

BOGOTA BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Bogota, New Jersey

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
of the
Bogota Board of Education
Bogota, New Jersey
For The Fiscal Year Ended June 30, 2018**

**Prepared by
Business Office**

**BOGOTA BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

Letter of Transmittal	1-5
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8

FINANCIAL SECTION

Independent Auditor's Report	9-11
------------------------------	------

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis	12-21
--------------------------------------	-------

Basic Financial Statements

A. District-wide Financial Statements

A-1 Statement of Net Position	22
A-2 Statement of Activities	23

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	24
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	25
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the District-Wide Statements	26

Proprietary Funds

B-4 Statement of Net Position	27
B-5 Statement of Revenues, Expenses, and Changes in Net Position	28
B-6 Statement of Cash Flows	29

Fiduciary Funds

B-7 Statement of Fiduciary Net Position	30
B-8 Statement of Changes in Fiduciary Net Position	31

Notes to the Financial Statements	32-74
--	-------

**BOGOTA BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

C-1	Budgetary Comparison Schedule – General Fund	75-80
C-2	Budgetary Comparison Schedule – Special Revenue Fund	81
C-3	Budgetary Comparison Schedule – Notes to the Required Supplementary Information	82

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions

L-1	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	83
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	84
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	85
L-4	Notes to Required Supplementary Information	86
L-5	Required Supplementary Information – Schedule of Changes in the District’s Proportionate Share of Total OPEB Liability	87
L-6	Notes to Required Supplementary Information	88

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules – Not Applicable

E. Special Revenue Fund

E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund – Budgetary Basis	89-90
E-2	Schedule of Preschool Education Aid – Budgetary Basis – Not Applicable	

F. Capital Projects Fund

F-1	Summary Schedule of Project Expenditures	91
F-2	Summary Schedule of Revenues and Expenditures and Changes in Fund Balance – Budgetary Basis	92
F-2A-	Schedule of Project Revenues, Expenditures, Project Balance and Project Status –	
F-2L	Budgetary Basis	93-104

**BOGOTA BOARD OF EDUCATION
TABLE OF CONTENTS**

		<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION (Continued)		
G.	Proprietary Funds	
	<i>Enterprise Fund</i>	
G-1	Combining Schedule of Net Position – Not Applicable	105
G-2	Combining Schedule of Revenues, Expenses and Changes in Net Position – Not Applicable	105
G-3	Combining Schedule of Cash Flows – Not Applicable	105
H.	Fiduciary Funds	
H-1	Combining Schedule of Agency Assets and Liabilities	106
H-2	Schedule of Changes in Net Position – Not Applicable	107
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	107
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	108
I.	Long-Term Debt	
I-1	Schedule of Serial Bonds	109
I-2	Debt Service Fund Budgetary Comparison Schedule	110
J.	STATISTICAL SECTION (Unaudited)	
J-1	Net Position by Component	111
J-2	Changes in Net Position	112-113
J-3	Fund Balances – Governmental Funds	114
J-4	Changes in Fund Balances – Governmental Funds	115
J-5	General Fund Other Local Revenue by Source	116
J-6	Assessed Value and Actual Value of Taxable Property	117
J-7	Property Tax Rates	118
J-8	Principal Property Taxpayers	119
J-9	Property Tax Levies and Collections	120
J-10	Ratios of Outstanding Debt by Type	121
J-11	Ratios of Net General Bonded Debt Outstanding	122
J-12	Computation of Direct and Overlapping Governmental Activities Debt	123
J-13	Legal Debt Margin Information	124
J-14	Demographic Statistics	125
J-15	Principal Employers	126
J-16	Full Time Equivalent District Employees by Function/Program	127
J-17	Operating Statistics	128
J-18	School Building Information	129
J-19	Schedule of Required Maintenance for School Facilities	130
J-20	Schedule of Insurance	131

**BOGOTA BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

K. SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	132-133
K-2	Report on Compliance for each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 – Independent Auditor’s Report	134-136
K-3	Schedule of Expenditures of Federal Awards	137
K-4	Schedule of Expenditures of State Financial Assistance	138-139
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	140-141
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	142-143
K-7	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	144
K-7	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	145-146
K-8	Summary Schedule of Prior Year Findings	147

INTRODUCTORY SECTION

BOGOTA PUBLIC SCHOOLS

Administrative Offices

One Henry C. Luthin Place, Bogota, New Jersey 07603
(201) 441-4800 Fax (201) 489-5759

January 19, 2019

Honorable President and
Members of the Board of Trustees
Bogota Board of Education
Bogota, New Jersey

Dear Board Members and Citizens of Bogota:

The Comprehensive Annual Financial Report of the Bogota Board of Education 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 Board. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the respective changes in financial position of the basic financial statements. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the "Independent Auditor's Report".

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditor's report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements. The basic financial statements also include individual financial statements; notes to the financial statements and required supplemental information (RSI). 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 and the U.S. Uniform Guidance and the State of Treasury Circular OMB 15-08. Information related to this single audit, including the auditors' 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 District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2017-2018 fiscal year with an average daily enrollment of students, which is greater than the previous year's enrollment.

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2017-18	1,116	1.73%
2016-17	1,097	(4.02)%
2015-16	1,143	4.86%
2014-15	1,090	(1.45)%
2013-14	1,106	(4.49)
2012-13	1,158	(0.43)
2011-12	1,163	(0.43)
2010-11	1,168	1.13
2009-10	1,155	(3.67)
2008-09	1,199	.33

2) **ECONOMIC CONDITION AND OUTLOOK:** The Borough of Bogota is fully developed. The existing number of businesses in the Borough has remained relatively stable. The residential area of the School District has experienced a turnover from homes with few school-aged children to families with two to three students. Due to strong budget controls and best practices, Fund Balance will be available for taxpayer relief in the 2018-2019 and 2019-2020 Budget cycles.

3) **MAJOR INITIATIVES:**

The Board adopted the following goals and objectives for the 2017-2018 school year.

GOAL #1: To continue to improve student test scores and prepare for the PARCC ASSESSMENT in grades three through 12 in the areas of Language Arts and Mathematics, Science in grades four and eight, Biology in grade 10, and Algebra and Algebra II at the HS. To assess the NJ Common Core Standards through detailed assessments and evaluation of student test scores and portfolio assessments. With the implementation of the Marzano Evaluation Model, the following will take place: (a) development of testing models that reflect the character of questions prevalent on PARCC, (b) teachers will implement the Common Core State Standards and understand how those standards apply to instruction, (c) curriculum maps will be developed that ensure that content is being disseminated in a manner that encompasses instruction relevant to PARCC, (d) accurate development of comprehensive lesson plans will reflect the NJ Model Curriculum and curriculum mapping, test questions will mirror examples from the PARCC assessment.

OBJECTIVES:

- (1) To continue to conduct a statistical analysis of student test scores on the PARCC.
- (2) To continue to assess each student's test score in grades three through six by comparing test scores for specific teachers.
- (3) To continue to conduct a detailed statistical analysis of student test scores on the PARCC
- (4) To continue to conduct an assessment of the Common Core State Standards and update Curriculum Maps to reflect current standards.
- (5) To continue to monitor curriculum maps and lesson plans to ensure that the proper instruction is being disseminated to students aligned with the PARCC format and the types of questioning examples being implemented.
- (6) To continue to ensure that all practice materials are provided and are being used on a regular basis as part of each student's education.

3) MAJOR INITIATIVES: (Continued)

- (7) To continue to schedule professional development meetings between administrators and teachers disseminating student test results portraying areas of identified student and group deficiency for the purpose of frontloading instructional topics for successful performance on PARCC.
- (8) To continue to share successful teaching strategies with the professional staff relative to various topics on PARCC.
- (9) To continue to develop benchmark assessments for students periodically for the purpose of assessing student progress, and to continue to reevaluate and revise instruction to ensure students are grasping concepts needed to successfully perform on PARCC.
- (10) To continue to provide assistance to teachers whose students have not met standards.
- (11) To continue to assist teachers in the development of test models that reflect the types and character of questions prevalent on PARCC.
- (12) To provide professional development opportunities for PARCC requirements.
- (13) In the area of Language Arts, to continue to provide assignments, and writing tasks that focus on PARCC and to create such assignments that test data has identified as student deficiencies.
- (14) In the area of Mathematics, to continue to provide assignments, and problem solving examples that focus on PARCC, and to create such assignments that test data has identified as “student deficient.”
- (15) To continue to hold teachers accountable:
 - A. for their responsibility in researching the Common Core State Standards in an ongoing manner, resulting in their effective implementation of instruction;
 - B. for creating updated curriculum maps and lesson plans that encompass all the standards;
 - C. to provide a program of instruction that utilizes the PARCC components, its types of questioning styles, and subject areas as a daily part of each teacher’s instruction plan.
 - D. for proper planning, to formulate clear and concise goals and objectives for each lesson, for effective monitoring of student learning and the deployment of strategies to assess student learning during the lesson.

GOAL #2: To implement a videography program for students at Bogota High School and to broadcast productions through multiple venues of communication.

ASSESSMENT: In today’s day and age, with the continued development of technology and communication, there exists an essential need for students to be educated in the area of; video production, broadcasting, editing video and sound, public speaking, effective writing skills, and planning.

OBJECTIVES:

- (1) To implement a course entitled Videography for high school students. Students will receive 5 credits.
- (2) Elements included in the course; collaboration, public speaking, interviewing, news reporting and broadcasting, storyboarding, script writing, filming, video and sound editing, planning, production and multimedia uploading.
- (3) To develop a YOUTUBE Bogota webpage for the purpose of broadcasting video productions.
- (4) To develop a separate Bogota Page for posting video productions.
- (5) To create a studio complete with sets, lighting, sound recording, switchable cameras, and green screen for creating programs.
- (6) To integrate the district website, a district mobile app, Bogota Videography Page and YOUTUBE page simultaneously with all productions.
- (7) To create stimulating programming content that will focus on relevant issues within the lives of students, i.e. students activities and programming within the school, short films, studio and “on the spot” reporting, morning announcements “live”, etc.

PROJECTS

All water systems for all school buildings were tested on May 2017 and determined to be lead free as a result of the report dated May 30, 2017. Several safety and security upgrades were completed. Bogota Jr./Sr. High School had new security camera systems. Lilian M. Steen Elementary school sidewalks were repaired. New HVAC unit were installed at E. Roy Bixby elementary School media center. A new playground was completed by using the space behind Bogota Jr./Sr. High School. The boilers at all three buildings were updated and asbestos abatement completed in boiler room at

Bogota HS. HS gym had new floor, wall mats, bleachers and banners. HS Weight room has new equipment, floor and dividing door. Biology rooms at HS were updated.

Summer projects will be upgrading informational technology infrastructure and security camera systems, installing new door access systems, completion of lintel replacements at E. Roy Bixby Elementary School and completion of site improvement at Bogota Jr./Sr. High School which includes additional parking spaces, new fencing, paving, retaining walls stairs and plantings with placing all utility wires underground.

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

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

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

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, the Special Revenue Fund, and the Debt Service Fund. The final Budget amount as amended for the fiscal year is reflected in the budgetary comparison schedules of the required supplementary information.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of Fund Balance in the subsequent year. Those amounts to be reappropriated are reported as committed or assigned fund balance at June 30, 2018.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements".

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by State Statute as detailed in "Notes to the Financial Statements". The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to General Liability, Automobile Liability and Comprehensive/Collision, Hazard and Theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on J-20.

9) OTHER INFORMATION: Independent Audit - State Statutes require an annual audit by independent Certified Public Accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Higgins, LLP, CPAs was selected by the Board, approved at the Organization Meeting and posted on the District website. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on

the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the Single Audit are included in the Single Audit Section of this Report.

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

Respectfully submitted,



Damian Kennedy
Superintendent of Schools



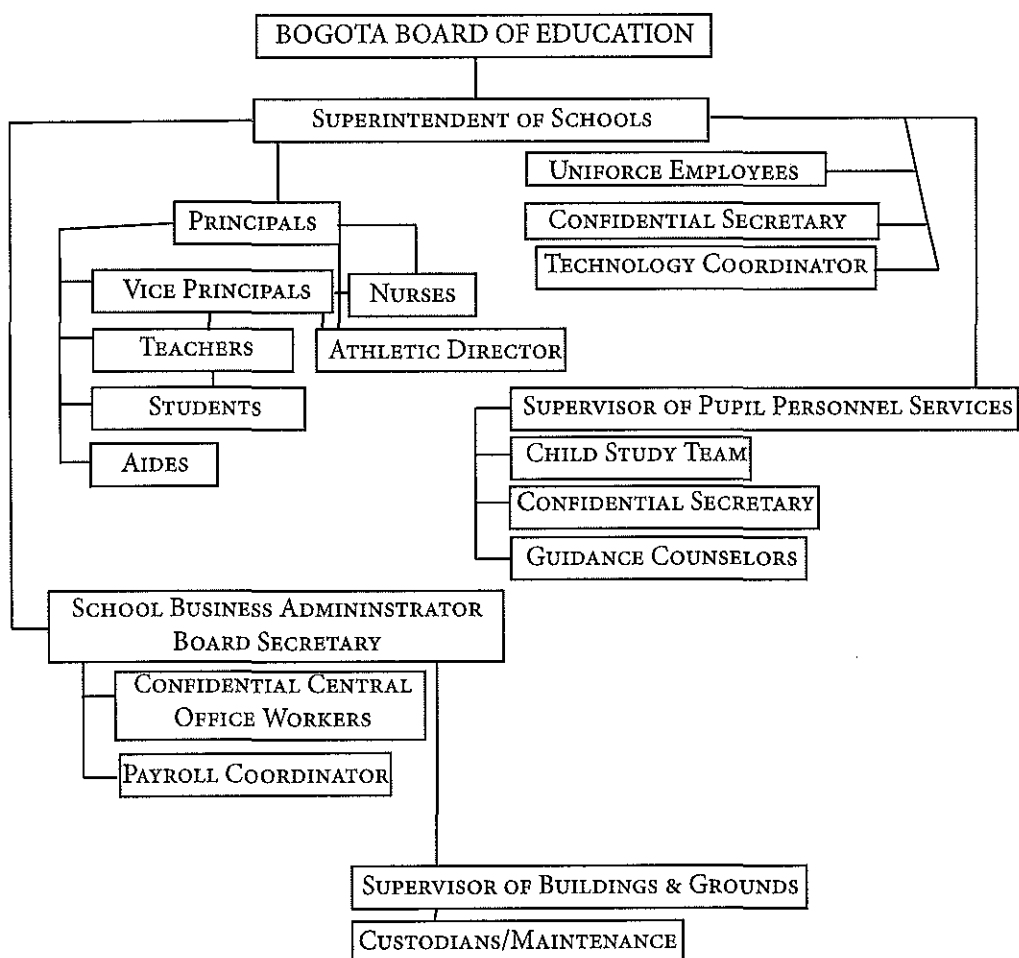
Irfan Evcil
Business Administrator/Board Secretary

POLICY

BOGOTA BOARD OF EDUCATION – BOROUGH OF BOGOTA

ADMINISTRATION
 1110/page 1 of 1
 Organizational Chart
 December 2017

1110 ORGANIZATIONAL CHART



**BOGOTA BOARD OF EDUCATION
ROSTER OF OFFICIALS
AS OF JUNE 30, 2018**

Members of the Board of Education

Lisa Kohles, President

Amanda Montgomery, Vice President

Jacqueline DeVore

Eileen Lewis

Patrick McHale

Maureen Miller

James Moore

Charles Severino

Katherine Van Buren

Other Officials

Vincent Varcadipane, Interim Superintendent of Schools

Irfan Evcil, School Business Administrator/Board Secretary

**BOGOTA BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

BOARD AUDITOR

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

BOARD ATTORNEY

Nathanya G. Simon
Scarinci & Hollenbeck LLC
1100 Valley Brook Avenue
Lyndhurst, New Jersey 07071

Stefani C. Schwartz
Weiner Law Group LLP
629 Parsippany Road
Parsippany, New Jersey 07054

OFFICIAL DEPOSITORY

Valley National Bank
Government Banking Services
1460 Valley Road
Wayne, New Jersey 07470

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bogota Board of Education
Bogota, New Jersey

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Emphasis of Matter

Adoption of New Accounting Pronouncement

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

Other Matters

Required Supplementary Information

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

Other Information

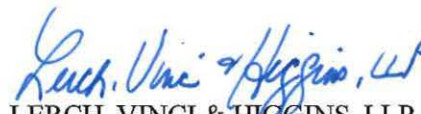
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bogota Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section,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


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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 18, 2019 on our consideration of the Bogota 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 the effectiveness of the Bogota Board of Education’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bogota Board of Education’s internal control over financial reporting and compliance.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 18, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Financial Highlights

Key financial highlights for 2017/18 are as follows:

- The assets and deferred outflows of resources of the Bogota Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$12,078,515. (Net Position)
- The District's total net position increased by \$538,856.
- Overall District revenues were \$28,789,692. General revenues accounted for \$20,141,906 or 70% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8,647,786 or 30% of total revenues.
- The school district had \$27,775,724 in expenses for governmental activities; only \$8,151,720 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$20,139,883 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$4,022,284.
- The General Fund fund balance at June 30, 2018 was \$3,014,604, a decrease of \$1,257,280 compared to the ending fund balance at June 30, 2017 of \$4,271,884.
- The General Fund unassigned budgetary fund balance at June 30, 2018 was \$582,434, which represents an increase of \$65,052 compared to the ending unassigned budgetary fund balance at June 30, 2017 of \$517,382.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 that the reader can understand the District as 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 entire District, presenting both an aggregate view of the 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 show how services were financed in the short-term as well as what remains for future spending. The fund financial statements present significant funds with all other non-major funds presented in one total column. The General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document reports on all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2017/18?" The Statement of Net Position and the Statement of Activities answer that question. These statements include all assets (and deferred outflows of resources) and liabilities (and deferred inflows of resources) using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting recognizes 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 net position. This change is important because it tells the reader that, for the school district as a whole, its financial position improved or diminished. The causes of this change may be the result of many factors. Non-financial factors include the 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 District is divided into two distinct kinds of activities:

- **Governmental Activities** – All programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activity** – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service Program Enterprise Fund is reported as a business activity.

BOGOTA BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

Reporting the District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the District's funds. The District's governmental funds include General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The District's activities are reported in governmental funds. 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 District's general government operations and the basic services it provides. Governmental Fund information helps the reader 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 used the same basis of accounting as business-type activities; therefore, these statements are essentially the same as the District-wide statements.

The District as a Whole

The Statement of Net Position provides one perspective of the District as a whole.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

A summary of the District's net position as of June 30, 2018 and 2017 is as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u> <u>(Restated)</u>	<u>2018</u>	<u>2017</u> <u>(Restated)</u>
ASSETS						
Current and Other Assets	\$ 4,574,421	\$ 7,590,387	\$ 123,331	\$ 85,045	\$ 4,697,752	\$ 7,675,432
Capital Assets	<u>12,927,735</u>	<u>12,065,447</u>	<u>21,039</u>	<u>17,343</u>	<u>12,948,774</u>	<u>12,082,790</u>
Total Assets	<u>17,502,156</u>	<u>19,655,834</u>	<u>144,370</u>	<u>102,388</u>	<u>17,646,526</u>	<u>19,758,222</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts on Refunding of Debt	93,724	120,182			93,724	120,182
Deferred Amounts on Net Pension Liability	<u>637,238</u>	<u>1,053,765</u>	<u>-</u>	<u>-</u>	<u>637,238</u>	<u>1,053,765</u>
Total Deferred Outflows of Resources	<u>730,962</u>	<u>1,173,947</u>	<u>-</u>	<u>-</u>	<u>730,962</u>	<u>1,173,947</u>
Total Assets and Deferred Outflows of Resources	<u>18,233,118</u>	<u>20,829,781</u>	<u>144,370</u>	<u>102,388</u>	<u>18,377,488</u>	<u>20,932,169</u>
LIABILITIES						
Long-Term Liabilities	4,951,555	6,591,555			4,951,555	6,591,555
Other Liabilities	<u>607,687</u>	<u>2,776,371</u>	<u>43,589</u>	<u>22,167</u>	<u>651,276</u>	<u>2,798,538</u>
Total Liabilities	<u>5,559,242</u>	<u>9,367,926</u>	<u>43,589</u>	<u>22,167</u>	<u>5,602,831</u>	<u>9,390,093</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Amounts on Net Pension Liability	696,142				696,142	-
Deferred Commodities Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,417</u>	<u>-</u>	<u>2,417</u>
Total Deferred Inflows of Resources	<u>696,142</u>	<u>-</u>	<u>-</u>	<u>2,417</u>	<u>696,142</u>	<u>2,417</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,255,384</u>	<u>9,367,926</u>	<u>43,589</u>	<u>24,584</u>	<u>6,298,973</u>	<u>9,392,510</u>
NET POSITION						
Net Investment in Capital Assets	9,798,605	8,400,116	21,039	17,343	9,819,644	8,417,459
Restricted	2,311,853	3,107,864			2,311,853	3,107,864
Unrestricted	<u>(132,724)</u>	<u>(46,125)</u>	<u>79,742</u>	<u>60,461</u>	<u>(52,982)</u>	<u>14,336</u>
Total Net Position	<u>\$ 11,977,734</u>	<u>\$ 11,461,855</u>	<u>\$ 100,781</u>	<u>\$ 77,804</u>	<u>\$ 12,078,515</u>	<u>\$ 11,539,659</u>

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The changes in net position for fiscal years ended June 30, 2018 and 2017 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017 (Restated)	2018	2017 (Restated)
REVENUES						
Program Revenues						
Charges for Services	\$ 79,483	\$ 35,648	\$ 206,287	\$ 230,175	\$ 285,770	\$ 265,823
Operating Grants and Contributions	8,057,872	7,877,275	289,779	297,283	8,347,651	8,174,558
Capital Grants and Contributions	14,365				14,365	-
General Revenues						
Property Taxes	15,097,761	14,811,628			15,097,761	14,811,628
State and Federal Aid- Unrestricted/Restricted	4,899,186	4,773,016			4,899,186	4,773,016
Other	<u>142,936</u>	<u>80,489</u>	<u>2,023</u>	<u>894</u>	<u>144,959</u>	<u>81,383</u>
Total Revenues	<u>28,291,603</u>	<u>27,578,056</u>	<u>498,089</u>	<u>528,352</u>	<u>28,789,692</u>	<u>28,106,408</u>
PROGRAM EXPENSES						
Instruction	18,558,780	17,792,513			18,558,780	17,792,513
Support Services						
Students and Instructional Staff	3,082,469	2,749,843			3,082,469	2,749,843
General Administration, School Administration	2,071,238	2,532,982			2,071,238	2,532,982
Business Operations and Maintenance of Facilities	2,994,936	3,160,791			2,994,936	3,160,791
Pupil Transportation	977,671	892,247			977,671	892,247
Interest on Debt and Other Charges	90,630	97,365			90,630	97,365
Food Services			451,152	477,875	451,152	477,875
Summer Recovery	<u>-</u>	<u>-</u>	<u>23,960</u>	<u>43,742</u>	<u>23,960</u>	<u>43,742</u>
Total Expenses	<u>27,775,724</u>	<u>27,225,741</u>	<u>475,112</u>	<u>521,617</u>	<u>28,250,836</u>	<u>27,747,358</u>
Transfers	<u>-</u>	<u>(13,098)</u>	<u>-</u>	<u>13,098</u>	<u>-</u>	<u>-</u>
Increase in Net Position	515,879	339,217	22,977	19,833	538,856	359,050
Net Position, Beginning of Year	<u>11,461,855</u>	<u>11,122,638</u>	<u>77,804</u>	<u>57,971</u>	<u>11,539,659</u>	<u>11,180,609</u>
Net Position, End of Year	<u>\$ 11,977,734</u>	<u>\$ 11,461,855</u>	<u>\$ 100,781</u>	<u>\$ 77,804</u>	<u>\$ 12,078,515</u>	<u>\$ 11,539,659</u>

District as a Whole

The funding of schools are primarily through property taxes in New Jersey. Property taxes made up 52 percent of revenues for the Bogota Board of Education in fiscal year 2017/18. The District's total revenues were \$28,789,692 for the fiscal year ended June 30, 2018. Federal, state, and local grants for programs accounted for another 46 percent of revenue. The total cost of all programs and services was \$28,250,836. Instruction comprises 66 percent of District expenses.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-Type Activities

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

Food Service Program

- Food service revenues exceeded expenses by \$22,977.
- Charges for services or \$206,287 represent 41 percent of revenue.
- Revenues include lunches and ala carte meals paid for by the students and partial or total reimbursement provided by the district's participation in the National School Lunch Program.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The schedule below summarizes 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 taxpayers by each of these functions.

	<u>Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Instruction	\$ 18,558,780	\$ 17,792,513	\$ 11,983,312	\$ 11,144,199
Support Services				
Students and Instructional Staff	3,082,469	2,749,843	2,212,845	2,019,065
General Administration, School Administration	2,071,238	2,532,982	1,685,194	2,125,470
Business Operations and Maintenance of Facilities	2,994,936	3,160,791	2,737,070	3,087,961
Pupil Transportation	977,671	892,247	914,953	838,758
Interest and Fiscal Charges	90,630	97,365	90,630	97,365
Total Governmental Activities	<u>\$ 27,775,724</u>	<u>\$ 27,225,741</u>	<u>\$ 19,624,004</u>	<u>\$ 19,312,818</u>

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities 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 debt involves the transactions associated with the payment of interest and other related charges to debt of the District.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues and other financing sources amounted to \$26,970,902 and expenditures and other financing uses were \$27,825,128 for the fiscal year ended June 30, 2018.

The following schedule presents a summary of the governmental fund revenues for the fiscal years ended June 30, 2018 and 2017.

	<u>Amount</u>		<u>Amount of</u>	<u>Percent</u>
	<u>2018</u>	<u>2017</u>	<u>Increase</u>	<u>Increase</u>
			<u>(Decrease)</u>	<u>(Decrease)</u>
Local Sources	\$ 15,339,808	\$ 14,930,670	\$ 409,138	2.7%
State Sources	8,718,427	8,197,104	521,323	6.4%
Federal Sources	<u>755,299</u>	<u>761,291</u>	<u>(5,992)</u>	-0.8%
 Total Revenues	 <u>\$ 24,813,534</u>	 <u>\$ 23,889,065</u>	 <u>\$ 924,469</u>	 3.9%

The following schedule represents a summary of general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2018 and 2017.

<u>Expenditures</u>	<u>Amount</u>		<u>Amount of</u>	<u>Percent</u>
	<u>2018</u>	<u>2017</u>	<u>Increase</u>	<u>Increase</u>
			<u>(Decrease)</u>	<u>(Decrease)</u>
Current:				
Instruction	\$ 15,828,732	\$ 14,615,871	\$ 1,212,861	8.3%
Support Services	7,792,433	8,063,520	(271,087)	-3.4%
Capital Outlay	1,412,820	972,490	440,330	45.3%
Debt Service:				
Principal	505,000	490,000	15,000	3.1%
Interest and Other Charges	<u>128,775</u>	<u>141,250</u>	<u>(12,475)</u>	-8.8%
 Total Expenditures	 <u>\$ 25,667,760</u>	 <u>\$ 24,283,131</u>	 <u>\$ 1,384,629</u>	 5.7%

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times.

- Salary accounts were adjusted to reflect: changes in staff assignments; retirements, resignations and the resulting new hires; program adjustments necessitated by student population changes.
- Tuition for special education students is budgeted based on the existing and known incoming students at the time the budget is submitted. Students move into and out of the District during the summer as well as the school year, which necessitates transferring funds to the appropriate account to pay these special education costs.
- Special education costs increased significantly for occupational and physical therapy and Applied Behavioral Analysis.
- Property, liability, and medical insurances were renewed at higher rates than budgeted. This represents a national trend in all major areas of the insurance industry.
- TPAF, which is the state's contribution to the pension fund and social security is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets – Governmental Activities

At the end of fiscal years 2018 and 2017, the District had \$12,927,735 and \$12,065,447, respectively, invested in land, buildings, furniture, equipment and vehicles used for governmental activities. A comparison of the year end balances is as follows:

Capital Assets (Net of Depreciation) at June 30

	<u>2018</u>	<u>2017</u>
Land	\$ 69,852	\$ 69,852
Construction in Progress	947,432	490,783
Building and Building Improvements	11,684,823	11,318,919
Improvements Other than Buildings	1,905	2,117
Machinery and Equipment	<u>223,723</u>	<u>183,776</u>
Total	<u>\$ 12,927,735</u>	<u>\$ 12,065,447</u>

Overall capital assets increased by \$862,288 from fiscal year 2017 to fiscal year 2018 due to this year's capital asset additions of \$1,412,820 exceeding depreciation expense of \$550,532.

Additional information about the District's capital assets can be found in the notes to the financial statements.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt Administration

At June 30, 2018 and 2017, the District had \$4,951,555 and \$6,591,555, respectively of outstanding debt, which consists of serial bonds issued for school construction, compensated absences and net pension liability.

Outstanding Debt at June 30

	<u>2018</u>	<u>2017</u>
General Obligation Bonds (Net)	\$ 3,222,854	\$ 3,785,513
Compensated Absences	125,962	144,691
Net Pension Liability	<u>1,602,739</u>	<u>2,661,351</u>
	<u>\$ 4,951,555</u>	<u>\$ 6,591,555</u>

Additional information about the District's long-term debt can be found in the notes to this report.

For the Future

Everyone associated with the Bogota Board of Education is grateful for the community support of the schools. A major concern is the financial support required to maintain appropriate class sizes and services. This, in an environment of flat state aid support, means an ever-increasing reliance on local property taxes.

In conclusion, the Bogota Board of Education has committed itself to financial and educational excellence. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many challenges ahead.

Contacting the District's Financial Management

If you have questions about this report or need additional information, contact the School Business Administrator at the Bogota Board of Education, 1 Henry C. Luthin Place, Bogota, NJ 07603.

DISTRICT-WIDE FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 3,016,486	\$ 77,216	\$ 3,093,702
Receivables, net:			
Receivables from Other Governments	1,557,300	15,232	1,572,532
Other	635	22,899	23,534
Inventory		7,984	7,984
Capital Assets:			
Not Being Depreciated	1,017,284		1,017,284
Being Depreciated, Net	<u>11,910,451</u>	<u>21,039</u>	<u>11,931,490</u>
Total Assets	<u>17,502,156</u>	<u>144,370</u>	<u>17,646,526</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	93,724		93,724
Deferred Amounts on Net Pension Liability	<u>637,238</u>	<u>-</u>	<u>637,238</u>
Total Deferred Outflows of Resources	<u>730,962</u>	<u>-</u>	<u>730,962</u>
Total Assets and Deferred Outflows of Resources	<u>18,233,118</u>	<u>144,370</u>	<u>18,377,488</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	518,056	26,331	544,387
Intergovernmental Payables	34,081		34,081
Accrued Interest Payable	55,550		55,550
Unearned Revenue		17,258	17,258
Noncurrent Liabilities :			
Due Within One Year	500,000		500,000
Due Beyond One Year	<u>4,451,555</u>	<u>-</u>	<u>4,451,555</u>
Total Liabilities	<u>5,559,242</u>	<u>43,589</u>	<u>5,602,831</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>696,142</u>	<u>-</u>	<u>696,142</u>
Total Deferred Inflows of Resources	<u>696,142</u>	<u>-</u>	<u>696,142</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,255,384</u>	<u>43,589</u>	<u>6,298,973</u>
NET POSITION			
Net Investment in Capital Assets	9,798,605	21,039	9,819,644
Restricted for			
Capital Projects	2,189,400		2,189,400
Debt Service	45,218		45,218
Other Purposes	77,235		77,235
Unrestricted	<u>(132,724)</u>	<u>79,742</u>	<u>(52,982)</u>
Total Net Position	<u>\$ 11,977,734</u>	<u>\$ 100,781</u>	<u>\$ 12,078,515</u>

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

**BOGOTA BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 11,128,013	\$ 79,483	\$ 3,912,666	14,365	\$ (7,121,499)		\$ (7,121,499)
Special Education	6,351,448		2,382,484		(3,968,964)		(3,968,964)
Other Instruction	419,610		150,530		(269,080)		(269,080)
School Sponsored Activities and Athletics	659,709		35,940		(623,769)		(623,769)
Support Services							
Student and Instruction Related Services	3,082,469		869,624		(2,212,845)		(2,212,845)
General Administrative Services	824,765		90,858		(733,907)		(733,907)
School Administrative Services	1,246,473		295,186		(951,287)		(951,287)
Plant Operations and Maintenance	2,294,023		144,995	-	(2,149,028)		(2,149,028)
Pupil Transportation	977,671		62,718		(914,953)		(914,953)
Central Services	700,913		112,871		(588,042)		(588,042)
Interest on Long-Term Debt and Other Charges	90,630	-	-	-	(90,630)	-	(90,630)
Total Governmental Activities	27,775,724	79,483	8,057,872	14,365	(19,624,004)	-	(19,624,004)
Business-Type Activities							
Food Service	451,152	175,867	289,779			\$ 14,494	14,494
Other Nonmajor Program - Summer Recovery	23,960	30,420	-	-	-	6,460	6,460
Total Business-Type Activities	475,112	206,287	289,779	-	-	20,954	20,954
Total Primary Government	\$ 28,250,836	\$ 285,770	\$ 8,347,651	\$ 14,365	(19,624,004)	20,954	(19,603,050)
General Revenues							
Property Taxes, General					14,463,986		14,463,986
Property Taxes, Debt Service					633,775		633,775
State - Unrestricted					4,899,186		4,899,186
Miscellaneous Income					142,936	2,023	144,959
Total General Revenues					20,139,883	2,023	20,141,906
Change in Net Position					515,879	22,977	538,856
Net Position, Beginning of Year (Restated)					11,461,855	77,804	11,539,659
Net Position, End of Year					\$ 11,977,734	\$ 100,781	\$ 12,078,515

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

FUND FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
ASSETS					
Cash	\$ 1,693,700	\$ 106,211	\$ 1,171,357	\$ 45,218	\$ 3,016,486
Due from Other Funds	227				227
Receivables from Other Governments	1,547,062	10,238			1,557,300
Receivables- Other	-	408	-	-	408
Total Assets	\$ 3,240,989	\$ 116,857	\$ 1,171,357	\$ 45,218	\$ 4,574,421
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 226,385	\$ 82,776	\$ 208,895		\$ 518,056
Payable to State Government	-	34,081	-	-	34,081
Total Liabilities	226,385	116,857	208,895	-	552,137
Fund Balances					
Restricted					
Capital Reserve	1,009,345				1,009,345
Capital Reserve-Designated for Subsequent Year's Budget	217,593				217,593
Maintenance Reserve	1,235				1,235
Maintenance Reserve-Designated for Subsequent Year's Budget	76,000				76,000
Excess Surplus Designated for Subsequent Year's Budget	700,000				700,000
Excess Surplus	800,000				800,000
Capital Projects			962,462		962,462
Debt Service				\$ 45,218	45,218
Assigned					
Designated for Subsequent Year's Budget	401,503				401,503
Unassigned					
General Fund	(191,072)	-	-	-	(191,072)
Total Fund Balances	3,014,604	-	962,462	45,218	4,022,284
Total Liabilities and Fund Balances	\$ 3,240,989	\$ 116,857	\$ 1,171,357	\$ 45,218	

Total Fund Balances (Exhibit B-1) \$ 4,022,284

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$20,711,349 and the accumulated depreciation is \$7,783,614. 12,927,735

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (55,550)

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 93,724

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

Deferred Outflows of Resources	637,238
Deferred Inflows of Resources	<u>(696,142)</u>
	(58,904)

Long-term liabilities, including bonds payable, compensated absences and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. These items are as follows:

Bonds Payable (net)	(3,222,854)
Compensated Absences	(125,962)
Net Pension Liability	<u>(1,602,739)</u>
	(4,951,555)

Net Position of Governmental Activities (Exhibit A-1) \$ 11,977,734

BOGOTA BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 14,463,986			\$ 633,775	\$ 15,097,761
Miscellaneous	222,419	\$ 19,628	-	-	242,047
Total - Local Sources	14,686,405	19,628	-	633,775	15,339,808
State Sources	8,526,074	192,353			8,718,427
Federal Sources	75,876	679,423	-	-	755,299
Total Revenues	23,288,355	891,404	-	633,775	24,813,534
EXPENDITURES					
Current					
Regular Instruction	8,760,421	312,857			9,073,278
Special Education Instruction	5,401,524	404,122			5,805,646
Other Instruction	333,982				333,982
School-Sponsored Activities and Athletics	615,826				615,826
Support Services					
Student and Instruction Related Services	2,499,456	160,060			2,659,516
General Administrative Services	764,140				764,140
School Administrative Services	1,068,589				1,068,589
Plant Operations and Maintenance	1,714,787				1,714,787
Pupil Transportation	967,114				967,114
Central Services	618,287				618,287
Debt Service					
Principal				505,000	505,000
Interest and Other Charges				128,775	128,775
Capital Outlay	181,939	14,365	\$ 1,216,516	-	1,412,820
Total Expenditures	22,926,065	891,404	1,216,516	633,775	25,667,760
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	362,290	-	(1,216,516)	-	(854,226)
OTHER FINANCING SOURCES (USES)					
Transfers In	268,899		1,888,469		2,157,368
Transfers Out	(1,888,469)	-	(268,899)	-	(2,157,368)
Total Other Financing Sources (Uses)	(1,619,570)	-	1,619,570	-	-
Net Change in Fund Balances	(1,257,280)	-	403,054	-	(854,226)
Fund Balance, Beginning of Year	4,271,884	-	559,408	45,218	4,876,510
Fund Balance, End of Year	\$ 3,014,604	\$ -	\$ 962,462	\$ 45,218	\$ 4,022,284

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BOGOTA BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (854,226)**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense.

Capital Outlay	\$ 1,412,820	
Depreciation Expense	(550,532)	
	862,288	862,288

In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Decrease in Compensated Absences	18,729	
Increase in Pension Expense	(54,057)	
	(35,328)	(35,328)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond Principal Repayments		505,000
---------------------------	--	---------

Governmental Funds report the effect of issuance costs, premiums, discount and deferred amounts on refundings in the statement of activities.

Amortization of Bond Premiums	57,659	
Amortization of Deferred Amount on Refunding	(26,458)	
	31,201	31,201

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		6,944
------------------------------	--	-------

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 515,879**

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

	Business-Type Activities		
	Major Program	Other Nonmajor Program	Total Enterprise Funds
	Food Service	Summer Recovery	
ASSETS			
Current Assets			
Cash	\$ 56,446	\$ 20,770	\$ 77,216
Intergovernmental Receivable:			
State	297		297
Federal	14,935		14,935
Other Accounts Receivable	22,899		22,899
Inventories	7,984	-	7,984
Total Current Assets	102,561	20,770	123,331
Capital Assets			
Equipment	79,304		79,304
Less: Accumulated Depreciation	(58,265)	-	(58,265)
Total Capital Assets, Net	21,039	-	21,039
Total Assets	123,600	20,770	144,370
LIABILITIES			
Current Liabilities			
Accounts Payable	26,331		26,331
Unearned Revenue	4,063	13,195	17,258
Total Current Liabilities	30,394	13,195	43,589
NET POSITION			
Investment in Capital Assets	21,039		21,039
Unrestricted	72,167	7,575	79,742
Total Net Position	\$ 93,206	\$ 7,575	\$ 100,781

**BOGOTA BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business-Type Activities		Total Enterprise Funds
	Major Program Food Service	Other Nonmajor Program Summer Recovery	
OPERATING REVENUES			
Charges for Services			
Daily Sales -			
Reimbursable Programs	\$ 96,362		\$ 96,362
Non-Reimbursable Programs	79,505		79,505
Charges and Fees	-	\$ 30,420	30,420
Total Operating Revenues	<u>175,867</u>	<u>30,420</u>	<u>206,287</u>
OPERATING EXPENSES			
Cost of Sales			
Reimbursable Programs	175,369		175,369
Non-Reimbursable Programs	20,307		20,307
Salaries and Employee Benefits	186,594	23,960	210,554
Supplies and Materials	19,124		19,124
Insurance	9,952		9,952
Depreciation	3,493		3,493
Management Fee	14,577		14,577
Other Purchased Services	20,087	-	20,087
Total Operating Expenses	<u>449,503</u>	<u>23,960</u>	<u>473,463</u>
Operating Income (Loss)	<u>(273,636)</u>	<u>6,460</u>	<u>(267,176)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Earnings	908	1,115	2,023
State Sources			
School Lunch Program	5,312		5,312
Federal Sources			
National School Lunch Program	219,462		219,462
National School Breakfast Program	33,990		33,990
USDA Commodities- Non Cash Assistance	31,015		31,015
Loss on Disposal of Assets	(1,649)	-	(1,649)
Total Nonoperating Revenues	<u>289,038</u>	<u>1,115</u>	<u>290,153</u>
Change in Net Position	15,402	7,575	22,977
Net Position, Beginning of Year (Restated)	<u>77,804</u>	<u>-</u>	<u>77,804</u>
Net Position, End of Year	<u>\$ 93,206</u>	<u>\$ 7,575</u>	<u>\$ 100,781</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business-Type Activities		
	Major Program Food Service	Other Nonmajor Program Summer Recovery	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 185,216	\$ 33,545	\$ 218,761
Cash Payments for Employees' Salaries and Benefits	(186,594)	(23,960)	(210,554)
Cash Payments to Suppliers for Goods and Services	(212,366)	-	(212,366)
Net Cash Provided by (Used for) Operating Activities	(213,744)	9,585	(204,159)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Received from State and Federal Subsidy Reimbursements	349,347	-	349,347
Cash Payments to Other Funds	(93,361)	(99,570)	(192,931)
Net Cash Provided by (Used for) Noncapital Financing Activities	255,986	(99,570)	156,416
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Equipment	(8,838)	-	(8,838)
Net Cash Used by Capital and Related Financing Activities	(8,838)	-	(8,838)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Earnings	908	1,115	2,023
Net Cash Provided by Investing Activities	908	1,115	2,023
Net Change in Cash	34,312	(88,870)	(54,558)
Cash, Beginning of Year	22,134	109,640	131,774
Cash, End of Year	\$ 56,446	\$ 20,770	\$ 77,216
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (273,636)	\$ 6,460	\$ (267,176)
Adjustments to Reconcile Operating Income (Loss) to Provided by Net Cash Used for Operating Activities			
Depreciation	3,493		3,493
USDA Commodities- Non Cash Assistance	31,015		31,015
Change in Assets and Liabilities			
Increase/(Decrease) in Deferred Commodities Revenue	(2,417)		(2,417)
Increase/(Decrease) in Accounts Payable	20,600		20,600
Increase/(Decrease) in Unearned Revenue	627	195	822
(Increase)/Decrease in Other Accounts Receivable	8,722	2,930	11,652
(Increase)/Decrease in Inventory	(2,148)	-	(2,148)
Total Adjustments	59,892	3,125	63,017
Net Cash Provided by (Used for) Operating Activities	\$ (213,744)	\$ 9,585	\$ (204,159)
Non-Cash Financing Activities			
Fair Value of Food Distribution Program - National School Lunch	\$ 28,598		\$ 28,598

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2018**

	Unemployment Compensation <u>Trust</u>	<u>Agency Fund</u>
ASSETS		
Cash	\$ 310,097	\$ 220,851
Total Assets	<u>310,097</u>	<u>\$ 220,851</u>
LIABILITIES		
Payroll Deductions and Withholdings		\$ 117,109
Accrued Salaries and Wages		15,053
Intergovernmental Payable	7,097	
Due to Other Funds		227
Due to Student Groups	<u>-</u>	<u>88,462</u>
Total Liabilities	<u>7,097</u>	<u>\$ 220,851</u>
NET POSITION		
Held in Trust for Unemployment Claims	<u>\$ 303,000</u>	

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Unemployment Compensation <u>Trust</u>
ADDITIONS	
Contributions	
Employees	\$ 29,804
Interest Earned	<u>3,969</u>
Total Additions	<u>33,773</u>
 DEDUCTIONS	
Unemployment Claims and Contributions	<u>72,223</u>
Total Deductions	<u>72,223</u>
Change in Net Position	(38,450)
Net Position, Beginning of Year	<u>341,450</u>
Net Position, End of Year	<u>\$ 303,000</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

NOTES TO THE FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

C. Basis of Presentation - Financial Statements

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

The District reports the following non-major proprietary fund which is organized to be self-supporting through user charges:

The *summer recovery fund* accounts for the activities of the District's summer recovery program which provides remedial courses for students in or out of the District.

Additionally, the government reports the following fund types:

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

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Site Improvements	10-20
Office Equipment and Furniture	10-20
Computer Equipment	5
Vehicles	8-15

5. Deferred Outflows/Inflows of Resources

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

In 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 periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type of item, which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds do not permit the accrual of unused vacation and sick leave. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. *Pensions*

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

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

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Losses resulting from debt refundings are classified as deferred outflows of resources. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Losses resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

Restricted Fund Balance

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

Capital Reserve - Designated for Subsequent Year’s Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2018/2019 District budget certified for taxes.

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

Maintenance Reserve - Designated for Subsequent Year’s Budget – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the adopted 2018/2019 District budget certified for taxes

Excess Surplus – Designated for Subsequent Year’s Budget - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2017 audited excess surplus that was appropriated in the 2018/2019 original budget certified for taxes.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2018 audited excess surplus that is required to be appropriated in the 2019/2020 original budget certified for taxes.

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

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

10. *Fund Balance Policies*

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

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

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

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 2016-2017 and 2017-2018 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 14, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2017/2018. Also, during 2017/2018 the Board increased the original budget by \$2,098,084. The increase was funded by additional state aid appropriated, transfer of capital reserve and maintenance reserve funds, prior year extraordinary aid, grant awards and the reappropriation of prior year general fund encumbrances.

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

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

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$191,072 in the General Fund as of June 30, 2018 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2017/2018 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficits in the GAAP (fund) financial statements of \$191,072 in the General Fund is less than the delayed state aid payments at June 30, 2018.

C. Capital Reserve

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

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

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

Balance, July 1, 2017		\$ 2,401,503
Increased by		
Interest Earnings	\$ 500	
Unexpended Capital Projects Funded by Capital Reserve	268,899	
Deposits Approved by Board Resolution	<u>444,505</u>	
Total Increases		<u>713,904</u>
		3,115,407
Withdrawals		
Approved in District Budget	328,575	
Approved by Board Resolution	<u>1,559,894</u>	
Total Withdrawals		<u>1,888,469</u>
Balance, June 30, 2018		<u>\$ 1,226,938</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$217,593 of the capital reserve balance at June 30, 2018 was designated and appropriated for use in the 2018/2019 original budget certified for taxes. In addition, the District appropriated an additional \$45,663 of the capital reserve account during the 2018/2019 school year to provide resources for a previously approved capital project.

D. Maintenance Reserve

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

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

Balance, July 1, 2017	\$ 101,735
Increased by	
Interest Earnings	<u>500</u>
	102,235
Withdrawals	
Approved by Board Resolution	<u>25,000</u>
Balance, June 30, 2018	<u>\$ 77,235</u>

The June 30, 2018 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$995,480. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities. \$76,000 of the maintenance reserve balance at June 30, 2018 was designated and appropriated for use in the 2018/2019 original budget certified for taxes.

E. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

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

Balance, July 1, 2017	\$ 250,000
Withdrawals	
Approved in District Budget	<u>\$ 250,000</u>

F. Transfers to Capital Outlay

During the 2017/2018 school year, the district transferred \$1,559,894 to the non-equipment capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to N.J.A.C. 6A:23-8.4. In addition, the district transferred \$181,939 to the capital outlay equipment accounts.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

G. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2018 is \$1,500,000. Of this amount, \$700,000 was designated and appropriated in the 2018/2019 original budget certified for taxes and the remaining amount of \$800,000 will be appropriated in the 2019/2020 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2018, the book value of the Board's deposits were \$3,624,650 and bank and brokerage firm balances of the Board's deposits amounted to \$4,415,820. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	\$ <u>4,415,820</u>
---------	---------------------

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2018 the Board has no bank balances exposed too custodial credit risk.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law,” (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute. As of June 30, 2018, the Board had no outstanding investments.

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

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

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

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental -				
Federal		\$ 10,238	\$ 14,935	\$ 25,173
State	\$ 122,311		297	122,608
Local	1,424,751			1,424,751
Other	-	408	22,899	23,307
	<hr/>	<hr/>	<hr/>	<hr/>
Gross Receivables	1,547,062	10,646	38,131	1,595,839
Less: Allowance for Uncollectibles	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net Total Receivables	<u>\$ 1,547,062</u>	<u>\$ 10,646</u>	<u>\$ 38,131</u>	<u>\$ 1,595,839</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

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

	Balance, <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Balance, <u>June 30, 2018</u>
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 69,852				\$ 69,852
Construction in Progress	490,783	\$ 924,007	-	\$ (467,358)	947,432
Total Capital Assets, Not Being Depreciated	<u>560,635</u>	<u>924,007</u>	<u>-</u>	<u>(467,358)</u>	<u>1,017,284</u>
Capital Assets, Being Depreciated:					
Buildings	17,303,489	372,284		467,358	18,143,131
Improvements Other Than Buildings	87,706				87,706
Machinery and Equipment	1,346,699	116,529	-	-	1,463,228
Total Capital Assets Being Depreciated	<u>18,737,894</u>	<u>488,813</u>	<u>-</u>	<u>467,358</u>	<u>19,694,065</u>
Less Accumulated Depreciation for:					
Buildings	(5,984,570)	(473,738)			(6,458,308)
Improvements Other Than Buildings	(85,589)	(212)			(85,801)
Machinery and Equipment	(1,162,923)	(76,582)	-	-	(1,239,505)
Total Accumulated Depreciation	<u>(7,233,082)</u>	<u>(550,532)</u>	<u>-</u>	<u>-</u>	<u>(7,783,614)</u>
Total Capital Assets, Being Depreciated, Net	<u>11,504,812</u>	<u>(61,719)</u>	<u>-</u>	<u>467,358</u>	<u>11,910,451</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,065,447</u>	<u>\$ 862,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,927,735</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

	Balance, <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2018</u>
Business-Type Activities:	<u>(Restated)</u>			
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 80,131	\$ 8,838	\$ (9,665)	\$ 79,304
Total Capital Assets Being Depreciated	<u>80,131</u>	<u>8,838</u>	<u>(9,665)</u>	<u>79,304</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(62,788)</u>	<u>(3,493)</u>	<u>8,016</u>	<u>(58,265)</u>
Total Accumulated Depreciation	<u>(62,788)</u>	<u>(3,493)</u>	<u>8,016</u>	<u>(58,265)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,343</u>	<u>5,345</u>	<u>(1,649)</u>	<u>21,039</u>
Business-Type Activities Capital Assets, Net	<u>\$ 17,343</u>	<u>\$ 5,345</u>	<u>\$ (1,649)</u>	<u>\$ 21,039</u>

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

Governmental Activities:	
Instruction	
Regular	<u>\$ 38,047</u>
Total Instruction	<u>38,047</u>
Support Services	
Student and Instruction Related Services	11,719
General Administration	600
School Administration	6,265
Plant Operations and Maintenance	<u>493,901</u>
Total Support Services	<u>512,485</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 550,532</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 3,493</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 3,493</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Bixby School Lintel Replacements and Associated Masonry and Roof Work	\$ 135,555	\$ 188,445
Bogota High School Site Improvements - Parking Lot	487,060	731,940
New NVR/Software and Cameras at Bixby and Steen Elementary Schools		35,995
Door Access System Installation at Bogota High School, Bixby Elementary School and Steen Elementary School	-	35,002
	<u>\$ 622,615</u>	<u>\$ 991,382</u>

D. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Agency Fund	\$ 227
Total		<u>\$ 227</u>

The above balance is the result of revenues earned or other financing sources received in one fund which are due to another fund.

The District expects all interfund balances to be liquidated within one year.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers

	Transfer In:		
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Transfer Out:</u>			
General Fund		\$ 1,888,469	\$ 1,888,469
Capital Projects	\$ 268,899	-	268,899
	\$ 268,899	\$ 1,888,469	\$ 2,157,368

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

E. Leases

Operating Leases

The District leases copiers under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2018 were \$37,184. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2019	\$ 37,188
2020	37,184
2021	37,184
2022	34,085
	\$ 145,641
Present value of minimum lease payments	

F. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2018 are comprised of the following issues:

\$4,025,000, 2015 Refunding School Bonds, due in annual installments of \$490,000 to \$520,000 through July 15, 2023, interest at 4.00%	<u>\$3,030,000</u>
---	--------------------

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2019	\$ 500,000	\$ 111,200	\$ 611,200
2020	490,000	91,400	581,400
2021	505,000	71,500	576,500
2022	500,000	51,400	551,400
2023	520,000	31,000	551,000
Thereafter	<u>515,000</u>	<u>10,300</u>	<u>525,300</u>
	<u>\$ 3,030,000</u>	<u>\$ 366,800</u>	<u>\$ 3,396,800</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2018 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 28,852,972
Less: Net Debt	<u>3,030,000</u>
Remaining Borrowing Power	<u>\$ 25,822,972</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	<u>Balance, July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2018</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable	\$ 3,535,000		\$ 505,000	\$ 3,030,000	\$ 500,000
Add: Unamortized Premium	250,513	-	57,659	192,854	-
Sub-total Bonds Payable	3,785,513	-	562,659	3,222,854	500,000
Compensated Absences	144,691	\$ 566	19,295	125,962	
Net Pension Liability	2,661,351	-	1,058,612	1,602,739	-
Governmental Activity Long-Term Liabilities	<u>\$ 6,591,555</u>	<u>\$ 566</u>	<u>\$ 1,640,566</u>	<u>\$ 4,951,555</u>	<u>\$ 500,000</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the New Jersey Schools Insurance Group (NJSIF or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NJSIF provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

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

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

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Employer</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2018		\$ 29,804	\$ 72,223	\$ 303,000
2017		17,190	37,171	341,450
2016	\$ 1,967	29,150	61,590	359,883

B. Contingent Liabilities

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

The former Director of Special Education for the Bogota School District ("District"), was advised at the end of the 2016-2017 academic year, that her Non-Tenured Administrator Contract would not be renewed for the 2017-2018 school year. In November 2016, the former employee filed a Complaint against the Board alleging that: (1) the Board terminated her employment in violation of the Conscientious Employee Protection Act ("CEPA"); and (2) the employee was subjected to a hostile work environment in violation of CEPA.

In June 2018, the Board filed Amended Counterclaims alleging that the former employee took deliberate action and made intentionally false and misleading representations about the validity of an employee's regular time and overtime submissions.

Many of the claims proffered by the former Director are covered by insurance. In the opinion of Counsel, the Board has acted lawfully at all times with respect to former Director's employment. Nevertheless, if this case proceeds to trial, the outcome is unpredictable.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities (Continued)

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

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2018, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

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

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

The following represent the membership tiers for TPAF:

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

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

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

Other Pension Funds

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

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

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

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

Plan Amendments

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

Funding Status and Funding Progress

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

Annual Pension Costs (APC)

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

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

Year Ended <u>June 30,</u>	<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2018	\$ 63,783	\$ 1,143,501	\$ 15,299
2017	79,829	823,435	4,625
2016	66,862	611,236	3,166

In addition for fiscal years 2017/2018 and 2016/2017 the District contributed \$2,861 and \$2,006, respectively for PERS and the State contributed \$1,984 and \$2,004, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC) (Continued)

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$594,797 during the fiscal year ended June 30, 2018 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2018, the District reported in the statement of net position (accrual basis) a liability of \$1,602,739 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the District's proportionate share was .00688 percent, which was a decrease of .00211 percent from its proportionate share measured as of June 30, 2016 of .00899 percent.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$117,840 for PERS. The pension contribution made by the District during the current 2017/2018 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2018 with a measurement date of the prior fiscal year end of June 30, 2017. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2018 for contributions made subsequent to the current fiscal year end. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 37,739	
Changes of Assumptions	322,897	\$ 321,713
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	10,914	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>265,688</u>	<u>374,429</u>
Total	<u>\$ 637,238</u>	<u>\$ 696,142</u>

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

Fiscal Year	
Ending June 30,	<u>Total</u>
2019	\$ 57,848
2020	57,848
2021	57,848
2022	57,848
2023	(290,296)
Thereafter	<u>-</u>
	<u>\$ (58,904)</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District’s total pension liability for the June 30, 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:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

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

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

Sensitivity of Net Pension Liability

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

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 1,988,307</u>	<u>\$ 1,602,739</u>	<u>\$ 1,281,513</u>

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

Pension Plan Fiduciary Net Position

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,419,330 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State's proportionate share of the net pension liability attributable to the District is \$49,358,834. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2017. At June 30, 2017, the state's share of the net pension liability attributable to the District was .07320 percent, which was a decrease of .00314 percent from its proportionate share measured as of June 30, 2016 of .07634 percent.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

Fiscal Year	Measurement Date	Discount Rate
2018	June 30, 2017	4.25%
2017	June 30, 2016	3.22%

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

Period of Projected Benefit

Payments for which the Following Rates were Applied:

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

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

Sensitivity of Net Pension Liability

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

	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 58,639,843</u>	<u>\$ 49,358,834</u>	<u>\$ 41,713,098</u>

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Funded Status and Funding Progress

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Funded Status and Funding Progress (Continued)

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

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

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

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2018, 2017 and 2016 were \$738,563, \$686,108 and \$727,814, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,940,803. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State’s proportionate share of the OPEB liability attributable to the District is \$31,068,005. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2017 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2017. At June 30, 2017, the state’s share of the OPEB liability attributable to the District was .05792 percent, which was a decrease of .00014 percent from its proportionate share measured as of June 30, 2016 of .05806 percent.

Actuarial Assumptions

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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

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

Long-Term Expected Rate of Return

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

Discount Rate

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

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2016 Measurement Date	\$ <u>33,577,371</u>
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 1,384,345
Interest on the Total OPEB Liability	986,703
Changes of Assumptions	(4,104,533)
Gross Benefit Payments	(805,543)
Contributions from the Member	<u>29,662</u>
Net Changes	\$ <u>(2,509,366)</u>
Balance, June 30, 2017 Measurement Date	\$ <u>31,068,005</u>

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

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

Sensitivity of OPEB Liability

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

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>36,879,963</u>	\$ <u>31,068,005</u>	\$ <u>26,457,904</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	<u>1%</u> <u>Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability (School Retirees)	\$ 25,550,431	\$ 31,068,005	\$ 38,395,279

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

F. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential school tax revenue must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For Bogota Board of Education, the District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

NOTE 5 RESTATEMENT

The financial statements for June 30, 2017 have been restated to reflect an updated inventory of the District’s capital assets as provided by an independent consultant. The effect of this restatement results in a net decrease of \$10,851 in business-type activities capital assets with a corresponding decrease in the net investment in capital assets component of net position at June 30, 2017. In the District-wide financial statements, the restatement reduced total net position at June 30, 2017 from \$11,550,510 as originally reported to \$11,539,659.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISONS

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 14,463,986		\$ 14,463,986	\$ 14,463,986	
Interest Earned on Capital Reserve Funds	500		500	500	
Interest Earned on Maintenance Reserve Funds	500		500	500	
Interest Income				90,343	\$ 90,343
Tuition	204,000		204,000	79,483	(124,517)
Miscellaneous	25,000	-	25,000	51,593	26,593
Total Local Sources	14,693,986	-	14,693,986	14,686,405	(7,581)
State Sources					
Special Education Aid	764,979		764,979	764,979	
Equalization Aid	4,656,232	\$ 147,055	4,803,287	4,803,287	
Transportation Aid	53,824		53,824	53,824	
Security Aid	73,248		73,248	73,248	
Additional Adjustment Aid	80,476		80,476	80,476	
PARCC Readiness Aid	11,100		11,100	11,100	
Per Pupil Growth Aid	11,100		11,100	11,100	
Professional Learning-Community Aid	11,230		11,230	11,230	
Extraordinary Aid	135,454		135,454	271,174	135,720
Lead Testing for Schools Aid				1,596	1,596
On-Behalf TPAF (Non-Budget)					
Normal Cost				1,116,409	1,116,409
NCGI Premium				27,092	27,092
Long-Term Disability Insurance Contributions				1,984	1,984
Post Retirement Medical Contributions				738,563	738,563
Social Security Contributions	-	-	-	594,797	594,797
Total State Sources	5,797,643	147,055	5,944,698	8,560,859	2,616,161
Federal Sources					
Medicaid Reimbursement	28,355	-	28,355	75,876	47,521
Total Federal Sources	28,355	-	28,355	75,876	47,521
Total Revenues	20,519,984	147,055	20,667,039	23,323,140	2,656,101
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	290,015	(6,000)	284,015	227,774	56,241
Grades 1-5	2,200,072	(5,118)	2,194,954	2,133,519	61,435
Grades 6-8	919,382	(151,500)	767,882	745,415	22,467
Grades 9-12	2,022,808	183,456	2,206,264	2,206,264	
Regular Programs - Home Instruction					
Salaries of Teachers	20,000	(10,000)	10,000	7,860	2,140
Purchased Professional -Educational Services		3,256	3,256	1,600	1,656
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	113,000	(13,838)	99,162	53,295	45,867
Purchased Professional -Educational Services	11,500		11,500	4,200	7,300
Other Purchased Services	15,563		15,563	1,638	13,925
General Supplies	426,012	17,777	443,789	392,297	51,492
Textbooks	23,835	(1,410)	22,425	16,544	5,881
Other Objects	50,000	(23,727)	26,273	-	26,273
Total Regular Programs	6,092,187	(7,104)	6,085,083	5,790,406	294,677

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Special Education (Continued)					
Learning and Language Disabilities					
Salaries of Teachers	\$ 219,647	\$ 189,000	\$ 408,647	\$ 406,942	\$ 1,705
Other Salaries for Instruction	113,000	66,000	179,000	164,714	14,286
Purchased Professional -Educational Services		72,000	72,000	66,378	5,622
General Supplies	2,000	30,344	32,344	22,002	10,342
Total Learning and Language Disabilities	<u>334,647</u>	<u>357,344</u>	<u>691,991</u>	<u>660,036</u>	<u>31,955</u>
Multiple Disabilities					
Purchased Professional -Educational Services	375,000	-	375,000	364,792	10,208
Total Multiple Disabilities - Instruction	<u>375,000</u>	<u>-</u>	<u>375,000</u>	<u>364,792</u>	<u>10,208</u>
Resource Room/Resource Center					
Salaries of Teachers	736,254	39,986	776,240	776,240	
Other Salaries for Instruction	113,000	135,726	248,726	248,726	
General Supplies	15,000	9,606	24,606	20,391	4,215
Total Resource Room/Resource Center	<u>864,254</u>	<u>185,318</u>	<u>1,049,572</u>	<u>1,045,357</u>	<u>4,215</u>
Autism					
Salaries of Teachers	75,000	(75,000)			
Other Salaries for Instruction	200,000	(200,000)			
General Supplies	90,000	(90,000)	-	-	-
Total Preschool Disabilities - Full Time	<u>365,000</u>	<u>(365,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Preschool Disabilities - Full Time					
Salaries of Teachers	141,651	(40,000)	101,651	87,913	13,738
Other Salaries for Instruction	113,000	(57,712)	55,288	30,532	24,756
General Supplies	1,500	50	1,550	1,506	44
Total Preschool Disabilities - Full Time	<u>256,151</u>	<u>(97,662)</u>	<u>158,489</u>	<u>119,951</u>	<u>38,538</u>
Total Special Education	<u>2,195,052</u>	<u>80,000</u>	<u>2,275,052</u>	<u>2,190,136</u>	<u>84,916</u>
Bilingual Education					
Salaries of Teachers	236,455		236,455	223,563	12,892
General Supplies	1,000	-	1,000	-	1,000
Total Bilingual Education	<u>237,455</u>	<u>-</u>	<u>237,455</u>	<u>223,563</u>	<u>13,892</u>
School Sponsored Co-Curricular Activities					
Salaries	65,500	24,967	90,467	90,467	
Purchased Services	6,800	(320)	6,480	5,827	653
Supplies and Materials	13,000	-	13,000	10,742	2,258
Other Objects	16,560	(13,947)	2,613	522	2,091
Total School Sponsored Co-Curricular Activities	<u>101,860</u>	<u>10,700</u>	<u>112,560</u>	<u>107,558</u>	<u>5,002</u>
School Sponsored Athletics - Instruction					
Salaries	265,000	(24,500)	240,500	227,918	12,582
Purchased Services	75,570	25,000	100,570	88,480	12,090
Supplies and Materials	26,750		26,750	26,289	461
Other Objects	83,205	(19,000)	64,205	62,363	1,842
Total School Sponsored Athletics - Instruction	<u>450,525</u>	<u>(18,500)</u>	<u>432,025</u>	<u>405,050</u>	<u>26,975</u>
Total - Instruction	<u>9,077,079</u>	<u>65,096</u>	<u>9,142,175</u>	<u>8,716,713</u>	<u>425,462</u>

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Regular	\$ 25,000	\$ (25,000)			
Tuition to Other LEAs Within the State - Special	1,134,000	(229,410)	\$ 904,590	\$ 711,614	\$ 192,976
Tuition to County Vocational Schools- Regular	142,000	27,186	169,186	169,186	-
Tuition to County Vocational Schools- Special	400,000	(15,000)	385,000	240,300	144,700
Tuition to CSSD and Regional Day Schools	400,000	310,964	710,964	698,484	12,480
Tuition Private School for the Disabled					
Within State	1,150,000	(280,000)	870,000	727,856	142,144
Tuition - Other	-	81,331	81,331	61,398	19,933
Total Undistributed Expenditures - Instruction	3,251,000	(129,929)	3,121,071	2,608,838	512,233
Health Services					
Salaries	234,067	(500)	233,567	215,118	18,449
Purchased Professional - Technical Services	12,000	500	12,500	12,500	-
Supplies and Materials	6,635	-	6,635	2,929	3,706
Total Health Services	252,702	-	252,702	230,547	22,155
Speech/Occupational Therapy/Physical Therapy and Related Svcs.					
Purchased Professional - Educational Services	550,000	2,229	552,229	530,200	22,029
Supplies and Materials	4,000		4,000	1,739	2,261
Other Objects	2,510	(2,229)	281	-	281
Total Speech/Occup. Therapy/Physical Therapy and Related Svcs.	556,510	-	556,510	531,939	24,571
Other Supp. Serv. STD-Extra Serv.					
Purchased Professional - Educational Services	425,000	(80,000)	345,000	209,107	135,893
Total Other Supp. Serv. STD-Extra Serv.	425,000	(80,000)	345,000	209,107	135,893
Guidance Services					
Salaries of Other Professional Staff	359,374	(68,000)	291,374	282,812	8,562
Other Salaries	1,200		1,200	800	400
Purchased Professional - Educational Services	5,295	(3,345)	1,950	39	1,911
Other Purchased Prof. And Tech. Services	13,000	2,140	15,140	12,910	2,230
Other Purchased Services	50,000	14,205	64,205	64,205	-
Supplies and Materials	10,855	-	10,855	8,963	1,892
Total Guidance Services	439,724	(55,000)	384,724	369,729	14,995
Child Study Team					
Salaries of Other Professional Staff	394,565	(3,914)	390,651	347,533	43,118
Other Purchased Prof. And Tech. Services	28,156		28,156	-	28,156
Other Purchased Services	52,350		52,350	35,137	17,213
Miscellaneous Purchased Services	5,100		5,100	1,140	3,960
Supplies and Materials	15,000		15,000	10,497	4,503
Other Objects	10,000	-	10,000	3,961	6,039
Total Child Study Team	505,171	(3,914)	501,257	398,268	102,989

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Improvement of Instructional Services					
Salaries of Supervisor of Instruction	\$ 87,550		\$ 87,550	\$ 23,460	\$ 64,090
Salaries of Other Professional Staff	5,000	\$ (1,000)	4,000		4,000
Purchased Professional Educational Services		1,000	1,000		1,000
Other Purchased Services	1,000		1,000		1,000
Supplies and Materials	1,000	(1,000)			
Other Objects	1,000	124	1,124	1,000	124
Total Improvement of Instructional Services	95,550	(876)	94,674	24,460	70,214
Educational Media Services/School Library					
Salaries	134,054	3,915	137,969	137,969	
Purchased Professional and Technical Services	2,000		2,000		2,000
Other Purchased Services	19,655	876	20,531	19,893	638
Supplies and Materials	17,657		17,657	6,952	10,705
Other Objects	7,700	-	7,700	6,250	1,450
Total Educational Media Services/School Library	181,066	4,791	185,857	171,064	14,793
Instructional Staff Training Services					
Other Purchased Services	10,000	-	10,000	-	10,000
Total Instructional Staff Training Services	10,000	-	10,000	-	10,000
Support Services General Administration					
Salaries	200,000	43,100	243,100	231,700	11,400
Legal Services	115,000	52,275	167,275	164,479	2,796
Audit Fees	45,000	4,616	49,616	49,616	-
Architectural/Engineering Services	40,000	(37,060)	2,940	44	2,896
Purchased Technical Services	60,000	(111)	59,889	46,609	13,280
Communications/Telephone	50,000	22,545	72,545	71,193	1,352
BOE Other Purchased Services	5,600		5,600	4,615	985
Misc. Purchased Services	30,000	(26,178)	3,822	2,795	1,027
General Supplies	3,000		3,000	2,753	247
BOE In-House Training/Meeting Supplies	3,000	(2,666)	334	128	206
Judgments Against the School District		32,611	32,611	32,611	
Miscellaneous Expenditures	12,000	6,618	18,618	18,498	120
BOE Membership Dues and Fees	12,000	(2,736)	9,264	8,798	466
Total Support Services General Administration	575,600	93,014	668,614	633,839	34,775
Support Services School Administration					
Salaries of Principals/Assistant Principals	417,623	9,400	427,023	426,935	88
Salaries of Other Professional Staff	110,000		110,000	68,394	41,606
Other Purchased Services	309,151	12,270	321,421	296,415	25,006
Supplies and Materials	50,120	(2,781)	47,339	35,504	11,835
Other Objects	10,940	(270)	10,670	8,302	2,368
Total Support Services School Administration	897,834	18,619	916,453	835,550	80,903
Central Services					
Salaries	323,000		323,000	299,305	23,695
Purchased Professional Services	2,500		2,500	975	1,525
Purchased Technical Services	60,000	4,017	64,017	64,017	
Miscellaneous Purchased Services	5,500	(3)	5,497	4,870	627
Supplies and Materials	12,000	1,430	13,430	13,339	91
Miscellaneous Expenditures	4,500	(1,197)	3,303	3,303	-
Total Central Services	407,500	4,247	411,747	385,809	25,938

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Admin. Information Technology					
Salaries	\$ 80,000		\$ 80,000	\$ 80,000	
Purchased Technical Services	30,000	\$ 4,253	34,253		\$ 34,253
Other Objects	10,000	-	10,000	8,296	1,704
Total Admin. Information Technology	120,000	4,253	124,253	88,296	35,957
Required Maintenance for School Facilities					
Salaries	146,000	14,000	160,000	155,542	4,458
Cleaning, Repair, and Maintenance Services	250,000	53,388	303,388	293,449	9,939
General Supplies	80,000	(5,000)	75,000	72,906	2,094
Other Objects	6,000	(2,000)	4,000	3,860	140
Total Required Maintenance for School Facilities	482,000	60,388	542,388	525,757	16,631
Custodial Services					
Salaries	427,000	22,110	449,110	447,779	1,331
Salaries of Non-Instructional Aides		15,810	15,810	15,810	
Purchased Professional and Technical Services	40,000	(16,722)	23,278	10,790	12,488
Cleaning, Repair, and Maintenance Services	75,000	(5,000)	70,000	46,777	23,223
Other Purchased Property Services	40,000		40,000	22,761	17,239
Insurance	172,000	(9,431)	162,569	162,569	
General Supplies	60,000	(3)	59,997	46,080	13,917
Energy (Natural Gas)	80,000	27,559	107,559	97,596	9,963
Energy (Electricity)	185,000	(32,491)	152,509	137,509	15,000
Other Objects	5,000	(2,559)	2,441	642	1,799
Total Custodial Services	1,084,000	(727)	1,083,273	988,313	94,960
Student Transportation Services					
Sal. For Pupil Trans(Bet Home & Sch) - Reg.	50,000	29,033	79,033	77,084	1,949
Cleaning, Repair & Maint. Services	5,000	1,845	6,845	6,845	
Contracted Services (Between Home and School) - Vendors	10,000	135	10,135	10,135	
Contracted Services (Other than Between Home and School) - Vendors	60,000	(9,454)	50,546	50,546	
Contracted Services (Between Home and School) Joint Agreements	100,000	87,839	187,839	187,839	
Contracted Serv. (Spec.Ed Stud) - Joint Agreement	500,000	129,662	629,662	603,208	26,454
Transportation Supplies	6,000	467	6,467	6,467	-
Total Student Transportation Services	731,000	239,527	970,527	942,124	28,403
Unallocated Benefits- Employee Benefits					
Social Security Contributions	178,000	17,048	195,048	194,534	514
Other Retirement Contributions - PERS	85,000	(14,173)	70,827	70,827	
Other Retirement Contributions - Regular		15,299	15,299	15,299	
Unemployment Compensation	30,000	(30,000)			
Worker's Compensation	90,000	(8,824)	81,176	81,176	
Health Benefits	2,000,000	62,326	2,062,326	2,051,949	10,377
Other Employee Benefits	140,000	(140,000)	-	-	-
Total Unallocated Benefits	2,523,000	(98,324)	2,424,676	2,413,785	10,891
Interest Earned on Maintenance Reserve	500	-	500	-	500
On-Behalf TPAF (Non-Budget)					
Normal Costs				1,116,409	(1,116,409)
NCGI Premium				27,092	(27,092)
Long-Term Disability Insurance Contributions				1,984	(1,984)
Post Retirement Medical Contributions				738,563	(738,563)
Social Security Contributions	-	-	-	594,797	(594,797)
Total On-Behalf TPAF	-	-	-	2,478,845	(2,478,845)
Total Undistributed Expenditures	12,538,157	56,069	12,594,226	13,836,270	(1,242,044)
Total Current Expenditures	21,615,236	121,165	21,736,401	22,552,983	(816,582)

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance Final To Actual
	Original	Adjustments	Final		
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Regular Programs - Undistributed Instruction		\$ 64,506	\$ 64,506	\$ 64,506	
Undistributed Expenditures - School Admin.		2,781	2,781	2,781	
Undistributed Expenditures - Required Maint for School Fac.		79,163	79,163	79,163	
Undistributed Expenditures - Security of Plant Services	-	35,489	35,489	35,489	-
Total Equipment	-	181,939	181,939	181,939	-
Facilities Acquisition and Construction Services					
Other Purchased Prof. and Tech. Services	\$ 40,000	(40,000)			
Construction Services	268,575	(268,575)			
Other Objects	20,000	(20,000)			
Assessment for Debt Service on SDA Funding	35,593	-	35,593	35,593	-
Total Facilities Acquisition and Construction Services	364,168	(328,575)	35,593	35,593	-
Interest Deposit to Capital Reserve	500	-	500	-	\$ 500
Total Capital Outlay	364,668	(146,636)	218,032	217,532	500
Transfer of Funds to Charter Schools	136,881	18,669	155,550	155,550	-
Total Expenditures	22,116,785	(6,802)	22,109,983	22,926,065	(816,082)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,596,801)	153,857	(1,442,944)	397,075	1,840,019
OTHER FINANCING SOURCES (USES)					
Other Financing Sources(Uses)					
Transfer In - Capital Projects				268,899	268,899
Transfer Out - Capital Projects	-	(1,888,469)	(1,888,469)	(1,888,469)	-
Total Other Financing Sources(Uses)	-	(1,888,469)	(1,888,469)	(1,619,570)	268,899
Excess/(Deficiency)of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,596,801)	(1,734,612)	(3,331,413)	(1,222,495)	2,108,918
Fund Balances, Beginning of Year	5,010,605	-	5,010,605	5,010,605	-
Fund Balances, End of Year	\$ 3,413,804	\$ (1,734,612)	\$ 1,679,192	\$ 3,788,110	\$ 2,108,918
Recapitulation of Fund Balances:					
Restricted					
Capital Reserve				\$ 1,009,345	
Capital Reserve - Designated for Subsequent Year's Budget				217,593	
Maintenance Reserve				1,235	
Maintenance Reserve - Designated for Subsequent Year's Budget				76,000	
Excess Surplus - Designated for Subsequent Year's Budget				700,000	
Excess Surplus				800,000	
Assigned					
Designated for Subsequent Year's Budget				401,503	
Unassigned Fund Balance				582,434	
				3,788,110	
Reconciliation to Governmental Fund Statements (GAAP)					
Less:					
State Aid Payments not Recognized on GAAP Basis				(773,506)	
Fund Balance per Governmental Funds (GAAP)				\$ 3,014,604	

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 162,027	\$ 64,407	\$ 226,434	\$ 192,353	\$ (34,081)
Federal	552,248	132,382	684,630	679,423	(5,207)
Local Sources					
Miscellaneous	-	19,628	19,628	19,628	-
Total Revenues	<u>714,275</u>	<u>216,417</u>	<u>930,692</u>	<u>891,404</u>	<u>(39,288)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	283,578	(43,076)	240,502	240,502	
Purchased Professional & Technical Svc.	34,746	(23,285)	11,461	11,461	
Tuition	219,821	43,754	263,575	263,575	
Other Purchased Services	130,419	64,267	194,686	160,605	34,081
General Supplies	5,138	23,263	28,401	28,401	
Textbooks	16,590	(4,155)	12,435	12,435	-
Total Instruction	<u>690,292</u>	<u>60,768</u>	<u>751,060</u>	<u>716,979</u>	<u>34,081</u>
Support Services					
Personal Services - Employee Benefits		65,005	65,005	65,005	
Purchased Professional & Technical Svs		53,756	53,756	48,549	5,207
Other Purchased Services	14,103	(2,699)	11,404	11,404	
General Supplies	9,880	25,222	35,102	35,102	-
Total Support Services	<u>23,983</u>	<u>141,284</u>	<u>165,267</u>	<u>160,060</u>	<u>5,207</u>
Equipment					
Instructional Equipment	-	14,365	14,365	14,365	-
Total Equipment	<u>-</u>	<u>14,365</u>	<u>14,365</u>	<u>14,365</u>	<u>-</u>
Total Expenditures	<u>714,275</u>	<u>216,417</u>	<u>930,692</u>	<u>891,404</u>	<u>39,288</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOGOTA BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Revenues Budgetary Basis (Exhibits C-1 and C-2)	\$ 23,323,140	\$ 891,404
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purpose, not recognized for budgetary statements (2016/2017 State Aid)	738,721	
State Aid payments recognized for budgetary purpose, not recognized for GAAP statements (2017/2018 State Aid)	<u>(773,506)</u>	<u>-</u>
Total Revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 23,288,355</u>	<u>\$ 891,404</u>
Uses/outflows of resources		
Expenditures Budgetary Basis (Exhibits C-1 and C-2)	\$ 22,926,065	\$ 891,404
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 22,926,065</u>	<u>\$ 891,404</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**PENSION INFORMATION
AND
POST EMPLOYMENT BENEFIT INFORMATION**

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Five Fiscal Years *

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.00688 %	0.00899 %	0.00777 %	0.00697 %	0.00644
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,602,739	\$ 2,661,351	\$ 1,745,798	\$ 1,305,164	\$ 1,231,951
District's Covered-Employee Payroll	\$ 569,530	\$ 506,402	\$ 446,689	\$ 360,784	\$ 419,103
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	281%	526%	391%	362%	294%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.92%	52.08%	48.72%

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

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Five Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 63,783	\$ 79,829	\$ 66,862	\$ 55,225	\$ 48,569
Contributions in Relation to the Contractually Required Contributions	<u>63,783</u>	<u>79,829</u>	<u>66,862</u>	<u>55,225</u>	<u>48,569</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered- Employee Payroll	\$ 569,530	\$ 506,402	\$ 446,689	\$ 360,784	\$ 419,103
Contributions as a Percentage of Covered-Employee Payroll	11.20%	15.76%	14.97%	15.31%	11.59%

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

**TEACHERS PENSION AND ANNUITY FUND
Last Five Fiscal Years ***

	<u>2017</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	- %	- %	- %	- %	- %
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 49,358,834</u>	<u>\$ 60,056,703</u>	<u>\$ 45,647,790</u>	<u>\$ 40,887,852</u>	<u>\$ 39,258,327</u>
District's Covered-Employee Payroll	\$ 7,871,204	\$ 7,337,447	\$ 7,212,185	\$ 7,098,027	\$ 7,081,819
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Change of Benefit Terms: None.

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

**BOGOTA BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
 TOTAL OPEB LIABILITY**

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last One Fiscal Year*

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 1,384,345
Interest on Total OPEB Liability	986,703
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes of Assumptions	(4,104,533)
Gross Benefit Payments	(805,543)
Contribution from the Member	<u>29,662</u>
Net Change in Total OPEB Liability	(2,509,366)
Total OPEB Liability - Beginning	<u>33,577,371</u>
Total OPEB Liability - Ending	<u>31,068,005</u>
District's Proportionate Share of OPEB Liability	\$0
State's Proportionate Share of OPEB Liability	<u>31,068,005</u>
Total OPEB Liability - Ending	<u>\$ 31,068,005</u>
District's Covered-Employee Payroll	<u>\$ 8,440,734</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%

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

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

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SPECIAL REVENUE FUND

BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Miscellaneous	Nonpublic Nursing	Nonpublic Technology	Nonpublic Textbooks	Nonpublic Security	Chapter 192		Chapter 193			Exhibit E-1a Totals	Grand Totals
						Comp. Ed.	Transportation	Exam. and Class	Corrective Speech	Suppl. Inst.		
REVENUES												
Intergovernmental												
State		\$ 22,019	\$ 8,399	\$ 12,435	\$ 17,025	\$ 58,023	\$ 15,575	\$ 22,387	\$ 17,142	\$ 19,348		\$ 192,353
Federal											\$ 679,423	679,423
Local Sources												
Miscellaneous	\$ 19,628	-	-	-	-	-	-	-	-	-	-	19,628
Total Revenues	\$ 19,628	\$ 22,019	\$ 8,399	\$ 12,435	\$ 17,025	\$ 58,023	\$ 15,575	\$ 22,387	\$ 17,142	\$ 19,348	\$ 679,423	\$ 891,404
EXPENDITURES												
Instruction												
Salaries of Teachers											\$ 240,502	\$ 240,502
Purchased Professional & Technical Svcs.											11,461	11,461
Tuition											263,575	263,575
Other Purchased Services		\$ 22,019				\$ 58,023	\$ 15,575	\$ 22,387	\$ 17,142	\$ 19,348	6,111	160,605
General Supplies	\$ 8,234		\$ 8,399								11,768	28,401
Textbooks	-	-	-	\$ 12,435	-	-	-	-	-	-	-	12,435
Total Instruction	8,234	22,019	8,399	12,435	-	58,023	15,575	22,387	17,142	19,348	533,417	716,979
Support Services												
Personal Services - Employee Benefits											65,005	65,005
Purchased Professional & Technical Svc											48,549	48,549
Other Purchased Services											11,404	11,404
General Supplies	11,394				\$ 17,025						6,683	35,102
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	11,394	-	-	-	17,025	-	-	-	-	-	131,641	160,060
Equipment												
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	14,365	14,365
Total Facilities Acq. & Construction	-	-	-	-	-	-	-	-	-	-	14,365	14,365
Total Expenditures	\$ 19,628	\$ 22,019	\$ 8,399	\$ 12,435	\$ 17,025	\$ 58,023	\$ 15,575	\$ 22,387	\$ 17,142	\$ 19,348	\$ 679,423	\$ 891,404

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

06

	ESEA					Individuals with Disabilities Education Act		Total Exhibit E-1a
	Title I	Title IIA	Title III	Title III Immigrant	Title IV	Part B, Basic	Part B, Preschool	
REVENUES								
Intergovernmental								
Federal	\$ 311,681	\$ 31,403	\$ 17,461	\$ 3,499	\$ 10,000	\$ 297,307	\$ 8,072	\$ 679,423
Total Revenues	<u>\$ 311,681</u>	<u>\$ 31,403</u>	<u>\$ 17,461</u>	<u>\$ 3,499</u>	<u>\$ 10,000</u>	<u>\$ 297,307</u>	<u>\$ 8,072</u>	<u>\$ 679,423</u>
EXPENDITURES								
Instruction								
Salaries of Teachers	\$ 226,822		\$ 11,160	\$ 2,520				\$ 240,502
Purchased Professional & Technical Svcs.					\$ 3,389		\$ 8,072	11,461
Tuition						\$ 263,575		263,575
Other Purchased Services					6,111			6,111
General Supplies	8,114	-	2,675	979	-	-	-	11,768
Total Instruction	<u>234,936</u>	<u>-</u>	<u>13,835</u>	<u>3,499</u>	<u>9,500</u>	<u>263,575</u>	<u>8,072</u>	<u>533,417</u>
Support Services								
Personal Services - Employee Benefits	61,880		3,125					65,005
Purchased Professional & Technical Svc.		\$ 18,017			500	30,032		48,549
Other Purchased Services		10,903	501					11,404
General Supplies	500	2,483				3,700		6,683
Other Objects	-	-	-	-	-	-	-	-
Total Support Services	<u>62,380</u>	<u>31,403</u>	<u>3,626</u>	<u>-</u>	<u>500</u>	<u>33,732</u>	<u>-</u>	<u>131,641</u>
Equipment								
Instructional Equipment	14,365	-	-	-	-	-	-	14,365
Total Facilities Acq. & Construction	<u>14,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,365</u>
Total Expenditures	<u>\$ 311,681</u>	<u>\$ 31,403</u>	<u>\$ 17,461</u>	<u>\$ 3,499</u>	<u>\$ 10,000</u>	<u>\$ 297,307</u>	<u>\$ 8,072</u>	<u>\$ 679,423</u>

CAPITAL PROJECTS FUND

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Issue/ Project Title</u>	<u>Original Appropriation</u>	<u>Additional Appropriation</u>	<u>Total Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Cancelled</u>	<u>Balance June 30, 2018</u>
				<u>Prior Years</u>	<u>Current Year</u>		
Construction of Board's Administrative Offices and Athletic Field House	\$ 857,107	\$ 96,278	\$ 953,385	\$ 948,768		\$ 4,617	
Bogota High School Science Lab Upgrades	350,000		350,000	330,621		19,379	
Bogota High School Parking Lot Upgrades	350,000	1,079,400	1,429,400	9,050	\$ 612,965		\$ 807,385
Boiler Upgrades at Bogota Jr./Sr. High School, Steen Elementary School and Bixby Elementary School	250,000	74,195	324,195	247,406	56,094	20,695	
Bogota High School Gym Improvements	150,000	27,000	177,000	113,100	63,900		
Site Improvements at Bogota Jr./Sr. High School	175,000		175,000	106,852	57,048	11,100	
Bixby School Lintel Replacements and Associated Masonry and Roof Work	343,500		343,500	14,375	240,045		89,080
Bogota High School Weight Room Upgrades	103,000		103,000		32,875	70,125	
Bogota High School Biology Room Upgrades	64,000		64,000		42,730	21,270	
Improvements to the Field House and Snack Stand	82,575		82,575			82,575	
Bogota High School Auditorium Sound and Lighting Upgrades	79,000		79,000		39,862	39,138	
Steen Elementary School, Bixby Elementary School and Bogota Jr./Sr. High School Critical Communications and Security Systems Upgrades	136,994		136,994	-	70,997	-	65,997
Total				<u>\$ 1,770,172</u>	<u>\$ 1,216,516</u>	<u>\$ 268,899</u>	<u>\$ 962,462</u>

Recapitulation of Fund Balance

Restricted	
Year End Encumbrances	\$ 821,020
Available for Capital Projects	<u>141,442</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 962,462</u>

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Revenues and Other Financing Sources	
Transfer from Capital Reserve	\$ <u>1,888,469</u>
Total Revenues and Other Financing Sources	<u>1,888,469</u>
Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	52,641
Construction Services	1,084,012
Other Objects	79,863
Cancelled and Transferred to Capital Reserve	<u>268,899</u>
Total Expenditures and Other Financing Uses	<u>1,485,415</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	403,054
Fund Balance, Beginning of Year	<u>559,408</u>
Fund Balance, End of Year	<u>\$ 962,462</u>
<u>Reconciliation to GAAP Fund Balance</u>	
Fund Balance, Budgetary Basis	<u>\$ 962,462</u>
Fund Balance, GAAP Basis	<u>\$ 962,462</u>

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION OF THE BOARD'S ADMINISTRATIVE OFFICES AND ATHLETIC FIELD HOUSE
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 953,385	-	\$ 953,385	\$ 953,385
 Total Revenues	 953,385	 -	 953,385	 953,385
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	51,960		51,960	40,600
Construction Services	872,898		872,898	872,785
Other Objects	38,656		38,656	40,000
Cancelled Payables	(14,746)		(14,746)	
Cancelled and Transferred to Capital Reserve	-	\$ 4,617	4,617	-
 Total Expenditures	 948,768	 4,617	 953,385	 953,385
 Excess of Revenues Over Expenditures	 \$ 4,617	 \$ (4,617)	 \$ -	 \$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 857,107
Additional Authorized Cost	96,278
Revised Authorized Cost	953,385

Percentage Increase Over Original

Authorized Cost	11.23%
Percentage Completion	100.00%
Original Target Completion Date	June 30, 2015
Revised Target Completion Date	June 30, 2017

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL SCIENCE LAB UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 350,000	-	\$ 350,000	\$ 350,000
 Total Revenues	 350,000	 -	 350,000	 350,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	12,406		12,406	15,000
Construction Services	316,697		316,697	330,000
Other Objects	1,518		1,518	5,000
Cancelled and Transferred to Capital Reserve	-	\$ 19,379	19,379	-
 Total Expenditures	 330,621	 19,379	 350,000	 350,000
 Excess of Revenues Over Expenditures	 \$ 19,379	 \$ (19,379)	 \$ -	 \$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 350,000
Additional Authorized Cost	-
Revised Authorized Cost	350,000

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	June 30, 2017
Revised Target Completion Date	June 30, 2017

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL PARKING LOT UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 350,000	\$ 1,079,400	\$ 1,429,400	\$ 1,429,400
 Total Revenues	 <u>350,000</u>	 <u>1,079,400</u>	 <u>1,429,400</u>	 <u>1,429,400</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	9,050	46,042	55,092	94,050
Construction Services		487,060	487,060	1,219,000
Other Objects	-	79,863	79,863	116,350
 Total Expenditures	 <u>9,050</u>	 <u>612,965</u>	 <u>622,015</u>	 <u>1,429,400</u>
 Excess of Revenues Over Expenditures	 <u>\$ 340,950</u>	 <u>\$ 466,435</u>	 <u>\$ 807,385</u>	 <u>\$ -</u>

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 350,000
Additional Authorized Cost	1,079,400
Revised Authorized Cost	1,429,400

Percentage Increase Over Original Authorized Cost	308.40%
Percentage Completion	44%
Original Target Completion Date	September 30, 2018

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOILER UPGRADES AT BOGOTA JR./SR. HIGH SCHOOL, STEEN ELEMENTARY SCHOOL
AND BIXBY ELEMENTARY SCHOOL
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 324,195	-	\$ 324,195	\$ 324,195
 Total Revenues	 <u>324,195</u>	 <u>-</u>	 <u>324,195</u>	 <u>324,195</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	27,956	\$ 544	28,500	28,500
Construction Services	219,450	55,550	275,000	295,695
Cancelled and Transferred to Capital Reserve	-	20,695	20,695	-
 Total Expenditures	 <u>247,406</u>	 <u>76,789</u>	 <u>324,195</u>	 <u>324,195</u>
 Excess of Revenues Over Expenditures	 <u>\$ 76,789</u>	 <u>\$ (76,789)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 250,000
Additional Authorized Cost	74,195
Revised Authorized Cost	324,195

Percentage Increase Over Original

Authorized Cost	30%
Percentage Completion	100%
Original Target Completion Date	October 15, 2017

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL GYM IMPROVEMENTS
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 177,000	-	\$ 177,000	\$ 177,000
Total Revenues	<u>177,000</u>	<u>-</u>	<u>177,000</u>	<u>177,000</u>
Expenditures and Other Financing Uses				
Construction Services	<u>113,100</u>	\$ 63,900	<u>177,000</u>	<u>177,000</u>
Total Expenditures	<u>113,100</u>	<u>63,900</u>	<u>177,000</u>	<u>177,000</u>
Excess of Revenues Over Expenditures	<u>\$ 63,900</u>	<u>\$ (63,900)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 150,000
Additional Authorized Cost	27,000
Revised Authorized Cost	177,000
Percentage Increase Over Original Authorized Cost	18%
Percentage Completion	100%
Original Target Completion Date	August 31, 2017

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
SITE IMPROVEMENTS AT BOGOTA JR./SR. HIGH SCHOOL
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 175,000	-	\$ 175,000	\$ 175,000
Total Revenues	<u>175,000</u>	<u>-</u>	<u>175,000</u>	<u>175,000</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	14,870	\$ 930	15,800	15,800
Construction Services	91,982	56,118	148,100	159,200
Cancelled and Transferred to Capital Reserve	-	11,100	11,100	-
Total Expenditures	<u>106,852</u>	<u>68,148</u>	<u>175,000</u>	<u>175,000</u>
Excess of Revenues Over Expenditures	<u>\$ 68,148</u>	<u>\$ (68,148)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 175,000
Additional Authorized Cost	-
Revised Authorized Cost	175,000

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	October 31, 2017

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BIXBY SCHOOL LINTEL REPLACEMENTS AND ASSOCIATED MASONRY AND ROOF WORK
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	-	\$ 343,500	\$ 343,500	\$ 343,500
Total Revenues	-	343,500	343,500	343,500
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 14,375	5,125	19,500	19,500
Construction Services	-	234,920	234,920	324,000
Total Expenditures	14,375	240,045	254,420	343,500
Excess of Revenues Over Expenditures	\$ (14,375)	\$ 103,455	\$ 89,080	\$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 343,500
Additional Authorized Cost	-
Revised Authorized Cost	343,500

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	74%
Original Target Completion Date	June 30, 2018
Revised Target Completion Date	June 30, 2019

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL WEIGHT ROOM UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	-	\$ 103,000	\$ 103,000	\$ 103,000
 Total Revenues	 -	 103,000	 103,000	 103,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				5,000
Construction Services		32,875	32,875	90,000
Other Objects				8,000
Cancelled and Transferred to Capital Reserve	-	70,125	70,125	-
 Total Expenditures	 -	 103,000	 103,000	 103,000
 Excess of Revenues Over Expenditures	 \$ -	 \$ -	 \$ -	 \$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 103,000
Additional Authorized Cost	-
Revised Authorized Cost	103,000

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	June 30, 2018

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL BIOLOGY ROOM UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	-	\$ 64,000	\$ 64,000	\$ 64,000
 Total Revenues	 -	 64,000	 64,000	 64,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				10,000
Construction Services		42,730	42,730	50,000
Other Objects				4,000
Cancelled and Transferred to Capital Reserve	-	21,270	21,270	-
 Total Expenditures	 -	 64,000	 64,000	 64,000
 Excess of Revenues Over Expenditures	 \$ -	 \$ -	 \$ -	 \$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 64,000
Additional Authorized Cost	-
Revised Authorized Cost	64,000

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	June 30, 2018

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENTS TO THE FIELD HOUSE AND SNACK STAND
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	-	\$ 82,575	\$ 82,575	\$ 82,575
Total Revenues	-	82,575	82,575	82,575
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				15,000
Construction Services				63,575
Other Objects				4,000
Cancelled and Transferred to Capital Reserve	-	82,575	82,575	-
Total Expenditures	-	82,575	82,575	82,575
Excess of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 82,575
Additional Authorized Cost	-
Revised Authorized Cost	82,575

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	N/A
Original Target Completion Date	N/A

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOT HIGH SCHOOL AUDITORIUM SOUND AND LIGHTING UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	-	\$ 79,000	\$ 79,000	\$ 79,000
Total Revenues	-	79,000	79,000	79,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				10,000
Construction Services		39,862	39,862	65,000
Other Objects				4,000
Cancelled and Transferred to Capital Reserve	-	39,138	39,138	-
Total Expenditures	-	79,000	79,000	79,000
Excess of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 79,000
Additional Authorized Cost	-
Revised Authorized Cost	79,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	June 30, 2018

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
STEEN ELEMENTARY SCHOOL, BIXBY ELEMENTARY SCHOOL AND BOGOTA JR./SR. HIGH SCHOOL
CRITICAL COMMUNICATIONS AND SECURITY SYSTEMS UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	-	\$ 136,994	\$ 136,994	\$ 136,994
Total Revenues	-	136,994	136,994	136,994
Expenditures and Other Financing Uses				
Construction Services	-	70,997	70,997	136,994
Total Expenditures	-	70,997	70,997	136,994
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ 65,997</u>	<u>\$ 65,997</u>	<u>\$ -</u>

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 136,994
Additional Authorized Cost	-
Revised Authorized Cost	136,994
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	52%
Original Target Completion Date	June 30, 2019

PROPRIETARY FUNDS

SCHEDULE G-1

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

SCHEDULE G-2

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

SCHEDULE G-3

**COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING SCHEDULE OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2018**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 88,462	\$ 132,389	\$ 220,851
Total Assets	<u>\$ 88,462</u>	<u>\$ 132,389</u>	<u>\$ 220,851</u>
LIABILITIES			
Payroll Deductions and Withholdings		\$ 117,109	\$ 117,109
Accrued Salaries and Wages		15,053	15,053
Due to Other Funds		227	227
Due to Student Groups	<u>\$ 88,462</u>	<u>-</u>	<u>88,462</u>
Total Liabilities	<u>\$ 88,462</u>	<u>\$ 132,389</u>	<u>\$ 220,851</u>

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
SCHEDULE OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Balance, July 1, <u>2017</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2018</u>
ELEMENTARY SCHOOLS				
Bixby	\$ 1,428	\$ 10,526	\$ 9,789	\$ 2,165
Steen	<u>5,026</u>	<u>2,499</u>	<u>7,521</u>	<u>4</u>
Total Elementary Schools	<u>6,454</u>	<u>13,025</u>	<u>17,310</u>	<u>2,169</u>
HIGH SCHOOL				
Student Activities	72,562	107,159	113,470	66,251
Athletic Account	<u>592</u>	<u>65,580</u>	<u>46,130</u>	<u>20,042</u>
Total High School	<u>73,154</u>	<u>172,739</u>	<u>159,600</u>	<u>86,293</u>
Total All Schools	<u>\$ 79,608</u>	<u>\$ 185,764</u>	<u>\$ 176,910</u>	<u>\$ 88,462</u>

**BOGOTA BOARD OF EDUCATION
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Balance, July 1, <u>2017</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2018</u>
Payroll Deductions and Withholdings	\$ 105,872	\$ 4,893,524	\$ 4,882,287	\$ 117,109
Due to/(from) Unemployment Trust Fund	(316)	316	-	-
Due to General Fund	254,059	4,979	258,811	227
Accrued Salaries and Wages	<u>15,107</u>	<u>6,767,512</u>	<u>6,767,566</u>	<u>15,053</u>
 Total	 <u>\$ 374,722</u>	 <u>\$ 11,666,331</u>	 <u>\$ 11,908,664</u>	 <u>\$ 132,389</u>

LONG-TERM DEBT

**BOGOTA BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2017</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2018</u>
Refunding School Bonds	9/24/2015	\$ 4,025,000	7/15/2018	\$ 500,000	4.00%				
			7/15/2019	490,000	4.00%				
			7/15/2020	505,000	4.00%				
			7/15/2021	500,000	4.00%				
			7/15/2022	520,000	4.00%				
			7/15/2023	515,000	4.00%				
						<u>\$ 3,535,000</u>	<u>\$ -</u>	<u>\$ 505,000</u>	<u>\$ 3,030,000</u>
						<u>\$ 3,535,000</u>	<u>\$ -</u>	<u>\$ 505,000</u>	<u>\$ 3,030,000</u>

**BOGOTA BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance Final to Actual</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		
REVENUES					
Local Sources					
Property Taxes	\$ 633,775	-	\$ 633,775	\$ 633,775	-
Total Revenues	<u>633,775</u>	<u>-</u>	<u>633,775</u>	<u>633,775</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	532,240		532,240	505,000	\$ 27,240
Interest	<u>146,753</u>	<u>-</u>	<u>146,753</u>	<u>128,775</u>	<u>17,978</u>
Total Expenditures	<u>678,993</u>	<u>-</u>	<u>678,993</u>	<u>633,775</u>	<u>45,218</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(45,218)</u>	<u>-</u>	<u>(45,218)</u>	<u>-</u>	<u>45,218</u>
Fund Balance, Beginning of Year	<u>45,218</u>	\$ <u>-</u>	<u>45,218</u>	<u>45,218</u>	\$ <u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,218</u>	<u>\$ 45,218</u>
<u>Recapitulation of Balance</u>					
Designated for Subsequent Year's Budget				<u>\$ 45,218</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

BOGOTA BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011 (1)	2012	2013	2014 (Restated)	2015	2016	2017 (Restated)	2018
Governmental Activities										
Investment in Capital Assets	\$ 5,002,455	\$ 5,967,801	\$ 4,365,487	\$ 5,366,100	\$ 5,793,169	\$ 6,879,437	\$ 7,465,274	\$ 7,421,305	\$ 8,400,116	\$ 9,798,605
Restricted	187,995	192,973	292,973	591,234	1,457,205	458,303	2,597,010	3,854,767	3,107,864	2,311,852
Unrestricted	(300,530)	(445,026)	(325,968)	401,885	784,661	732,997	(480,701)	(153,434)	(46,125)	(132,723)
Total Governmental Activities Net Position	<u>\$ 4,889,920</u>	<u>\$ 5,715,748</u>	<u>\$ 4,332,492</u>	<u>\$ 6,359,219</u>	<u>\$ 8,035,035</u>	<u>\$ 8,070,737</u>	<u>\$ 9,581,583</u>	<u>\$ 11,122,638</u>	<u>\$ 11,461,855</u>	<u>\$ 11,977,734</u>
Business-Type Activities										
Investment in Capital Assets	\$ 5,083	\$ 42,280	\$ 54,762	\$ 48,694	\$ 42,873	\$ 37,290	\$ 31,839	\$ 33,862	\$ 17,343	\$ 21,039
Unrestricted	47,942	13,314	1,938	7,541	3,468	(26,169)	17,313	34,960	60,461	79,742
Total Business-Type Activities Net Position	<u>\$ 53,025</u>	<u>\$ 55,594</u>	<u>\$ 56,700</u>	<u>\$ 56,235</u>	<u>\$ 46,341</u>	<u>\$ 11,121</u>	<u>\$ 49,152</u>	<u>\$ 68,822</u>	<u>\$ 77,804</u>	<u>\$ 100,781</u>
District-Wide										
Investment in Capital Assets	\$ 5,007,538	\$ 6,010,081	\$ 4,420,249	\$ 5,414,794	\$ 5,836,042	\$ 6,916,727	\$ 7,497,113	\$ 7,455,167	\$ 8,417,459	\$ 9,819,644
Restricted	187,995	192,973	292,973	591,234	1,457,205	458,303	2,597,010	3,854,767	3,107,864	2,311,852
Unrestricted	(252,588)	(431,712)	(324,030)	409,426	788,129	706,828	(463,388)	(118,474)	14,336	(52,981)
Total District Net Position	<u>\$ 4,942,945</u>	<u>\$ 5,771,342</u>	<u>\$ 4,389,192</u>	<u>\$ 6,415,454</u>	<u>\$ 8,081,376</u>	<u>\$ 8,081,858</u>	<u>\$ 9,630,735</u>	<u>\$ 11,191,460</u>	<u>\$ 11,539,659</u>	<u>\$ 12,078,515</u>

Note 1 - Net Position at June 30, 2011 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, "Items Previously Reported in Assets and Liabilities".

**BOGOTA BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 8,328,788	\$ 8,225,228	\$ 8,071,997	\$ 8,382,081	\$ 7,798,699	\$ 9,262,246	\$ 8,967,657	\$ 9,477,389	\$ 10,907,301	\$ 11,128,013
Special Education	3,980,707	4,785,657	5,403,583	5,176,543	5,359,694	4,551,363	5,550,933	5,568,650	5,877,087	6,351,448
Other Instruction	334,889	344,556	312,379	297,318	380,752	263,840	375,913	346,096	412,351	419,610
School Sponsored Activities and Athletics	251,418	260,059	270,669	323,814	445,029	474,035	550,991	546,839	595,774	659,709
Support Services:										
Student & Instruction Related Services	1,597,411	1,795,306	1,873,574	1,988,118	1,985,599	2,271,056	2,678,526	2,708,024	2,749,843	3,082,469
School Administrative Services	996,703	1,109,618	942,836	661,409	787,239	736,590	1,224,178	1,196,161	1,312,161	1,246,473
General Administration	645,568	683,252	705,920	615,592	614,508	660,251	902,449	1,048,012	1,220,821	824,765
Plant Operations and Maintenance	1,724,472	1,667,159	1,273,465	1,236,440	1,650,872	1,640,177	1,809,925	2,038,008	2,694,060	2,294,023
Pupil Transportation	831,580	1,029,216	829,306	659,078	617,377	722,488	673,795	932,164	892,247	977,671
Central Services	366,136	459,500	428,516	444,735	529,913	578,875	374,285	431,513	466,731	700,913
Interest on Long-Term Debt	330,272	317,564	304,201	277,819	247,796	226,973	206,766	119,418	97,365	90,630
Total Governmental Activities Expenses	19,387,944	20,677,115	20,416,446	20,062,947	20,417,478	21,387,894	23,315,418	24,412,274	27,225,741	27,775,724
Business-Type Activities:										
Food Service	454,604	457,610	463,072	479,444	444,777	417,664	440,391	481,857	477,875	451,152
Summer Recovery	-	-	-	-	-	-	-	-	43,742	23,960
Total business-Type Activities Expense	454,604	457,610	463,072	479,444	444,777	417,664	440,391	481,857	521,617	475,112
Total District Expenses	\$ 19,842,548	\$ 21,134,725	\$ 20,879,518	\$ 20,542,391	\$ 20,862,255	\$ 21,805,558	\$ 23,755,809	\$ 24,894,131	\$ 27,747,358	\$ 28,250,836
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)							\$ 43,191	\$ 140,080	\$ 35,648	\$ 79,483
Operating Grants and Contributions	\$ 2,985,319	\$ 4,268,598	\$ 3,036,917	\$ 3,361,184	\$ 3,416,358	\$ 3,496,494	5,230,099	6,064,337	7,877,275	8,057,872
Capital Grants and Contributions	87,923	418,881		398,532	64,588	20,840	-	26,702	-	14,365
Total Governmental Activities Program Revenues	3,073,242	4,687,479	3,036,917	3,759,716	3,480,946	3,517,334	5,273,290	6,231,119	7,912,923	8,151,720
Business-Type Activities:										
Charges for Services										
Food Service	236,417	209,281	195,360	202,355	178,793	155,639	205,362	208,028	200,050	175,867
Summer Recovery									30,125	30,420
Operating Grants and Contributions	214,083	250,426	268,543	276,393	255,884	226,559	273,061	293,225	297,283	289,779
Total Business Type Activities Program Revenues	450,500	459,707	463,903	478,748	434,677	382,198	478,423	501,253	527,458	496,066
Total District Program Revenues	\$ 3,523,742	\$ 5,147,186	\$ 3,500,820	\$ 4,238,464	\$ 3,915,623	\$ 3,899,532	\$ 5,751,713	\$ 6,732,372	\$ 8,440,381	\$ 8,647,786
Net (Expense)/Revenue										
Governmental Activities	\$ (16,314,702)	\$ (15,989,636)	\$ (17,379,529)	\$ (16,303,231)	\$ (16,936,532)	\$ (17,870,560)	\$ (18,042,128)	\$ (18,181,155)	\$ (19,312,818)	\$ (19,624,004)
Business-Type Activities	(4,104)	2,097	831	(696)	(10,100)	(35,466)	38,032	19,396	5,841	20,954
Total District-Wide Net Expense	\$ (16,318,806)	\$ (15,987,539)	\$ (17,378,698)	\$ (16,303,927)	\$ (16,946,632)	\$ (17,906,026)	\$ (18,004,096)	\$ (18,161,759)	\$ (19,306,977)	\$ (19,603,050)

**BOGOTA BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 11,821,544	\$ 12,294,405	\$ 12,783,703	\$ 12,939,377	\$ 13,198,165	\$ 13,593,934	\$ 14,026,842	\$ 14,180,378	\$ 14,180,378	\$ 14,463,986
Taxes Levied for Debt Service	734,904	720,478	730,059	709,199	709,999	707,772	645,666	644,533	631,250	633,775
State and Federal Aid - Unrestricted	4,117,791	3,768,363	4,160,485	4,432,253	4,677,324	4,705,827	4,758,551	4,724,773	4,773,016	4,899,186
State Aid - Restricted for Debt Service	13,627	14,438	12,912	12,410	11,908	11,406				
Gain (Loss) on Disposal of Capital Assets		(41,968)	(333)							
Investment Earnings	46,625									
Miscellaneous Income	18,929	59,748	27,751	24,455	14,952	119,274	121,915	172,526	80,489	142,936
Transfers	(30,000)								(13,098)	-
Total Governmental Activities	<u>16,723,420</u>	<u>16,815,464</u>	<u>17,714,577</u>	<u>18,117,694</u>	<u>18,612,348</u>	<u>19,138,213</u>	<u>19,552,974</u>	<u>19,722,210</u>	<u>19,652,035</u>	<u>20,139,883</u>
Business-Type Activities:										
Transfers	30,000								13,098	-
Investment Earnings	612	472	275	231	206	246		274	894	2,023
Total Business-Type Activities	<u>30,612</u>	<u>472</u>	<u>275</u>	<u>231</u>	<u>206</u>	<u>246</u>	<u>-</u>	<u>274</u>	<u>13,992</u>	<u>2,023</u>
Total District-Wide	<u>\$ 16,754,032</u>	<u>\$ 16,815,936</u>	<u>\$ 17,714,852</u>	<u>\$ 18,117,925</u>	<u>\$ 18,612,554</u>	<u>\$ 19,138,459</u>	<u>\$ 19,552,974</u>	<u>\$ 19,722,484</u>	<u>\$ 19,666,027</u>	<u>\$ 20,141,906</u>
Change in Net Position										
Governmental Activities	\$ 408,718	\$ 825,828	\$ 335,048	\$ 1,814,463	\$ 1,675,816	\$ 1,267,653	\$ 1,510,846	\$ 1,541,055	\$ 339,217	\$ 515,879
Business-Type Activities	26,508	2,569	1,106	(465)	(9,894)	(35,220)	38,032	19,670	19,833	22,977
Total District	<u>\$ 435,226</u>	<u>\$ 828,397</u>	<u>\$ 336,154</u>	<u>\$ 1,813,998</u>	<u>\$ 1,665,922</u>	<u>\$ 1,232,433</u>	<u>\$ 1,548,878</u>	<u>\$ 1,560,725</u>	<u>\$ 359,050</u>	<u>\$ 538,856</u>

BOGOTA BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Unaudited)
 (modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Restricted			\$ 307,414	\$ 754,402	\$ 2,366,110	\$ 2,514,715	\$ 3,597,202	\$ 5,097,990	\$ 4,079,026	\$ 2,804,173
Committed				92,817	43,722	155,832	65,000		56,388	
Assigned			202,124	693,662	444,247	46,662	147,296	424,174	357,809	401,503
Unassigned			(173,342)	(217,674)	(285,585)	(241,326)	(268,668)	(300,229)	(221,339)	(191,072)
Reserved	\$ 427,216	\$ 329,615								
Unreserved	(81,629)	(213,796)								
Total General Fund	\$ 345,587	\$ 115,819	\$ 336,196	\$ 1,323,207	\$ 2,568,494	\$ 2,475,883	\$ 3,540,830	\$ 5,221,935	\$ 4,271,884	\$ 3,014,604
All Other Governmental Funds										
Restricted			\$ 4,964	\$ 65,527	\$ 502	\$ 175,948	\$ 53,982	\$ 61,739	\$ 604,626	\$ 1,007,680
Unreserved		\$ 4,964								
Total All Other Governmental Funds	\$ -	\$ 4,964	\$ 4,964	\$ 65,527	\$ 502	\$ 175,948	\$ 53,982	\$ 61,739	\$ 604,626	\$ 1,007,680

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

BOGOTA BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Property Tax Levy	\$ 12,556,448	\$ 13,014,883	\$ 13,513,762	\$ 13,648,576	\$ 13,908,164	\$ 14,301,706	\$ 14,672,508	\$ 14,824,911	\$ 14,811,628	\$ 15,097,761
Tuition Charges										
Interest Earnings	46,625									
Miscellaneous	18,929	65,968	94,908	71,174	19,858	130,482	167,009	335,549	119,042	242,047
State Sources	6,480,028	6,632,806	6,395,370	7,295,392	7,553,692	7,352,689	7,535,389	7,846,798	8,197,104	8,718,427
Federal Sources	724,632	1,831,254	747,787	862,268	611,580	870,670	641,670	770,098	761,291	755,299
Total Revenue	19,826,662	21,544,911	20,751,827	21,877,410	22,093,294	22,655,547	23,016,576	23,777,356	23,889,065	24,813,534
Expenditures										
Instruction										
Regular Instruction	8,151,403	8,055,814	7,884,433	8,078,332	7,836,748	9,307,269	7,829,252	8,097,515	8,468,945	9,073,278
Special Education Instruction	3,936,232	4,744,098	5,344,012	5,167,575	5,378,691	4,550,663	5,324,086	5,210,956	5,267,472	5,805,646
Other Instruction	243,478	253,046	261,021	297,318	379,143	263,630	324,088	291,346	312,507	333,982
School Sponsored Activities and Athletics	327,076	337,783	304,446	323,814	445,029	474,035	546,800	532,513	566,947	615,826
Support Services:										
Student & Inst. Related Services	1,560,203	1,760,899	1,832,053	1,960,523	1,963,459	2,242,814	2,420,824	2,429,882	2,343,957	2,659,516
General Administration	971,650	673,650	693,733	608,392	627,671	653,051	858,432	879,590	1,155,139	764,140
School Administrative Services	633,196	1,085,290	918,061	634,077	775,512	711,610	1,076,150	1,076,469	1,093,249	1,068,589
Plant Operations and Maintenance	1,699,902	1,644,824	1,267,234	1,221,466	1,302,351	1,243,550	1,376,147	1,543,147	2,147,412	1,714,787
Pupil Transportation	821,730	1,028,386	820,971	651,298	609,475	714,568	664,842	921,921	884,728	967,114
Central Services	366,136	450,881	410,698	444,420	529,476	579,190	347,098	393,566	439,035	618,287
Capital Outlay	499,625	1,000,128	51,817	811,417	344,571	1,081,186	659,209	112,274	972,490	1,412,820
Debt Service:										
Principal	455,000	460,000	485,000	480,000	495,000	541,968	455,000	470,000	490,000	505,000
Interest and Other Charges	293,531	274,916	257,971	241,609	225,906	209,178	191,667	129,315	141,250	128,775
Bond Issuance Costs								100,490		
Total Expenditures	19,959,162	21,769,715	20,531,450	20,920,241	20,913,032	22,572,712	22,073,595	22,188,984	24,283,131	25,667,760
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(132,500)	(224,804)	220,377	957,169	1,180,262	82,835	942,981	1,588,372	(394,066)	(854,226)
Other Financing Sources (Uses)										
Refunding Bonds Issued								4,025,000	-	-
Payments to Refunded Bond Escrow Agent								(4,260,962)	-	-
Premium on Issuance of Refunding								336,452	-	-
Capital Lease Proceeds				90,405						
Transfers In	121,741	386,661	1	434,380	69,519	857,606	96,278	-	1,376,195	2,157,368
Transfers Out	(151,741)	(386,661)	(1)	(434,380)	(69,519)	(857,606)	(96,278)	-	(1,389,293)	(2,157,368)
Total Other Financing Sources (Uses)	(30,000)	-	-	90,405	-	-	-	100,490	(13,098)	-
Net Change in Fund Balances	\$ (162,500)	\$ (224,804)	\$ 220,377	\$ 1,047,574	\$ 1,180,262	\$ 82,835	\$ 942,981	\$ 1,688,862	\$ (407,164)	\$ (854,226)
Debt Service as a Percentage of										
Noncapital Expenditures	3.85%	3.54%	3.63%	3.59%	3.50%	3.50%	3.02%	3.17%	2.71%	2.61%

**BOGOTA BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Cancel Prior Year Accounts Payable</u>	<u>Miscellaneous</u>	<u>Total</u>
2009		\$ 46,581		\$ 18,929	\$ 65,510
2010		20,438	\$ 32,990	6,318	59,746
2011		7,363	9,129	11,258	27,750
2012		7,971		16,484	24,455
2013		9,081		5,863	14,944
2014	\$ 36,271	11,294		71,709	119,274
2015	43,191	10,357		111,558	165,106
2016	140,080	19,730	74,472	78,324	312,606
2017	35,648	21,525		58,964	116,137
2018	79,483	91,343	16,850	34,743	222,419

Source: School District's Financial Statements

**BOGOTA BOARD OF EDUCATION
 ASSESSED VALUATION AND ACTUAL VALUATION OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2009	\$ 4,376,300	\$ 689,536,400	\$ 70,184,800	\$ 24,655,100	\$ 45,133,600	\$ 833,886,200	\$ 381,281	\$ 834,267,481	\$ 846,681,990	\$ 1.532
** 2010	4,376,300	689,382,200	69,997,900	24,265,200	44,472,000	832,493,600	1,561,663	834,055,263	916,167,917	1.620
2011	4,289,100	688,855,600	69,793,300	24,265,200	43,712,000	830,915,200	1,286,054	832,201,254	859,824,307	1.600
2012	4,174,300	687,218,200	68,483,700	22,919,200	43,456,200	826,251,600	1,266,437	827,518,037	811,078,125	1.668
*** 2013	2,972,900	527,461,700	56,975,200	17,102,700	38,959,800	643,472,300	-	643,472,300	711,789,326	2.160
2014	2,849,900	527,442,600	56,651,500	17,635,200	38,855,500	643,434,700	-	643,434,700	724,748,577	2.252
2015	2,849,900	527,992,200	56,711,800	17,265,100	38,496,800	643,315,800	-	643,315,800	710,932,904	2.303
2016	2,849,900	528,603,200	56,507,300	17,199,200	38,496,800	643,656,400	-	643,656,400	718,635,164	2.302
2017	2,719,200	528,837,500	56,079,300	17,199,200	37,623,200	642,458,400	-	642,458,400	729,342,969	2.319
2018	2,719,200	530,289,900	55,530,800	12,723,900	36,754,800	638,018,600	-	638,018,600	732,984,571	2.405

a Tax rates are per \$100

**- Revaluation of Real Property effective 2009

***- Reassessed effective 2013

Source: County Abstract of Ratables

**BOGOTA BOARD OF EDUCATION
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Calendar Year	Total	Local School District	Municipality (1)	County (2)
2009	\$ 2.421	\$ 1.532	\$ 0.665	\$ 0.224
2010	2.549	1.620	0.714	0.215
2011	2.574	1.600	0.759	0.215
2012	2.691	1.668	0.808	0.215
2013	3.531	2.160	1.119	0.252 **
2014	3.630	2.252	1.122	0.256
2015	3.729	2.303	1.161	0.265
2016	3.773	2.302	1.196	0.275
2017	3.800	2.319	1.196	0.285
2018	3.920	2.405	1.234	0.281

* Revaluation of Real Property Effective 2008.

**Reassessed Effective 2013

(1) Includes Municipal Library

(2) Includes County Open Space tax

Source: Tax Duplicate, Borough of Bogota

**BOGOTA BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2018		2009	
	Taxable Assessed Value	% of Total District Net Assessed Valuation	Taxable Assessed Value	% of Total District Net Assessed Valuation
River Rock Equities	5,351,900	0.84%		
Del-Val Financial Corp	3,720,000	0.58%		
Michael Court Apartments	3,600,000	0.56%	\$ 4,105,800	0.49%
Rega Bogota LLC	3,396,300	0.53%		
BRC Property LLC	3,110,500	0.49%	3,311,700	0.40%
Evergreen Realty	2,797,100	0.44%	3,861,600	0.46%
Bogota Royale Inv.	2,645,000	0.41%		
Singh Real Estate De & Inv Co	2,616,300	0.41%		
Del-Val Financial Corp	2,480,000	0.39%		
River Rock Equities	2,390,000	0.37%		
Bogota Golf			16,792,605	2.01%
Stirling Management Corp			10,743,260	1.29%
P. Feiner			4,323,100	0.52%
Landmark Developers			3,845,100	0.46%
River Road Associates			2,059,900	0.25%
Hess Oil			1,337,060	0.16%
	<u>\$ 32,107,100</u>	<u>5.03%</u>	<u>50,380,125</u>	<u>6.04%</u>

Source: Municipal Tax Assessor

**BOGOTA BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	\$ 12,556,448	\$ 12,556,448	100.00%	
2010	13,014,883	13,014,883	100.00%	
2011	13,513,762	13,513,762	100.00%	
2012	13,648,576	13,648,576	100.00%	
2013	13,908,164	13,908,164	100.00%	
2014	14,301,706	14,301,706	100.00%	
2015	14,672,508	14,672,508	100.00%	
2016	14,824,911	13,384,446	90.28%	\$ 1,440,465
2017	14,811,628	14,811,628	100.00%	
2018	15,097,761	13,673,010	90.56%	1,424,751

Source: District records.

BOGOTA BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Estimated Population	Per Capita
	General Obligation Bonds	Capital Leases			
2009	\$ 7,560,000		\$ 7,560,000	7,917	\$ 955
2010	7,100,000		7,100,000	8,202	866
2011	6,615,000		6,615,000	8,263	801
2012	6,135,000	\$ 62,066	6,197,066	8,273	749
2013	5,640,000	31,968	5,671,968	8,318	682
2014	5,130,000		5,130,000	8,357	614
2015	4,675,000		4,675,000	8,400	557
2016	4,025,000		4,025,000	8,507	473
2017	3,535,000		3,535,000	8,567	413
2018	3,030,000		3,030,000	8,567 *	354

Source: District records

*Estimated

BOGOTA BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Valuation of Property	Per Capita
2009	\$ 7,560,000		\$ 7,560,000	0.91%	\$ 955
2010	7,100,000		7,100,000	0.85%	866
2011	6,615,000		6,615,000	0.79%	801
2012	6,135,000		6,135,000	0.74%	742
2013	5,640,000		5,640,000	0.88%	678
2014	5,130,000		5,130,000	0.80%	614
2015	4,675,000		4,675,000	0.73%	557
2016	4,025,000		4,025,000	0.63%	473
2017	3,535,000	\$ 45,218	3,489,782	0.54%	407
2018	3,030,000	45,218	2,984,782	0.47%	348

Source: District records

**BOGOTA BOARD OF EDUCATION
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF DECEMBER 31, 2017
 (UNAUDITED)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Bogota Board of Education	\$ 3,030,000
Borough of Bogota	<u>8,020,562</u>
	11,050,562
Overlapping Debt Apportioned to the Municipality:	
Bergen County (2);(A):	
County of Bergen (A)	5,359,016
Bergen County Utilities Authority - Water Pollution (B)	<u>1,657,655</u>
Total Direct and Overlapping Debt	<u>\$ 18,067,233</u>

Sources:

- (1) Borough of Bogota 2017 Annual Debt Statement
- (2) Bergen County 2017 Debt Statement

- (A) The debt for this entity was apportioned by dividing the Municipality's 2017 equalized value by the total 2017 equalized value for Bergen County.

- (B) Overlapping debt was computed based upon municipal flow to the Authority.

**BOGOTA BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 36,317,516	\$ 37,299,367	\$ 36,086,094	\$ 34,090,368	\$ 32,248,624	\$ 30,484,239	\$ 29,138,530	\$ 28,405,140	\$ 28,489,483	\$ 28,852,972
Total Net Debt Applicable to Limit	7,560,000	7,100,000	6,615,000	6,135,000	5,640,000	5,130,000	4,675,000	4,025,000	3,535,000	3,030,000
Legal Debt Margin	\$ 28,757,516	\$ 30,199,367	\$ 29,471,094	\$ 27,955,368	\$ 26,608,624	\$ 25,354,239	\$ 24,463,530	\$ 24,380,140	\$ 24,954,483	\$ 25,822,972
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.82%	19.04%	18.33%	18.00%	17.49%	16.83%	16.04%	14.17%	12.41%	10.50%

Legal Debt Margin Calculation for Fiscal Year 2017

Equalized Valuation Basis	
2015	\$ 710,610,626
2016	723,046,956
2017	<u>730,315,335</u>
	<u>\$ 2,163,972,917</u>
Average Equalized Valuation of Taxable Property	<u>\$ 721,324,306</u>
Debt Limit (4 % of average equalization value)	28,852,972
Total Net Debt Applicable to Limit	<u>3,030,000</u>
Legal Debt Margin	<u>\$ 25,822,972</u>

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

**BOGOTA BOARD OF EDUCATION
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(UNAUDITED)**

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Income</u>	<u>Unemployment Rate</u>	
2009	7,917	64,571	13.9%	
2010	8,202	65,275	14.2%	
2011	8,263	68,244	14.0%	
2012	8,273	71,380	14.2%	
2013	8,318	70,498	8.0%	
2014	8,357	73,536	5.8%	
2015	8,400	75,849	5.0%	
2016	8,507	77,187	4.7%	
2017	8,567	N/A	4.0%	
2018	N/A	N/A	4.0%	*

N/A - Not Available

*Estimated

Source: New Jersey Department of Education

**BOGOTA BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

<u>Employer</u>	<u>2018</u>		<u>2009</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

BOGOTA BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction										
Regular	104	102	100	101	101	101	103	107	99	90
Special Education	15	15	14	15	15	15	15	16	18	18
Other Special Education	3	3	3	3	3	6	6	7	11	18
Support Services:										
Student & Instruction Related Services	18	18	15	15	15	15	16	22	18	15
General Administration	2	2	3	3	3	3	3	5	3	3
School Administrative Services	5	4	-	-	-	-	-	-	4	4
Other Administrative Services	5	4	2	2	2	2	2	2	2	1
Central Services	3	3	3	3	3	3	3	4	4	5
Plant Operations and Maintenance	15	12	1	1	1	3	13	13	15	16
Total	<u>170</u>	<u>163</u>	<u>141</u>	<u>143</u>	<u>143</u>	<u>148</u>	<u>161</u>	<u>176</u>	<u>174</u>	<u>170</u>

Source: Annual School Budget Statement

**BOGOTA BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Senior High School				
2009	1,276	\$ 18,781,158	\$ 14,719	4.97%	121			1199	1151	0.33%	96.00%
2010	1,201	20,034,671	16,682	13.34%	108	11:01	11:01	1155	1096	-3.67%	94.89%
2011	1,223	19,736,662	16,138	-3.26%	117	9:01	9:01	1168	1146	1.13%	98.12%
2012	1,194	19,387,215	16,237	0.62%	103	9:01	9:01	1163	1141	-0.43%	98.11%
2013	1,171	19,847,555	16,949	4.39%	108	9:01	9:01	1158	1136	-0.43%	98.10%
2014	1,166	20,740,380	17,788	4.95%	108	9:01	9:01	1106	1043	-4.49%	94.30%
2015	1,130	20,767,719	18,379	3.32%	104	9:01	9:01	1090	1043	-1.45%	95.69%
2016	1,144	21,376,905	18,686	1.67%	107	9:01	9:01	1143	1069	4.86%	93.53%
2017	1,118	22,679,391	20,286	8.56%	107	9:01	9:01	1097	1047	-4.02%	95.44%
2018	1,155	23,621,165	20,451	0.82%	107	9:01	9:01	1116	1065	1.73%	95.43%

Sources: District records

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

**BOGOTA BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>District Building</u>										
<u>E. Roy Bixby</u>										
Square Feet	40,475	40,475	40,475	40,475	40,475	40,475	40,475	40,475	40,475	40,475
Capacity (students)	N/A	300	292	292	292	292	292	292	292	292
Enrollment				294	294	294	308	294	280	284
<u>Lillian M Steen</u>										
Square Feet	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456
Capacity (students)	N/A	321	296	296	296	296	296	296	296	296
Enrollment				302	302	302	294	308	302	305
<u>Jr./Sr. High School</u>										
Square Feet	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104
Capacity (students)	N/A	580	575	575	575	575	575	575	575	575
Enrollment				554	554	554	493	503	515	527
<u>Other</u>										
<u>Board of Education Offices</u>										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<u>Feigel Field House</u>										
Square Feet	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640
Number of Schools at June 30, 2017										
Elementary =	2	2	2	2	2	2	2	2	2	2
Junior/Senior High School =	1	1	1	1	1	1	1	1	1	1

Source: Long Range Facilities Plan 2007-2016

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(Unaudited)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
School Facilities										
Bixby Elementary School	\$ 101,951	\$ 107,720	\$ 72,190	\$ 66,979	\$ 73,287	\$ 57,440	\$ 88,388	\$ 106,601	\$ 233,465	\$ 122,274
Steen Elementary School	119,536	121,186	57,550	85,247	85,927	67,371	103,663	125,140	273,732	143,364
Bogota High School	<u>216,885</u>	<u>219,930</u>	<u>175,164</u>	<u>152,227</u>	<u>155,906</u>	<u>122,242</u>	<u>188,111</u>	<u>231,742</u>	<u>496,659</u>	<u>260,119</u>
Grand Total	<u>\$ 438,372</u>	<u>\$ 448,836</u>	<u>\$ 304,904</u>	<u>\$ 304,453</u>	<u>\$ 315,120</u>	<u>\$ 247,053</u>	<u>\$ 380,162</u>	<u>\$ 463,483</u>	<u>\$ 1,003,856</u>	<u>\$ 525,757</u>

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2018
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
Commercial Property Coverage - NJSIG Property - Blanket Building & Contents Electronic Data Processing Equipment Breakdown	\$ 45,893,321 500,000 100,000,000	\$ 5,000
General Liability - NJSIG General Aggregate	11,000,000	
Public Official Bonds - NJSIG School Business Administrator	430,000	1,000
Boiler and Machinery - NJSBAIG Direct Damage	100,000,000	1,000
Commercial Automobile - NJSIG Liability	11,000,000	1,000
School Board Legal Liability	11,000,000	10,000
Excess/Umbrella Liability - NJSIG Firemen's Fund	11,000,000 50,000,000	
Workers Compensation - NJSIG Employer Liability - Each Accident/Each Employee/Limit	2,000,000	
Student/Athletic Accident - United States	5,000,000	10,000

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bogota Board of Education
Bogota, New Jersey

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

Internal Control Over Financial Reporting

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bogota Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated January 18, 2019.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bogota Board of Education’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 Bogota Board of Education’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 18, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bogota Board of Education
Bogota, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Bogota Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, U.S. Uniform Guidance and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Bogota 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 federal and state program. However, our audit does not provide a legal determination of the Bogota Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Bogota 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 federal and state programs for the fiscal year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with New Jersey OMB Circular 15-08, which is described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on each major federal and state program is not modified with respect to this matter.

The Bogota Board of Education's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Bogota Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Bogota 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 Bogota Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bogota 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 or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

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


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 18, 2019

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2017					A/R Carryover Amount	Def. Rev Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2018			MEMO GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	(Accounts Receivable)	Unearned Revenue						Due to Grantor			
U.S. Department of Education																		
Medicaid Assistance Program (Semi)	93.778	1805NJ5MAP	7/1/17-6/30/18	75,876	-	-	-	-	-	-	\$ 75,876	\$ 75,876	-	-	-	-	*	
Total U.S. Department of Education - General Fund					-	-	-	-	-	-	75,876	75,876	-	-	-	-	*	
U.S. Department of Agriculture Passed-Through State Department of Education																		
Food Distribution Program- Non Cash Assistance	10.555	1811NJ304N1099	7/1/17-6/30/18	28,598	-	-	-	-	-	-	28,598	28,598	-	-	-	-	*	
Food Distribution Program- Non Cash Assistance	10.555	171NJ304N1099	7/1/16-6/30/17	36,790	-	\$ 2,417	-	-	-	-	-	-	-	-	-	-	*	
National School Breakfast Program	10.553	1811NJ304N1099	7/1/17-6/30/18	33,990	-	-	-	-	-	-	31,477	33,990	-	\$ (2,513)	-	-	\$ (2,513)	
National School Breakfast Program	10.553	171NJ304N1099	7/1/16-6/30/17	37,075	\$ (16,207)	-	-	-	-	-	16,207	-	-	-	-	-	-	
National School Lunch Program	10.555	1811NJ304N1099	7/1/17-6/30/18	219,462	-	-	-	-	-	-	207,040	219,462	-	(12,422)	-	-	(12,422)	
National School Lunch Program	10.555	171NJ304N1099	7/1/16-6/30/17	219,368	(87,607)	-	-	-	-	-	87,607	-	-	-	-	-	-	
Total Child Nutrition Cluster/U.S. Department of Agriculture					(103,814)	2,417	-	-	-	-	370,929	284,467	-	(14,935)	-	-	(14,935)	
U.S. Department of Education Passed-Through State Department of Education																		
Title III	84.365	S365A170030	7/1/17-6/30/18	17,461	-	-	-	-	-	-	17,461	17,461	-	-	-	-	-	
Title III	84.365	S365A160030	7/1/16-6/30/17	17,404	(4,320)	-	-	-	-	-	4,320	-	-	-	-	-	-	
Title III, Immigrant	84.365	S365A170030	7/1/17-6/30/18	3,499	-	-	-	-	-	-	3,499	3,499	-	-	-	-	-	
Title III, Immigrant	84.365	S365A150030	7/1/15-6/30/16	5,983	-	-	\$ 1,524	-	-	-	-	-	\$ 1,524	-	-	-	-	
Total Title III Cluster					(4,320)	-	1,524	-	-	-	25,280	20,960	1,524	-	-	-	-	
IDEA, Part B	84.027		7/1/14-6/30/15	300,934	-	-	-	934	-	-	-	-	-	934	-	-	-	
IDEA, Part B	84.027		9/1/12-8/31/13	316,779	-	-	-	5,042	-	-	-	-	-	5,042	-	-	-	
IDEA, Part B	84.027	H027A150100	7/1/15-6/30/16	320,492	-	-	-	1,571	-	-	-	-	-	1,571	-	-	-	
IDEA, Part B	84.027	H027A170100	7/1/17-6/30/18	302,021	-	-	-	\$ (493)	\$ 493	290,405	297,207	-	(12,109)	\$ 5,207	-	-	(6,902)	
IDEA, Part B	84.027	H027A160100	7/1/16-6/30/17	309,075	(61,747)	493	-	-	493	61,254	-	-	-	-	-	-	-	
IDEA, Preschool	84.173	H173A170114	7/1/16-6/30/18	8,072	-	-	-	-	-	8,072	8,072	-	-	-	-	-	-	
IDEA, Preschool	84.173	H173A160114	7/1/16-6/30/17	8,185	(1,585)	-	-	-	-	1,585	-	-	-	-	-	-	-	
Total IDEA Cluster					(63,332)	493	7,547	-	-	361,316	305,379	7,547	(12,109)	5,207	-	-	(6,902)	
Title I	84.010		7/1/14-6/30/15	310,540	-	-	-	11	-	-	-	-	-	11	-	-	-	
Title I	84.010	S010A150030	7/1/15-6/30/16	320,436	-	-	-	3,200	-	-	-	-	-	3,200	-	-	-	
Title I	84.010	S010A160030	7/1/16-6/30/17	314,577	(94,250)	-	-	-	-	94,250	-	-	-	-	-	-	-	
Title I	84.010	S010A170030	7/1/17-6/30/17	311,681	-	-	-	-	-	311,681	311,681	-	-	-	-	-	-	
Total Title I Cluster					(94,250)	-	3,211	-	-	405,931	311,681	3,211	-	-	-	-	-	
Title II Part A	84.367A	S367A150029	7/1/15-6/30/16	31,909	-	-	-	3,690	-	-	-	-	-	3,690	-	-	-	
Title II Part A	84.367A	S367A160029	7/1/16-6/30/17	28,967	(2,733)	-	-	-	-	2,733	-	-	-	-	-	-	-	
Title II Part A	84.367A	S367A170029	7/1/17-6/30/18	31,403	-	-	-	-	-	28,067	31,403	-	(3,336)	-	-	-	(3,336)	
Total Title II Cluster					(2,733)	-	3,690	-	-	30,800	31,403	3,690	(3,336)	-	-	-	(3,336)	
Title IV Part A	84.424	S424A170031	7/1/17-6/30/18	10,000	-	-	-	-	-	10,000	10,000	-	-	-	-	-	-	
Total Title IV Cluster					-	-	-	-	-	10,000	10,000	-	-	-	-	-	-	
Total U.S. Department of Education - Special Revenue Fund					(164,635)	493	15,972	-	-	833,327	679,423	15,972	(15,445)	5,207	\$ -	-	(10,238)	
Total					\$ (268,449)	\$ 2,910	\$ 15,972	\$ -	\$ -	\$ 1,280,132	\$ 1,039,766	\$ 15,972	\$ (30,380)	\$ 5,207	\$ -	-	\$ (25,173)	

137

FAIN numbers are only applicable for grant awards from 7/1/15 to present.

See Accompanying Notes to Schedule of Expenditures of Federal Awards

BOGOTA BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2017		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2018		MEMO	
				(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor	GAAP Receivable	Cumulative Expenditures
State Department of Education												
General Fund												
Equalization Aid	17-495-034-5120-078	7/1/16-6/30/17	\$ 4,656,232	\$ (419,340)		\$ 419,340						
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	4,803,287			4,387,941	\$ 4,803,287	\$ (415,346)			\$ 4,803,287	
Special Education Aid	17-495-034-5120-089	7/1/16-6/30/17	764,979	(68,894)		68,894						
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	764,979			698,830	764,979	(66,149)			764,979	
Security Aid	17-495-034-5120-084	7/1/16-6/30/17	73,248	(6,597)		6,597						
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	73,248			66,914	73,248	(6,334)			73,248	
Additional Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	80,476			80,476		(6,959)			80,476	
Additional Adjustment Aid	17-495-034-5120-085	7/1/16-6/30/17	80,476	(7,248)		7,248						
Professional Learning Community Aid	17-495-034-5120-101	7/1/16-6/30/17	11,230	(1,011)		1,011						
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	11,230			10,260	11,230	(970)			11,230	
PARCC Readiness Aid	17-495-034-5120-098	7/1/16-6/30/17	11,100	(1,000)		1,000						
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	11,100			10,140	11,100	(960)			11,100	
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	11,100	(1,000)		1,000						
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	11,100			10,140	11,100	(960)			11,100	
Total State Aid - Public Cluster			(505,090)	-	-	5,762,832	5,755,420	(497,678)	-	-	5,755,420	-
Extraordinary Aid												
Extraordinary Aid	17-495-034-5120-044	7/1/16-6/30/17	228,784	(228,784)		228,784						
Extraordinary Aid	18-495-034-5120-044	7/1/17-6/30/18	271,174			271,174		(271,174)			271,174	
Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	53,824	(4,847)		4,847						
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	53,824			49,170	53,824	(4,654)			53,824	
Lead Testing for Schools Aid	18-495-034-5120-104	7/1/17-6/30/18	1,596			1,596					1,596	
On-Behalf TPAF Payments												
Normal Costs	18-495-034-5094-002	7/1/17-6/30/18	1,116,409			1,116,409	1,116,409				1,116,409	
NCGI Premium	18-495-034-5094-004	7/1/17-6/30/18	27,092			27,092	27,092				27,092	
Long-Term Disability Insurance Contributions	18-495-034-5094-004	7/1/17-6/30/18	1,984			1,984	1,984				1,984	
Post Retirement Medical Contribution	18-495-034-5094-001	7/1/17-6/30/18	738,563			738,563	738,563				738,563	
Social Security Aid-Non-Budget	17-495-034-5094-003	7/1/16-6/30/17	573,533	(28,834)		28,834						
Social Security Aid-Non-Budget	18-495-034-5094-003	7/1/17-6/30/18	594,797			564,609	594,797	(30,188)		\$ (30,188)	594,797	
Total General Fund			(767,555)	-	-	8,524,720	8,560,859	(803,694)	-	(30,188)	8,560,859	-
Special Revenue Fund												
New Jersey Nonpublic Aid:												
Auxiliary Services:												
Compensatory Education	17-100-034-5120-067	7/1/16-6/30/17	69,872	\$ 8,778			\$ 8,778					
Compensatory Education	18-100-034-5120-067	7/1/17-6/30/18	78,840			78,840	58,023		\$ 20,817		58,023	
English as a Second Language	17-100-034-5120-067	7/1/16-6/30/17	5,482		5,482							
English as a Second Language	18-100-034-5120-067	7/1/17-6/30/18	2,710			2,710			2,710			
Transportation	18-100-034-5120-067	7/1/17-6/30/18	15,575			15,575	15,575				15,575	
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster			-	14,260	-	97,125	73,598	14,260	-	23,527	-	73,598
Handicapped Services:												
Examination & Classification	17-100-034-5120-066	7/1/16-6/30/17	22,163		2,527			2,527				
Examination & Classification	18-100-034-5120-066	7/1/17-6/30/18	27,487			27,487	22,387		5,100		22,387	
Supplemental Instruction	17-100-034-5120-066	7/1/16-6/30/17	27,464		9,794			9,794				
Supplemental Instruction	18-100-034-5120-066	7/1/17-6/30/18	21,410			21,410	19,348		2,062		19,348	
Corrective Speech	17-100-034-5120-066	7/1/16-6/30/17	24,739		5,200			5,200				
Corrective Speech	18-100-034-5120-066	7/1/17-6/30/18	20,534			20,534	17,142		3,392		17,142	
Total Nonpublic Handicapped Aid (Chapter 193) Cluster			-	17,521	-	69,431	58,877	17,521	-	10,554	-	58,877
Textbook Aid												
Textbook Aid	18-100-034-5120-064	7/1/17-6/30/18	12,435			12,435	12,435				12,435	
Textbook Aid	17-100-034-5120-064	7/1/16-6/30/17	14,237									
Nursing Services	18-100-034-5120-070	7/1/17-6/30/18	22,019			22,019	22,019				22,019	
Nursing Services	17-100-034-5120-070	7/1/16-6/30/17	22,230		815			815				
Technology Aid	18-100-034-5120-373	7/1/17-6/30/18	8,399			8,399	8,399				8,399	
Technology Aid	17-100-034-5120-373	7/1/16-6/30/17	6,422		52			52				
Security Aid	18-100-034-5120-509	7/1/17-6/30/18	17,025			17,025	17,025				17,025	
Security Aid	17-100-034-5120-509	7/1/16-6/30/17	12,350		282			282				
Total Special Revenue Fund			-	32,930	-	226,434	192,353	32,930	-	34,081	-	192,353

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2017		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2018		MEMO	
				(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor	GAAP Receivable	Cumulative Expenditures
State Department of Agriculture												
<i>Enterprise Fund</i>												
State School Lunch Program	17-100-010-3350-023	7/1/16-6/30/17	5,071	\$ (2,001)		\$ 2,001						*
State School Lunch Program	18-100-010-3350-023	7/1/17-6/30/18	5,312	-		5,015	5,312	-	\$ (297)	-		* \$ (297) \$ 5,312
Total Food Service Fund				(2,001)	-	7,016	5,312	-	(297)	-		* (297) 5,312
Total State Financial Assistance Subject to Single Audit Determination				(769,556)	\$ 32,930	8,758,170	8,758,524	\$ 32,930	(803,991)	\$ 34,081		* (30,485) 8,758,524
Less On-Behalf TPAF Pension and Annuity Aid												
<i>Normal Costs</i>												
						(1,116,409)	(1,116,409)					* (1,116,409)
<i>NCGI Premium</i>												
						(27,092)	(27,092)					* (27,092)
<i>Long-Term Disability Insurance Contributions</i>												
						(1,984)	(1,984)					* (1,984)
<i>Post Retirement Medical Contribution</i>												
						(738,563)	(738,563)					* (738,563)
						(1,884,048)	(1,884,048)					* (1,884,048)
Total State Financial Assistance Subject to Major Program Determination				\$ (769,556)	\$ 32,930	\$ 6,874,122	\$ 6,874,476	\$ 32,930	\$ (803,991)	\$ 34,081		* \$ (30,485) \$ 6,874,476

See Accompanying Notes to Schedule of Expenditures of State Financial Assistance

**BOGOTA BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$34,785 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 75,876	\$ 8,526,074	\$ 8,601,950
Special Revenue Fund	679,423	192,353	871,776
Food Service Fund	<u>284,467</u>	<u>5,312</u>	<u>289,779</u>
Total Financial Assistance	<u>\$ 1,039,766</u>	<u>\$ 8,723,739</u>	<u>\$ 9,763,505</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$594,797 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2018. The amount reported as TPAF Pension System Contributions in the amount of \$1,143,501, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$738,563 and TPAF Long-Term Disability Insurance in the amount of \$1,984 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2018.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified? yes X none reported

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

2) Significant deficiencies identified? yes X none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A170100</u>	<u>IDEA Part B</u>
<u>84.173</u>	<u>H173A170114</u>	<u>IDEA Preschool</u>
<u>84.010</u>	<u>S010A170030</u>	<u>Title I</u>

Dollar threshold used to distinguish between determine Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? X yes no

**BOGOTA BOARD OF EDUCATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part I -- Summary of Auditor's Results

State Awards Section

Dollar threshold used to distinguish between
 Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X yes no

Internal control over major programs:

1) Material weaknesses identified?

yes X none reported

2) Significant deficiencies that are not considered to be
 material weaknesses?

yes X no

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

Unmodified

Any audit findings disclosed that are required to be reported
 in accordance with N.J. Circular Letter 15-08?

X yes no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
<u>18-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>18-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>18-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>18-495-034-5120-084</u>	<u>Security Aid</u>
<u>18-495-034-5120-085</u>	<u>Additional Adjustment 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>

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 2 – Schedule of Financial Statement Findings

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

There are none.

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

CURRENT YEAR STATE AWARDS

Finding 2018-001:

Our audit of expenditure revealed the following:

- We noted two (2) instances where contract awards and purchases were made in excess of the quote threshold where there was no documentation to support competitive quotations were solicited by the District in accordance with N.J.S.A. 18A:18A-37(a).
- There was one (1) vendor awarded purchases through a consortium whose invoices did not detail unit price and/or material mark-ups. We were unable to verify the amounts charged to the contract awarded by the respective consortium.

State Program Information:

Equalization Aid	495-034-5120-078
Professional Learning Community Aid	495-034-5120-101
Special Education Aid	495-034-5120-089
Additional Adjustment Aid	495-034-5120-085
PARCC Readiness Aid	495-034-5120-098
Per Pupil Growth Aid	495-034-5120-097
Security Aid	495-034-5120-084

Criteria or Specific Requirement:

State Grant Compliance Supplement – State Aid Public NJSA 18A:18A-Public Contracts Law

Condition:

Purchases of various goods and services were made which were not in accordance with the procedures specified in the Local Public Contracts Law.

Questioned Costs:

Unknown.

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

CURRENT YEAR STATE AWARDS (Continued)

Finding 2018-001: (Continued)

Context:

- Contracts were awarded for the painting of the High School Gym and for the purchase of a generator. The contracts were in excess of the quote threshold. However, documentation to support that quotes were solicited and obtained, was not available for audit
- The District utilized a vendor, previously approved by a purchasing consortium for the removal of Asbestos (\$86,000) and removal of High School Gym floor (\$170,000). The vendor invoices did not detail the unit price nor were they in agreement with the purchasing consortium contract award.

Effect:

Noncompliance with requirements of the Public School Contracts Law

Cause:

Unknown.

Recommendation:

Internal control procedures be reviewed and revised to ensure:

- Competitive quotations are solicited and attached to purchase orders for all contract awards that exceed the quote threshold in accordance with N.J.S.A. 18A:18A-37(a).
- Documentation supporting all cooperative purchasing contracts be retained for audit, and all vendor invoices submitted be in agreement with the terms of the approved contract award.

View of Responsible Officials and Planned Corrective Action Plan:

Management has reviewed this finding and has indicated it will revise its procedures to ensure corrective action is taken.

**BOGOTA BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2017-001

Our audit of the Title I grant program revealed certain employees and their respective salaries charged to the program were not formally approved in the official minutes of the Board.

Current Status

Corrective action was taken.

Finding 2017-002

Our audit noted that the 2016/17 reimbursement report for the Title I grant program and the 2015/2016 final reimbursement reports for IDEA Basic and Title I grant programs were not in agreement with the District's records.

Current Status

Corrective action was taken.

Finding 2017-003

Our audit revealed the Treasurer's monthly reports for 2016/2017 were not completed and submitted to the Board for their approval within sixty (60) days of month end.

Current Status

Corrective action was taken.