	(185,836.00)	4,784,937.47
Capital Projects Fund:											
New Jersey School Development Auth.	0420-020-13-7001	16,597.00	N/A	(16,597.00)	-	-	-	(16,597.00)	*	-	-
New Jersey School Development Auth.	0420-020-13-7002	4,129.00	N/A	(4,129.00)	-	-	-	(4,129.00)	*	-	-
New Jersey School Development Auth.	0420-020-13-7003	30,431.00	N/A	(30,431.00)	-	-	-	(30,431.00)	*	-	-
New Jersey School Development Auth.	0420-020-13-7004	237,820.00	N/A	(237,820.00)	-	-	-	(237,820.00)	*	-	-
New Jersey School Development Auth.	0420-050-13-11005	243,133.00	N/A	(243,133.00)	-	-	-	(243,133.00)	*	-	-
New Jersey School Development Auth.	0420-050-13-11007	4,670.00	N/A	(4,670.00)	-	-	-	(4,670.00)	*	-	-
Total Special Revenue Fund				(536,780.00)	-	-	-	(536,780.00)	*	-	-
State Department of Agriculture:											
Enterprise Fund:											
State School Lunch Program	18-100-010-3350-023	2,316.68	7/1/17-6/30/18	-	-	2,135.15	(2,316.68)	(181.53)	*	-	2,316.68
State School Lunch Program	17-100-010-3350-023	2,083.95	7/1/16-6/30/17	(183.63)	-	183.63	-	-	*	-	2,083.95
Total Enterprise Fund				(183.63)	2,318.78	(2,316.68)		(181.53)	*	-	4,400.63
Total State Financial Assistance				(1,107,488.08)	3,711,653.60	(3,918,342.15)		(1,128,340.63)	*	(185,836.00)	4,789,338.10
Less: On-Behalf TPAF Pension & Annuity Aid											
				-	1,041,569.00	(1,041,569.00)		-	-	-	1,041,569.00
Total For State Financial Assistance Determination				(1,107,488.08)	2,670,084.60	(2,876,773.15)		(1,128,340.63)		(185,836.00)	3,747,769.10

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

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include the activity of all federal and state award programs of the Board of Education, Bloomingdale Borough School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2 (C) and 2(D) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08. Therefore, some amounts presented in this schedule may differ in amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(1,385.00) for the general fund and \$-0- for the special revenue fund. See (Note 1) Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (continued)

Additionally, as discussed further in Note 5, the State of New Jersey makes contributions on-behalf of the District for TPAF post-retirement medical and pension contributions. The total amount of these contributions during 2018 fiscal year was \$1,041,569.00.

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$21,738.83	\$3,916,025.47	\$3,937,764.30
Special Revenue Fund	365,717.00	0.00	365,717.00
Food Service Fund	<u>85,767.30</u>	<u>2,316.68</u>	<u>88,083.98</u>
Total Awards and Financial Assistance	<u>\$473,223.13</u>	<u>\$3,918,342.15</u>	<u>\$4,391,565.28</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2018. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2018.

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

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

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

NOTE 7. SCHOOLWIDE PROGRAM FUNDS - (applicable to school districts only)

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

<u>Program</u>	<u>Total</u>
Title I, Part A: Grants to Local Educational Agencies	\$136,665.00
Title II, Part A: Improving Teacher Quality State Grants	20,603.00
Title IV: Student Support and Academic Enrichment	<u>10,000.00</u>
Total	<u>\$167,268.00</u>

NOTE 8. INDIRECT COST RATE

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? yes X

Federal Awards

NOT APPLICABLE

State Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

- 1) Material weakness(es) identified? yes X no
2) Significant deficiencies identified that are
not considered to be material weaknesses? yes X none reported

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

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

State Awards (continued)

Identification of major state programs:

<u>STATE GRANT/PROJECT NUMBER(S)</u>	<u>NAME OF STATE PROGRAM</u>
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State Aid Public Cluster:

<u>18-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>18-495-034-5120-089</u>	<u>Special Ed Categorical</u>
<u>18-495-034-5120-084</u>	<u>Security Aid</u>
<u>18-495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>18-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>18-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>18-495-034-5120-085</u>	<u>Additional Adjustment Aid</u>

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINANCIAL, FEDERAL AND STATE FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Section II - Schedule of Financial Statement Findings

NONE

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

No matters were reported.

**BLOOMINGDALE BOROUGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Status of Prior Year Findings

There were no prior audit findings.