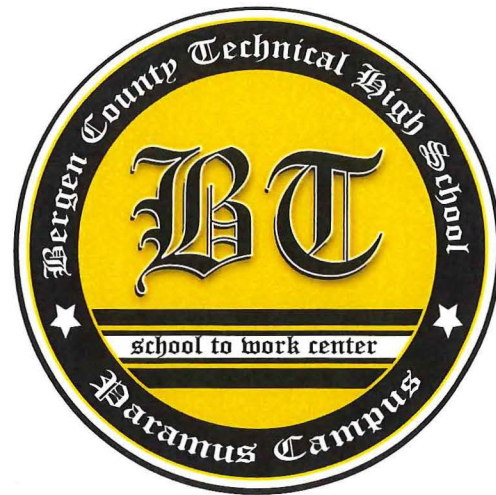
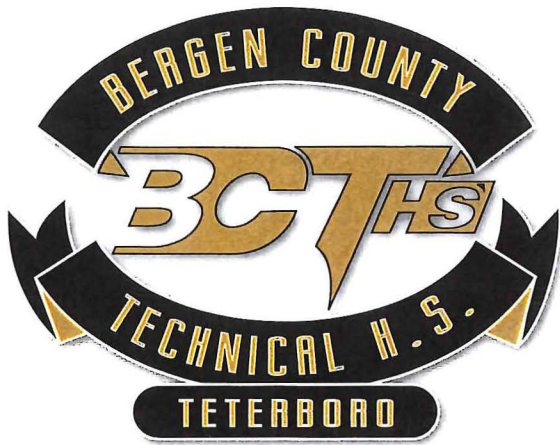


Bergen County Technical Schools

A Component Unit of The County of Bergen



Comprehensive Annual Financial Report For The Fiscal Year Ended JUNE 30, 2019

BERGEN COUNTY, NEW JERSEY

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

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

(A Component Unit of the County of Bergen)

New Jersey

For The Fiscal Year Ended June 30, 2019

Prepared by

Business Department

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INTRODUCTORY SECTION



BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

District Administration Office

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

December 17, 2019

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

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2019.

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

The Bergen County Technical and Vocational High School District's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Technical and Vocational High School District's financial

District's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

The district operates four high schools: Bergen County Academies in Hackensack, including seven magnet high school programs with a career focus; Bergen County Technical High School – Teterboro, with eleven technical concentrations; Bergen County Technical High School – Paramus, with eleven concentrations, including full-time options for students with special learning needs and shared-time options for general education students and students with special learning needs, who remain at their local sending districts for academics and select part-time technical education in the county school; and Applied Technology High School, a CTE program in partnership with Bergen Community College, currently offering an engineering technology concentration and a Health Professions concentration with an additional concentration—Cybersecurity—beginning in school year 2021-22. Also, in the 2020-21 school year, a new CTE program is planned in partnership with the Northern Valley Regional School District which will offer a concentration in Interactive Design Technology.

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

The District completed the 2018-19 fiscal year with an enrollment of 2,432 secondary students, which is 51 students more than the previous year. The following details changes in District enrollment over the last ten years:

	<u>Enrollment</u>	
2018/19		2,432
2017/18		2,381
2016/17		2,342
2015/16		2,277

2014/15	2,208
2013/14	2,260
2012/13	2,218
2011/12	2,276
2010/11	2,226
2009/10	2,182

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

ECONOMIC CONDITION AND OUTLOOK:

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

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

MAJOR INITIATIVES:

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

MAJOR INITIATIVES: (Continued)

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

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

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

INTERNAL ACCOUNTING CONTROLS:

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

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

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

BUDGETARY CONTROLS:

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

amounts to be reappropriated are reported as reservations of fund balance at June 30, 2019.

DEBT ADMINISTRATION:

At June 30, 2019, the District has no debt service. All bonded long-term debt is included in the County of Bergen's financial statements.

CASH MANAGEMENT:

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

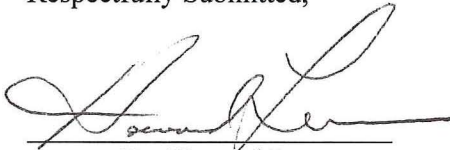
RISK MANAGEMENT:

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

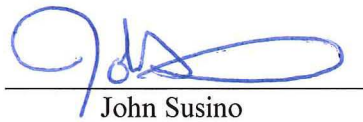
ACKNOWLEDGMENTS:

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

Respectfully Submitted,



Dr. Howard Lerner
Superintendent



John Susino
Business Administrator/Board Secretary

BCTS Administrative Plan 2018-2019

Superintendent
Howard Lerner, Ed.D.

Director of Technology
Edmund Hayward

Assistant Superintendent
Andrea Sheridan

Assistant Superintendent
Curriculum & Instruction
Richard Panicucci

Director of Human Resources
Gary Hall

School Business Administrator/
Board Secretary
John Susino

Principal Paramus/
Director of Special Education
C. Terrizzi

Grants/Policy Department
R. Paradowski-Rowe
D. Scarangella
M. Zaberto

Curriculum Office
Staff

Operations Office
T. Jodice

Assistant Board
Secretary
Ava Miller

Principal – Academies
R. Davis

Project Coordinator
P. Cosgrove

EMS Director
M. Tarantino

WIB/WIA
T. Molinelli
G. Janz

Principal – Teterboro
D. Tankard

Assistant Project Coordinator
M. Dvorozniak

Construction Office
O. Reina

Transportation Office
S. Prihoda

Principal
Adult Education
V. Lynch

Day Care
Alisa Miller

Business Office
P. Bellani

Auditorium Manager
S. Danieli

BERGEN COUNTY TECHNICAL SCHOOLS
BERGEN COUNTY, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2019

COUNTY EXECUTIVE

James J. Tedesco III

MEMBERS OF THE BOARD OF CHOSEN FREEHOLDERS

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

BOARD OF EDUCATION

President

Dr. Lawrence Meyerson

Vice-President

Jason Kim

Members of the Board of Education

William Connelly

Dr. William Meisner

Joseph Zarra

Interim Executive County Superintendent

Bergen County Office of Education

OTHER OFFICIALS

Superintendent

Assistant Superintendent

Board Secretary/Business Administrator

Director of Personnel

Director of Special Education

Director of Workforce Investment Board

Director, Bergen County One Stop

Career Center (WIA)

Principal, Academies

Principal, BCTEC, Paramus

Principal, BCVHS, Paramus

Principal, BCTEC, BCVHS, BCTHS, Teterboro

Principal, Adult and Continuing Education

Dr. Howard Lerner

Andrea Sheridan

John Susino

Gary Hall

Carole Terrizzi

Tammy Molinelli

Gregory Janz

Russ Davis

Carole Terrizzi

Carole Terrizzi

David Tankard

Victor Lynch

BERGEN COUNTY TECHNICAL SCHOOL DISTRICT

Consultants and Advisors

Architects

Netta Architects

Rivardo, Schnitzer and Capazzi

LAN Associates

DiCara, Rubino Architects

AECOM

Settembrino Architects

Audit Firm

Lerch, Vinci and Higgins, LLP

Attorney

Nowell, P.A.

Engineers

CHA Associates

Neglia Engineering

T&M Associates

CME Associates

Boswell Engineering

Becht Engineering

Official Depositories

Santander Bank

TD Bank

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
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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


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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 17, 2019 on our consideration of the Bergen County Technical and Vocational High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control over financial reporting and compliance.



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



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 17, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Year Ended June 30, 2019

This section of Bergen County Technical and Vocational School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2019. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2018-2019) and the prior year (2017-2018) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2018-2019 fiscal year include the following:

- The assets and deferred outflows of resources of the Bergen County Technical and Vocational High School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$20,842,234 (net position).
- Overall district-wide revenues were \$101,778,767, which were \$1,775,793 more than expenses.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$13,705,968.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

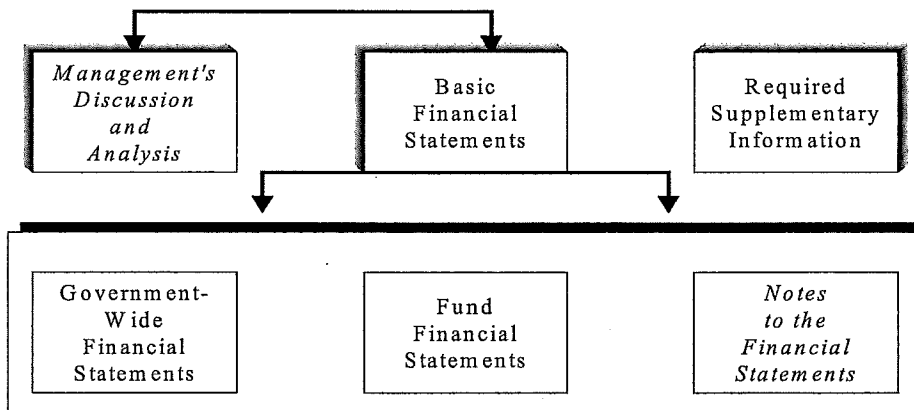
BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

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

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

Figure A-1



BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management’s Discussion and Analysis
Fiscal Year Ended June 30, 2019**

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

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

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

Government-wide financial statements

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

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

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Year Ended June 30, 2019

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

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

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

Fund financial statements

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

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

The District has three kinds of funds:

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

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

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

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Year Ended June 30, 2019

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

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

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

Notes to the financial statements

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

Other Information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20,842,234 as of June 30, 2019. See Table A-1.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

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

**Table A-1
Net Position
as of June 30, 2019 and 2018**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current Assets	\$ 19,539,820	\$ 22,259,160	\$ 1,448,188	\$ 1,212,303	\$ 20,988,008	\$ 23,471,463
Capital Assets	<u>51,182,260</u>	<u>47,399,005</u>	<u>266,840</u>	<u>287,017</u>	<u>51,449,100</u>	<u>47,686,022</u>
Total Assets	<u>70,722,080</u>	<u>69,658,165</u>	<u>1,715,028</u>	<u>1,499,320</u>	<u>72,437,108</u>	<u>71,157,485</u>
Deferred Outflows of Resources	<u>9,196,155</u>	<u>13,711,244</u>	<u>-</u>	<u>-</u>	<u>9,196,155</u>	<u>13,711,244</u>
Total Assets and Deferred Outflows of Resources	<u>79,918,235</u>	<u>83,369,409</u>	<u>1,715,028</u>	<u>1,499,320</u>	<u>81,633,263</u>	<u>84,868,729</u>
Other Liabilities	2,256,883	3,733,794	451,184	377,724	2,708,067	4,111,518
Noncurrent Liabilities	<u>43,921,960</u>	<u>51,868,420</u>	<u>-</u>	<u>-</u>	<u>43,921,960</u>	<u>51,868,420</u>
Total Liabilities	<u>46,178,843</u>	<u>55,602,214</u>	<u>451,184</u>	<u>377,724</u>	<u>46,630,027</u>	<u>55,979,938</u>
Deferred Inflows of Resources	<u>14,160,338</u>	<u>9,820,783</u>	<u>664</u>	<u>1,567</u>	<u>14,161,002</u>	<u>9,822,350</u>
Total Liabilities and Deferred Inflows of Resources	<u>60,339,181</u>	<u>65,422,997</u>	<u>451,848</u>	<u>379,291</u>	<u>60,791,029</u>	<u>65,802,288</u>
Net Position						
Net Investment in						
Capital Assets	51,182,260	47,399,005	266,840	287,017	51,449,100	47,686,022
Restricted	8,477,906	10,645,647			8,477,906	10,645,647
Unrestricted	<u>(40,081,112)</u>	<u>(40,098,240)</u>	<u>996,340</u>	<u>833,012</u>	<u>(39,084,772)</u>	<u>(39,265,228)</u>
Total Net Position	<u>\$ 19,579,054</u>	<u>\$ 17,946,412</u>	<u>\$ 1,263,180</u>	<u>\$ 1,120,029</u>	<u>\$ 20,842,234</u>	<u>\$ 19,066,441</u>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

Table A-2
Change in Net Position
For the Fiscal Years Ended June 30, 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Tuition	\$ 28,566,296	\$ 28,943,993			\$ 28,566,296	\$ 28,943,993
Charges for Services	3,943,406	2,794,492	\$ 3,813,256	\$ 3,344,158	7,756,662	6,138,650
Operating Grants and Contributions	24,790,073	30,360,529	168,679	162,842	24,958,752	30,523,371
General Revenues						
County Property Taxes	31,818,936	30,910,722			31,818,936	30,910,722
County Aid	3,412,480	4,774,827			3,412,480	4,774,827
State and Federal Aid	4,625,073	4,693,479			4,625,073	4,693,479
Miscellaneous	640,568	212,805	-	-	640,568	212,805
Total Revenues	97,796,832	102,690,847	3,981,935	3,507,000	101,778,767	106,197,847
Expenses						
Instruction						
Regular	21,018,953	22,652,497			21,018,953	22,652,497
Other Special Instruction	295,508	455,157			295,508	455,157
Vocational Education	23,231,923	24,590,842			23,231,923	24,590,842
Other Instruction	4,180,965	4,344,779			4,180,965	4,344,779
Adult/Continuing Education	1,029,777	994,264			1,029,777	994,264
Support Services						
Student and Instruction Related Services	18,931,748	17,014,460			18,931,748	17,014,460
School Administrative Services	3,936,436	4,480,170			3,936,436	4,480,170
General Administrative Services	3,490,562	3,438,716			3,490,562	3,438,716
Business/Central Other Support Services	8,422,209	9,916,291			8,422,209	9,916,291
Plant Operations and Maintenance	10,656,523	11,192,029			10,656,523	11,192,029
Pupil Transportation	969,586	1,099,529			969,586	1,099,529
Food Services			915,513	834,407	915,513	834,407
Other-Business Activities	-	-	2,923,271	2,797,107	2,923,271	2,797,107
Total Expenses	96,164,190	100,178,734	3,838,784	3,631,514	100,002,974	103,810,248
Change in Net Position Before Transfers	1,632,642	2,512,113	143,151	(124,514)	1,775,793	2,387,599
Transfer	-	(175,000)	-	175,000	-	-
Change in Net Position	1,632,642	2,337,113	143,151	50,486	1,775,793	2,387,599
Net Position, Beginning of Year	17,946,412	15,609,299	1,120,029	1,069,543	19,066,441	16,678,842
Net Position, End of Year	\$ 19,579,054	\$ 17,946,412	\$ 1,263,180	\$ 1,120,029	\$ 20,842,234	\$ 19,066,441

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

Governmental Activities. The District's total governmental activities revenues were \$97,796,832 for the year ended June 30, 2019. Tuition and other charges to districts accounted for 33 percent of total revenues. County taxes and aid account for 36 percent of total revenue for the year. Operating grants and contributions account for 25 percent of revenues. Another 5 percent came from other operating revenues consisting of unrestricted and restricted federal/state aid for capital outlay. The remaining 1 percent of revenues include investment earnings and other miscellaneous revenues.

The total cost of all governmental activities programs and services was \$96,164,190. The District's expenses are predominantly related to educating and caring for students.

Total governmental activities revenues were more than expenses increasing net position \$1,632,642 from the last year.

Table A-3 Revenues by Source- Governmental Activities
For Fiscal Year 2019

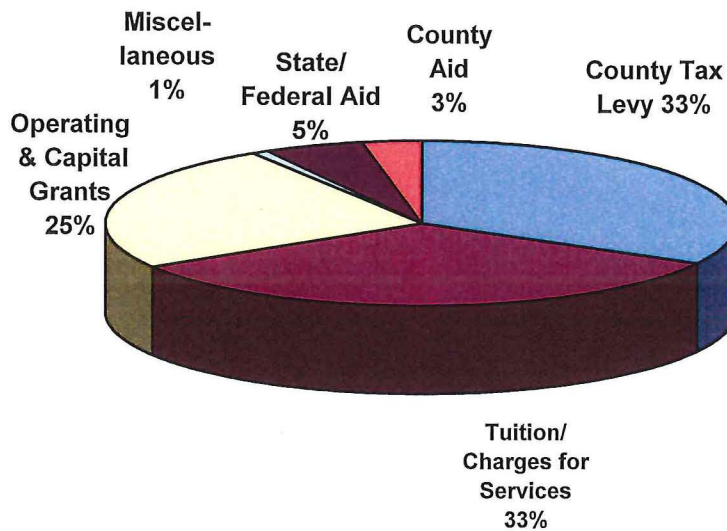
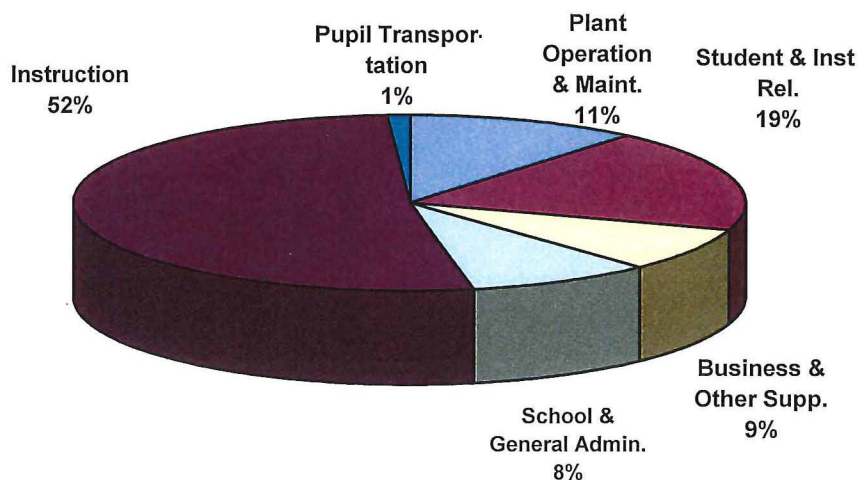


Table A-4 Expenditures by Type- Governmental Activities
For Fiscal Year 2019



BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

Total and Net Cost of Governmental Activities. The District's total cost of services was \$96,164,190 for the fiscal year ended June 30, 2019. After applying program revenues, derived from tuition and charges for services of \$32,509,702 and operating grants and contributions of \$24,790,073, the net cost of services of the District was \$38,864,415 for the fiscal year ended June 30, 2019. See Table A-5.

**Table A-5
Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2019 and 2018**

	<u>Total Cost of Services</u>		<u>Net Cost/(Revenue) of Services</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Instruction				
Regular	\$ 21,018,953	\$ 22,652,497	\$ 4,131,569	\$ 4,236,746
Other Special Instruction	295,508	455,157	(1,353,233)	(967,884)
Vocational Education	23,231,923	24,590,842	(1,542,473)	(1,182,969)
Other Instruction	4,180,965	4,344,779	2,831,041	2,393,734
Adult/Continuing Education	1,029,777	994,264	(26,289)	(68,774)
Support Services				
Student and Instruction Related Services	18,931,748	17,014,460	11,390,887	8,539,345
School Administrative Services	3,936,436	4,480,170	2,921,952	3,129,210
General Administrative Services	3,490,562	3,438,716	2,603,585	2,610,591
Business and Other Support Services	8,422,209	9,916,291	6,966,001	8,105,911
Plant Operations and Maintenance	10,656,423	11,192,029	10,100,137	10,341,516
Pupil Transportation	969,586	1,099,529	841,238	942,294
Total	<u>\$ 96,164,090</u>	<u>\$ 100,178,734</u>	<u>\$ 38,864,415</u>	<u>\$ 38,079,720</u>

Business-Type Activities – The District's total business-type activities revenues were \$3,981,935 for the fiscal year ended June 30, 2019. Charges for services accounted for 96% of total revenues. Operating and capital grants and contributions accounted for 4% of total revenue for the year.

The total cost of all business-type activities programs and services was \$3,838,784 for the fiscal year ended June 30, 2019. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and various other business type services.

Total business-type activities revenues were more than expenses, increasing net position by \$143,151 from the prior year.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$13,705,968, which is \$1,517,256 less than last year's fund balance of \$15,223,224.

Revenues for the District's governmental funds were \$88,605,238 while total expenses were \$89,988,338 resulting in a decrease of \$1,383,100 in fund balance. A transfer to the Compensated Absences Internal Service Fund of \$134,156 resulted in a total net decrease of \$1,517,256 in fund balance.

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

The following schedule presents a comparison of General Fund Revenues for the fiscal year ended June 30, 2019 and 2018.

	<u>Fiscal Year Ended June 30, 2019</u>	<u>Fiscal Year Ended June 30, 2018</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Local Sources				
County Property Taxes	\$ 31,818,936	\$ 30,910,722	\$ 908,214	3%
Tuition	29,821,663	28,943,993	877,670	3%
Miscellaneous	969,406	532,027	437,379	82%
State/Federal Sources	<u>14,498,533</u>	<u>13,550,217</u>	<u>948,316</u>	7%
Total General Fund Revenues	<u>\$ 77,108,538</u>	<u>\$ 73,936,959</u>	<u>\$ 3,171,579</u>	<u>4%</u>

Total General Fund Revenues increased by \$3,171,579 or 4% over the previous year. County property taxes increased by 3%. Tuition, which represents 39% of total general fund revenues, increased by 3%.

Miscellaneous revenues increased by \$477,379, largely due to a cancellation of prior year accounts receivable.

State/Federal sources increased by \$948,316 or 7% from the previous year. The increase was mainly due to an increase of State on-behalf TPAF contributions/reimbursements.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2019 and 2018.

	<u>Fiscal Year Ended June 30, 2019</u>	<u>Fiscal Year Ended June 30, 2018</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Instruction and Support Services	\$ 73,996,325	\$ 70,475,143	\$ 3,521,182	5%
Capital Outlay	<u>1,269,915</u>	<u>641,971</u>	<u>627,944</u>	98%
Total Expenditures	<u>\$ 75,266,240</u>	<u>\$ 71,117,114</u>	<u>\$ 4,149,126</u>	<u>6%</u>

Total General Fund expenditures increased \$4,149,126 or 6% from the previous year, mainly due to an increase of capital expenditures.

In 2018-2019 General Fund revenues were more than expenditures by \$1,842,298 before net transfers out of \$474,024. Therefore, total fund balance increased by \$1,368,274. The fund balance increased from \$10,174,675 at June 30, 2018 to \$11,542,949 at June 30, 2019.

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

Revenues of the Special Revenue Fund were \$8,083,967, for the year ended June 30, 2019. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 76% of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$859,580 or 10% from the previous year. State sources decreased \$917,503 or 13%, while Federal sources increased \$10,489 or less than 1%. Revenues from local sources increased \$47,434.

Expenditures of the Special Revenue Fund were \$8,083,967.

Capital Projects - The capital projects revenues and transfers were less than expenses by \$2,885,783 decreasing fund balance to \$2,061,974 at June 30, 2019.

Permanent Fund - The Permanent Fund accounts for the assets held under the terms of a formal trust agreement. In the case of the District, the principal portion is reserved for scholarships. The total fund balance at June 30, 2019 is \$101,045 of which \$100,000 is nonspendable and \$1,045 is restricted for scholarships.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Year Ended June 30, 2019

Proprietary Funds

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

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

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

The internal service fund has a fund balance of \$579,421 at June 30, 2019.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants, reinstating prior year purchase orders being carried over, and appropriating capital reserve funds.
- Increases in appropriations for significant unbudgeted costs.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2019 amounts to \$51,449,100 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2018-2019 amounted to \$3,905,110 for governmental activities and \$44,557 for business-type activities.

Table 6
Capital assets at June 30, 2019 and 2018
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land Improvements	\$ 529,804	\$ 541,170			\$ 529,804	\$ 541,170
Building and Building Improvements	44,347,764	40,979,905			44,347,764	40,979,905
Machinery and Equipment	<u>6,304,692</u>	<u>5,877,930</u>	<u>\$ 266,840</u>	<u>\$ 287,017</u>	<u>6,571,532</u>	<u>6,164,947</u>
Total Capital Assets, Net	<u>\$ 51,182,260</u>	<u>\$ 47,399,005</u>	<u>\$ 266,840</u>	<u>\$ 287,017</u>	<u>\$ 51,449,100</u>	<u>\$ 47,686,022</u>

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

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences of \$3,076,490 and net pension liability of \$40,845,470.

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

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2019-2020 budget. The primary factors were the District's projected student population anticipated county, state and federal aid as well as increasing salary and related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 7,100,025	\$ 1,117,384	\$ 8,217,409
Receivables, Net	12,439,795	321,431	12,761,226
Inventories	-	9,373	9,373
Capital Assets, Being Depreciated	<u>51,182,260</u>	<u>266,840</u>	<u>51,449,100</u>
Total Assets	<u>70,722,080</u>	<u>1,715,028</u>	<u>72,437,108</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>9,196,155</u>	<u>-</u>	<u>9,196,155</u>
Total Assets and Deferred Outflow of Resources	<u>79,918,235</u>	<u>1,715,028</u>	<u>81,633,263</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,873,226	148,215	2,021,441
Intergovernmental Advances and Payables	3,364		3,364
Unearned Revenue	380,293	302,969	683,262
Noncurrent Liabilities			
Due within one year	-		-
Due beyond one year	<u>43,921,960</u>	<u>-</u>	<u>43,921,960</u>
Total Liabilities	<u>46,178,843</u>	<u>451,184</u>	<u>46,630,027</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue		664	664
Deferred Amounts on Net Pension Liability	<u>14,160,338</u>	<u>-</u>	<u>14,160,338</u>
Total Liabilities and Deferred Inflow of Resources	<u>60,339,181</u>	<u>451,848</u>	<u>60,791,029</u>
NET POSITION			
Net Investment in Capital Assets	51,182,260	266,840	51,449,100
Restricted for:			
Capital Projects	7,495,442		7,495,442
Maintenance	881,419		881,419
Other Purposes- Permanent Endowment	101,045		101,045
Unrestricted	<u>(40,081,112)</u>	<u>996,340</u>	<u>(39,084,772)</u>
Total Net Position	<u>\$ 19,579,054</u>	<u>\$ 1,263,180</u>	<u>\$ 20,842,234</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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	\$ 21,018,953	\$ 10,270,197	\$ 6,617,187		\$ (4,131,569)		\$ (4,131,569)
Other Special Instruction	295,508	-	1,648,741		1,353,233		1,353,233
Vocational	23,231,923	18,296,099	6,478,297		1,542,473		1,542,473
Other Instruction	4,180,965	199,301	1,150,623		(2,831,041)		(2,831,041)
Adult/Continuing Education Programs	1,029,777	1,056,066	-		26,289		26,289
Support Services:							
Student & Instruction Related Services	18,931,748	312,092	7,228,769		(11,390,887)		(11,390,887)
School Administrative Services	3,936,436	58,307	956,177		(2,921,952)		(2,921,952)
General Administrative Services	3,490,562	855,646	31,331		(2,603,585)		(2,603,585)
Business/Central & Other Support Services	8,422,209	1,224,072	232,136		(6,966,001)		(6,966,001)
Plant Operations and Maintenance	10,656,523	136,263	420,123		(10,100,137)		(10,100,137)
Pupil Transportation	969,586	101,659	26,689	-	(841,238)	-	(841,238)
Total Governmental Activities	96,164,190	32,509,702	24,790,073	-	(38,864,415)	-	(38,864,415)
Business - Type Activities							
Food Service	915,513	621,662	168,679			\$ (125,172)	(125,172)
Other	2,923,271	3,191,594	-	-	-	268,323	268,323
Total Business Type Activities	3,838,784	3,813,256	168,679	-	-	143,151	143,151
Total Primary Government	\$ 100,002,974	\$ 36,322,958	\$ 24,958,752	\$ -	(38,864,415)	143,151	(38,721,264)
General Revenues:							
		County Property Tax Levy			31,818,936		31,818,936
		County Aid			3,412,480		3,412,480
		Federal and State aid unrestricted			3,867,640		3,867,640
		Federal and State aid restricted			757,433		757,433
		Investment Earnings			119,528		119,528
		Miscellaneous Income			521,040		521,040
		Transfers			-		-
Total General Revenues and Transfers					40,497,057		40,497,057
Change in Net Position					1,632,642	143,151	1,775,793
Net Position - Beginning					17,946,412	1,120,029	19,066,441
Net Position - Ending					\$ 19,579,054	\$ 1,263,180	\$ 20,842,234

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

FUND FINANCIAL STATEMENTS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2019**

EXHIBIT B-1

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Assets					
Cash and Cash Equivalents	\$ 6,494,472	\$ 13,445	\$ 14,359	\$ 101,045	\$ 6,623,321
Due from Other Governments					
State	93,308	469,506			562,814
Federal	-	1,532,782			1,532,782
Other	5,736,488	11,614	3,621,153		9,369,255
Due from BCSSD	-				-
Security Deposits	3,500				3,500
Due from Other Funds	<u>3,187,987</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,187,987</u>
Total Assets	<u>\$ 15,515,755</u>	<u>\$ 2,027,347</u>	<u>\$ 3,635,512</u>	<u>\$ 101,045</u>	<u>\$ 21,279,659</u>
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 865,812	\$ 591,804	\$ 373,538		\$ 1,831,154
Due to Other Governments					
State		3,364			3,364
Due to Other Funds	3,076,490	1,050,000	1,200,000		5,326,490
Other Payable	30,504	1,886			32,390
Due to BCSSD	-		-		-
Unearned Revenue	<u>-</u>	<u>380,293</u>	<u>-</u>	<u>-</u>	<u>380,293</u>
Total Liabilities	<u>3,972,806</u>	<u>2,027,347</u>	<u>1,573,538</u>	<u>-</u>	<u>7,573,691</u>
Fund Balances:					
Nonspendable					
Permanent Fund - Principal Portion				\$ 100,000	100,000
Restricted					
Capital Reserve	5,433,468				5,433,468
Maintenance Reserve	781,419				781,419
Maintenance Reserve - Designated for Subsequent Year's Budget	100,000				100,000
Permanent Fund				1,045	1,045
Capital Projects Fund			2,061,974		2,061,974
Assigned					
Year-End Encumbrances	3,144,743				3,144,743
Designated for Subsequent Year's Budget	700,000				700,000
Unassigned					
General Fund	<u>1,383,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,383,319</u>
Total Fund Balances	<u>11,542,949</u>	<u>-</u>	<u>2,061,974</u>	<u>101,045</u>	<u>13,705,968</u>
Total Liabilities and Fund Balances	<u>\$ 15,515,755</u>	<u>\$ 2,027,347</u>	<u>\$ 3,635,512</u>	<u>\$ 101,045</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$111,545,727 and the accumulated depreciation is \$60,363,467.

51,182,260

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	\$ 9,196,155
Deferred Inflows of Resources	<u>(14,160,338)</u>

(4,964,183)

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

Net Pension Liability	<u>(40,845,470)</u>
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(40,845,470)

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

500,479

Net position of governmental activities

\$ 19,579,054

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
County Property Tax Levy	\$ 31,818,936				\$ 31,818,936
County Aid			\$ 3,412,480		3,412,480
Tuition	29,821,663				29,821,663
GED Fees	45,761				45,761
Technology Agreement	266,000				266,000
Interest on Investments	119,275			\$ 253	119,528
Miscellaneous	<u>538,370</u>	<u>\$ 68,771</u>	<u>-</u>	<u>-</u>	<u>607,141</u>
Total Local Sources	62,610,005	68,771	3,412,480	253	66,091,509
State Sources	14,468,740	1,833,242			16,301,982
Federal Sources	<u>29,793</u>	<u>6,181,954</u>	<u>-</u>	<u>-</u>	<u>6,211,747</u>
Total Revenues	<u>77,108,538</u>	<u>8,083,967</u>	<u>3,412,480</u>	<u>253</u>	<u>88,605,238</u>
EXPENDITURES					
Current:					
Regular Instruction	16,676,425	825,213			17,501,638
Other Special Instruction	295,508				295,508
Vocational Education	19,462,218				19,462,218
Other Instruction	3,733,751				3,733,751
Adult/Continuing Education Programs	<u>1,029,777</u>				<u>1,029,777</u>
Support Services and Undistributed Costs					
Student & Instruction Related Services	9,783,818	6,501,321			16,285,139
School Administrative Services	3,427,799				3,427,799
General Administrative Services	2,513,520				2,513,520
Plant Operations and Maintenance	9,093,738		977,114		10,070,852
Pupil Transportation	793,368				793,368
Business /Central Svcs./ Admin. Info Technology	7,186,403				7,186,403
Capital Outlay	<u>1,269,915</u>	<u>757,433</u>	<u>5,661,017</u>	<u>-</u>	<u>7,688,365</u>
Total Expenditures	<u>75,266,240</u>	<u>8,083,967</u>	<u>6,638,131</u>	<u>-</u>	<u>89,988,338</u>
Excess/(Deficiency) of Revenues over/(under) Expenditures	<u>1,842,298</u>	<u>-</u>	<u>(3,225,651)</u>	<u>253</u>	<u>(1,383,100)</u>
OTHER FINANCING SOURCES					
Transfers Out	(474,024)				(474,024)
Transfers In	<u>-</u>	<u>-</u>	<u>339,868</u>	<u>-</u>	<u>339,868</u>
Total Other Financing Sources	<u>(474,024)</u>	<u>-</u>	<u>339,868</u>	<u>-</u>	<u>(134,156)</u>
Net Change in Fund Balances	1,368,274	-	(2,885,783)	253	(1,517,256)
Fund Balance, Beginning of Year	<u>10,174,675</u>	<u>-</u>	<u>4,947,757</u>	<u>100,792</u>	<u>15,223,224</u>
Fund Balance, End of Year	<u>\$ 11,542,949</u>	<u>\$ -</u>	<u>\$ 2,061,974</u>	<u>\$ 101,045</u>	<u>\$ 13,705,968</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Total Net Change in Fund Balances - Governmental Funds (B-2) \$ (1,517,256)

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

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

	\$ (3,897,592)	
Depreciation Expense	7,688,365	
Capital Outlays	7,688,365	3,790,773

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

Increase in Pension Expenses	(774,028)	
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Internal Service funds are used by the District's management to charge the costs of various programs/ services to other governmental activities. The net loss of the internal service fund is reported with governmental activities.

	(1,003)	
Net Loss Before Transfers	134,156	
Transfers from General Fund	134,156	133,153
Change in Net Position		

Change in Net Position of Governmental Activities **\$ 1,632,642**

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2019

EXHIBIT B-4

	Business Type Activities													Governmental Internal Service Funds	Other Governmental Services	
	Food Service	Day Care	Summer- Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals		
ASSETS																
Current Assets																
Cash and Cash Equivalents	\$ 60,891	\$ 14,686	\$ 7,461	\$ 25,616	\$ 454,047	\$ 5,944	\$ 33,845	\$ 354,180	\$ 505	\$ 43,485	\$ 7,245	\$ 20,379	\$ 89,100	\$ 1,117,384	\$ 476,704	
Intergovernmental Receivable	9,532	-	-	-	-	-	-	-	-	-	-	-	-	9,532	-	
Other Accounts Receivable	-	-	-	-	278,404	-	-	-	-	-	-	-	33,495	311,899	-	
Due from B.C.S.S.D.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	934,444	
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,076,490	
Inventories	9,373	-	-	-	-	-	-	-	-	-	-	-	-	9,373	-	
Total Current Assets	79,796	14,686	7,461	25,616	732,451	5,944	33,845	354,180	505	43,485	7,245	20,379	122,595	1,448,188	4,517,638	
Capital Assets																
Furniture, machinery & equipment	668,272	-	-	871	1,233,536	-	-	-	-	-	-	-	88,164	1,990,843	90,219	
Less: Accumulated Depreciation	(525,143)	-	-	(871)	(1,146,590)	-	-	-	-	-	-	-	(51,399)	(1,724,003)	(11,277)	
Total Capital Assets, Net	143,129	-	-	-	86,946	-	-	-	-	-	-	-	36,765	266,840	78,942	
Total Assets	222,925	14,686	7,461	25,616	819,397	5,944	33,845	354,180	505	43,485	7,245	20,379	159,360	1,715,028	4,596,580	
LIABILITIES																
Current Liabilities																
Accounts Payable	85,955	248	-	-	7,611	-	2,000	-	-	-	-	-	10,115	105,929	9,682	
Other Payable	-	-	-	-	3,215	-	-	-	-	-	-	-	-	3,215	-	
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	930,987	
Due to B.C.S.S.D.	39,071	-	-	-	-	-	-	-	-	-	-	-	-	39,071	-	
Unearned Revenue	-	-	-	38,700	81,876	-	17,404	113,370	-	37,304	-	14,315	-	302,969	-	
Total Current Liabilities	125,026	248	-	38,700	92,702	-	19,404	113,370	-	37,304	-	14,315	10,115	451,184	940,669	
Noncurrent Liabilities																
Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,076,490	
Total Noncurrent Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,076,490	
Total Liabilities	125,026	248	-	38,700	92,702	-	19,404	113,370	-	37,304	-	14,315	10,115	451,184	4,017,159	
DEFERRED INFLOW OF RESOURCES																
Deferred Commodities Revenue	664	-	-	-	-	-	-	-	-	-	-	-	-	664	-	
Total Liabilities and Deferred Inflow of Resources	125,690	248	-	38,700	92,702	-	19,404	113,370	-	37,304	-	14,315	10,115	451,848	4,017,159	
NET POSITION																
Net Investment in Capital Assets	143,129	-	-	-	86,946	-	-	-	-	-	-	-	36,765	266,840	78,942	
Unrestricted	(45,894)	14,438	7,461	(13,084)	639,749	5,944	14,441	240,810	505	6,181	7,245	6,064	112,480	996,340	500,479	
Total Net Position	\$ 97,235	\$ 14,438	\$ 7,461	\$ (13,084)	\$ 726,695	\$ 5,944	\$ 14,441	\$ 240,810	\$ 505	\$ 6,181	\$ 7,245	\$ 6,064	\$ 149,245	\$ 1,263,180	\$ 579,421	

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT B-5

	Business Type Activities													Governmental Activities Internal Service Funds	
	Food Service	Day Care	Summer- Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals		Totals
OPERATING REVENUES															
Charges for Services															
Daily sales - reimbursable programs															
Lunch Program	\$ 327,692	-	-	-	-	-	-	-	-	-	-	-	-	\$ 327,692	
Breakfast Program	7,966	-	-	-	-	-	-	-	-	-	-	-	-	7,966	
Daily sales - nonreimbursable programs	211,803													211,803	
Special Functions	74,201													74,201	
Charges and Fees	-	\$ 424,689	\$ 32,388	\$ 205,810	\$ 1,944,879	\$ 15,370	\$ 9,282	\$ 114,324	-	\$ 29,363	-	\$ 18,830	\$ 396,659	3,191,594	\$ 2,358,948
Total Operating Revenues	621,662	424,689	32,388	205,810	1,944,879	15,370	9,282	114,324	-	29,363	-	18,830	396,659	3,813,256	2,358,948
OPERATING EXPENSES															
Cost of Sales - reimbursable programs	203,176													203,176	
Cost of Sales - nonreimbursable programs	90,493													90,493	
Salaries/Salaries of Teachers	284,925	267,205	31,533	178,866	1,162,517	13,652	4,160	80,869	-	24,161	-	10,420	301,751	2,360,059	1,696,546
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134,156
Employee Benefits	82,127	120,441	935	13,120	461,060	1,044	318	6,187	-	1,887	-	797	49,367	737,283	419,529
Tuition Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Prof-Educ. Service	-	-	-	-	-	-	-	10,301	-	-	-	-	-	10,301	-
Other Purchased Services	104,641	4,988	-	8,162	89,092	2,000	9,251	6,000	-	-	-	-	-	224,134	96,458
Supplies and Materials	133,794	2,314	-	9,709	-	213	-	-	-	-	1,549	11,966	-	159,545	5,744
Textbooks	-	-	-	-	-	-	-	6,604	-	-	-	-	-	6,604	-
Depreciation	16,357	-	-	-	21,487	-	-	-	-	-	-	-	6,713	44,557	7,518
Other Objects	-	835	-	-	1,654	143	-	-	-	-	-	-	-	2,632	-
Total Operating Expenses	915,513	395,783	32,468	209,857	1,735,810	17,052	13,729	109,961	-	26,048	-	12,766	369,797	3,838,784	2,359,951
Operating Income (Loss)	(293,851)	28,906	(80)	(4,047)	209,069	(1,682)	(4,447)	4,363	-	3,315	-	6,064	26,862	(25,528)	(1,003)
NONOPERATING REVENUES															
State Sources															
State School Lunch Program	5,514													5,514	
Federal Sources															
National School Lunch Program	109,337													109,337	
National School Lunch Program - PB	6,460													6,460	
Commodities Program	35,531													35,531	
National School Breakfast Program	11,837													11,837	
Total Non-Operating Revenues	168,679	-	-	-	-	-	-	-	-	-	-	-	-	168,679	-
Net Income (Loss)	(125,172)	28,906	(80)	(4,047)	209,069	(1,682)	(4,447)	4,363	-	3,315	-	6,064	26,862	143,151	(1,003)
Transfers															
Transfers In(Out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134,156
Change in Net Position	(125,172)	28,906	(80)	(4,047)	209,069	(1,682)	(4,447)	4,363	-	3,315	-	6,064	26,862	143,151	133,153
Total Net Position - Beginning	222,407	(14,468)	7,541	(9,037)	517,626	7,626	18,888	236,447	\$ 505	2,866	\$ 7,245	-	122,383	1,120,029	446,268
Total Net Position - Ending	\$ 97,235	\$ 14,438	\$ 7,461	\$ (13,084)	\$ 726,695	\$ 5,944	\$ 14,441	\$ 240,810	\$ 505	\$ 6,181	\$ 7,245	\$ 6,064	\$ 149,245	\$ 1,263,180	\$ 579,421

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT B-6

	Business Type Activities													Governmental	
	Food Service	Dev Care	Summer-Science Funds	Academy After-Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Exploration	Tech Camp	Auditorium Rentals	Totals	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES															
Receipts from Customers	\$ 665,883	\$ 424,689	-	\$ 144,910	\$ 1,965,254	\$ 15,370	17,404	\$ 132,125		\$ 36,446	-	\$ 14,485	\$ 386,016	\$ 3,902,582	\$ 1,644,274
Payments to Employees	(284,925)	(267,205)	(31,533)	(178,866)	(1,162,517)	(13,652)	(4,160)	(30,869)		(24,161)	-	(10,420)	(501,751)	(2,150,059)	(2,116,076)
Payments for Health Benefits	(82,127)	(120,441)	(935)	(15,120)	(461,060)	(1,044)	(318)	(6,187)		(1,887)	-	(797)	(49,567)	(737,283)	(134,150)
Payments to Suppliers	(471,318)	(26,663)	(9,116)	(17,996)	(90,746)	(2,356)	(7,251)	(22,905)		-	-	(1,549)	(7,601)	(657,501)	(227,075)
Net Cash Provided by (Used for) operating activities	(172,487)	10,380	(41,584)	(65,072)	250,931	(1,682)	5,675	22,164		10,398		1,719	27,297	47,739	(833,033)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES															
State Sources	5,518													5,518	
Federal Sources	127,649													127,649	
Interfund Transfers-General Fund	-														1,064,156
Net cash provided by (used for) noncapital financing activities	133,167													133,167	1,064,156
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES															
Purchases of capital assets	(18,630)												(5,750)	(24,380)	
Net cash provided by (used for) capital and related financing activities	(18,630)												(5,750)	(24,380)	
Net increase (decrease) in cash and cash equivalents	(57,950)	10,380	(41,584)	(65,072)	250,931	(1,682)	5,675	22,164		10,398		1,719	21,547	156,526	231,123
Cash and Cash Equivalents - Beginning of Year	118,841	4,306	49,045	90,688	203,116	7,626	28,170	332,016	\$ 505	33,087	\$ 7,245	18,660	67,553	900,858	245,581
Cash and Cash Equivalents - End of Year	\$ 60,891	\$ 14,686	\$ 7,461	\$ 25,616	\$ 454,047	\$ 5,944	\$ 33,845	\$ 354,180	\$ 505	\$ 43,485	\$ 7,245	\$ 20,379	\$ 89,100	\$ 1,117,384	\$ 476,704
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities															
Operating Income (Loss)	\$ (293,851)	\$ 28,906	\$ (80)	\$ (4,047)	\$ 209,069	\$ (1,682)	\$ (4,447)	\$ 4,363	\$ -	\$ 3,315	\$ -	\$ 6,064	\$ 26,862	\$ (25,528)	\$ (1,003)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities															
Depreciation	16,357	-	-	-	21,487	-	-	-	-	-	-	-	6,713	44,557	7,518
Food Distribution (USDA Commodities)- National School Lunch Program	34,628													34,628	
(Increase) Decrease in accounts receivable, net	5,150				(61,501)								(13,518)	(69,869)	(714,674)
(Increase) Decrease in inventories	491													491	
Increase/(Decrease) in unearned revenue	-		(32,388)	(60,900)	81,876		8,122	17,801		7,083		(4,345)	(2,875)	14,374	
(Increase)/Decrease in Other Payable		(11,941)												(11,941)	
Increase/(Decrease) in accounts payable	25,667	(6,585)	(9,116)	(125)			2,000						10,115	21,956	(124,874)
Total adjustments	121,364	(18,526)	(41,504)	(61,025)	41,862		10,122	17,801		7,083		(4,345)	455	73,267	(832,030)
Net cash provided by (used for) operating activities	\$ (172,487)	\$ 10,380	\$ (41,584)	\$ (65,072)	\$ 250,931	\$ (1,682)	\$ 5,675	\$ 22,164	\$ -	\$ 10,398	\$ -	\$ 1,719	\$ 27,297	\$ 47,739	\$ (833,033)
Noncash Investing, Capital and Financing Activities															
Fair Value of Food Distribution Program- National School Lunch	\$ 34,628														

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2019**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 441,018	\$ 25,769	\$ 831,542
Due from Other Funds	<u>16,561</u>	<u>-</u>	<u>-</u>
Total Assets	<u>457,579</u>	<u>\$ 25,769</u>	<u>\$ 831,542</u>
LIABILITIES			
Due to State of New Jersey	1,265		
Payroll deductions and withholdings			\$ 37,387
Due to Other Funds			7,000
Payable to student groups	<u>-</u>	<u>-</u>	<u>787,155</u>
Total Liabilities	<u>1,265</u>	<u>-</u>	<u>\$ 831,542</u>
NET POSITION			
Held in trust for unemployment claims and other purposes	<u>\$ 456,314</u>		
Reserved for scholarships		<u>\$ 25,769</u>	

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Contributions:		
Plan Member	\$ 66,378	
Donations	<u>-</u>	<u>-</u>
Total Contributions	<u>66,378</u>	<u>-</u>
Investment Earnings:		
Interest	<u>1,000</u>	<u>\$ 324</u>
Net investment earnings	<u>1,000</u>	<u>324</u>
Total Additions	<u>67,378</u>	<u>324</u>
DEDUCTIONS		
Unemployment Claims	64,239	-
Withdrawals	<u>-</u>	<u>3,300</u>
Total Deductions	<u>64,239</u>	<u>3,300</u>
Change in Net Position	3,139	(2,976)
Net Position, Beginning of Year	<u>453,175</u>	<u>28,745</u>
Net Position, End of the Year	<u>\$ 456,314</u>	<u>\$ 25,769</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 · SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. New Accounting Standards

During fiscal year 2019, the District adopted the following GASB statement as required:

- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. 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 consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.

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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- 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. 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 and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

District-Wide Financial Statements

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

Additionally, the government reports the following fund types:

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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. County property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

4. Capital Assets

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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 (Continued)*

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

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

5. *Deferred Outflows/Inflows of Resources*

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other type of item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

7. Pensions

In the district-wide financial statements and proprietary fund types in the fund 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.

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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements

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

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

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

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

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

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

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

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

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

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

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 fund), 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Fund Balance Policies

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

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

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

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 County property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

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

3. Tuition Revenues 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption.

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 2018/2019. Also, during 2018/2019 the Board increased the original budget by a net \$3,581,385. The net increase was funded by additional revenue, capital reserve appropriated, grant awards and the reappropriation of prior year general fund encumbrances.

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018		\$ 4,815,679
Increased by:		
Deposits Approved by Board Resolution	\$ 1,800,000	
Return of Unspent Funds	11,039	
Interest	<u>9,170</u>	
		<u>1,820,209</u>
		6,635,888
Decreased by:		
Withdrawal Approved by Board Resolution		<u>(1,202,420)</u>
Balance, June 30, 2019		<u>\$ 5,433,468</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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018	\$ 781,419
Increased by	
Deposits Approved by Board Resolution	<u>100,000</u>
Balance, June 30, 2019	<u>\$ 881,419</u>

The June 30, 2019 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,514,455. \$100,000 of the maintenance reserve balance at June 30, 2019 was designated and appropriated for use 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2019, the book value of the Board's deposits were \$9,515,738 and bank and brokerage firm balances of the Board's deposits amounted to \$11,196,188. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>11,196,188</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, 2019 none of the Board's bank balances were exposed to custodial credit risk.

Investments

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

As of June 30, 2019, the Board had no outstanding investments.

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2019 for the district's individual major funds and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

						B.C.S.S.			
		Special	Capital	Food	Technology	Auditorium	Management	Interlocal	
	General	Revenue	Projects	Service	Services	Rentals-	Agreement-	Agreement	Total
					Enterprise	Enterprise	Services	Services	
Receivables:									
Accounts	\$ 3,500				\$ 278,404	\$ 33,495		\$ 30,000	\$ 345,399
Intergovernmental-	\$ 5,829,796	\$ 2,013,902	\$ 3,621,153	\$ 9,532	-	-	\$ 934,444	-	12,408,827
Gross Receivables	<u>5,833,296</u>	<u>2,013,902</u>	<u>3,621,153</u>	<u>9,532</u>	<u>278,404</u>	<u>33,495</u>	<u>934,444</u>	<u>30,000</u>	<u>12,754,226</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 5,833,296</u>	<u>\$ 2,013,902</u>	<u>\$ 3,621,153</u>	<u>\$ 9,532</u>	<u>\$ 278,404</u>	<u>\$ 33,495</u>	<u>\$ 934,444</u>	<u>\$ 30,000</u>	<u>\$ 12,754,226</u>

C. Unearned Revenue

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

Special Revenue Fund

Unencumbered grant draw downs	\$ 55,518
Grant draw downs reserved for encumbrances	<u>324,775</u>
 Total unearned revenue for governmental funds	 <u>\$ 380,293</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance, July 1, 2018	Increases	Decreases	Balance, June 30, 2019
Governmental Activities:				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 1,934,387	\$ 24,133		\$ 1,958,520
Buildings and Building Improvements	73,840,726	5,818,249		79,658,975
Machinery and Equipment	28,082,249	1,845,983	-	29,928,232
Total Capital Assets Being Depreciated	<u>103,857,362</u>	<u>7,688,365</u>	<u>-</u>	<u>111,545,727</u>
Less Accumulated Depreciation for:				
Land and Land Improvements	(1,393,217)	(35,499)		(1,428,716)
Buildings and Building Improvements	(32,860,821)	(2,450,390)		(35,311,211)
Machinery and Equipment	(22,204,319)	(1,419,221)	-	(23,623,540)
Total Accumulated Depreciation	<u>(56,458,357)</u>	<u>(3,905,110)</u>	<u>-</u>	<u>(60,363,467)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,399,005</u>	<u>3,783,255</u>	<u>-</u>	<u>51,182,260</u>
Governmental Activities Capital Assets, Net	<u>\$ 47,399,005</u>	<u>\$ 3,783,255</u>	<u>\$ -</u>	<u>\$ 51,182,260</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 1,966,463	\$ 24,380	-	\$ 1,990,843
Total Capital Assets Being Depreciated	<u>1,966,463</u>	<u>24,380</u>	<u>-</u>	<u>1,990,843</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(1,679,446)	(44,557)	-	(1,724,003)
Total Accumulated Depreciation	<u>(1,679,446)</u>	<u>(44,557)</u>	<u>-</u>	<u>(1,724,003)</u>
Total Capital Assets, Being Depreciated, Net	<u>287,017</u>	<u>(20,177)</u>	<u>-</u>	<u>266,840</u>
Business-Type Activities Capital Assets, Net	<u>\$ 287,017</u>	<u>\$ (20,177)</u>	<u>\$ -</u>	<u>\$ 266,840</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental activities:

Instruction	
Regular	\$ 1,266,144
Vocational Education	<u>1,266,144</u>
Total Instruction	<u>2,532,288</u>
Support Services	
Student and Instruction Related Services	1,171,516
General Administrative Services	16,045
School Administrative Services	16,045
Plant Operations and Maintenance	98,161
Pupil Transportation	31,447
Business/Central and Other Support Services	<u>32,090</u>
Total Support Services	<u>1,365,304</u>
Total Governmental Funds	<u>3,897,592</u>
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>7,518</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,905,110</u>

Business-Type Activities:

Food Service Fund	\$ 16,357
Technology Services Fund	21,487
Auditorium Rentals Fund	<u>6,713</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 44,557</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2019:

<u>Project</u>	<u>Remaining Commitment</u>
Architectural Services - Culinary Academy Addition & Renovation	\$ 26,075
Boiler Replacement - Adult Education	29,140
Demolition and Construction	256,611
Renovation of Auto Shop to Aerospace Classroom	158,325
Architectural/Engineering Services - Freshman Science Lab - Hackensack Campus	30,100
BCA Elevator Modernization	<u>264,563</u>
	<u>\$ 764,814</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2019, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,050,000
General Fund	Capital Projects Fund	1,200,000
General Fund	Internal Service Funds	930,987
General Fund	Agency Funds	<u>7,000</u>
		<u>\$ 3,187,987</u>
Compensated Absences - Internal Service Fund	General Fund	<u>\$ 3,076,490</u>

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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

Interfund transfers

	<u>Internal Service Fund</u>	<u>Transfer In: Capital Projects Fund</u>	<u>Total</u>
Transfer Out:			
General Fund	\$ 134,156	\$ 339,868	\$ 474,024
	<u>\$ 134,156</u>	<u>\$ 339,868</u>	<u>\$ 474,024</u>

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

F. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 2,942,334	\$ 134,156	-	\$ 3,076,490	
Net Pension Liability	<u>48,926,086</u>	<u>-</u>	<u>\$ 8,080,616</u>	<u>40,845,470</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 51,868,420</u>	<u>\$ 134,156</u>	<u>\$ 8,080,616</u>	<u>\$ 43,921,960</u>	<u>\$ -</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2019	\$ -	\$ 66,378	\$ 64,239	\$ 456,314
2018	-	59,500	37,666	453,175
2017	-	57,958	19,368	430,473

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2019, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage 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. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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:

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

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 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, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

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

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 and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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.

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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

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

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2018 is \$19.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 53.60%. The collective net pension liability of the State funded TPAF at June 30, 2018 is \$63.81 billion and the plan fiduciary net position as a percentage of total pension liability is 26.49%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2017 which were rolled forward to June 30, 2018.

Actuarial Methods and Assumptions

In the July 1, 2017 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

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 members 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 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2019.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2019 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than this actuarial determined amount. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer 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. All PERS and DCRP contributions made by the Board for fiscal years 2019, 2018 and 2017 were equal to the required contributions.

During the fiscal years ended June 30, 2019, 2018 and 2017 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2019	\$ 2,063,437	\$ 4,707,958	\$ 10,709
2018	1,947,075	3,627,476	11,896
2017	1,827,794	2,697,183	12,512

In addition for fiscal years 2019, 2018 and 2017 the District contributed \$8,660, \$26,563 and \$9,367, respectively for PERS and the State contributed \$4,238, \$4,715 and \$5,065, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,920,639 during the fiscal year ended June 30, 2019 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

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. 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 measurement period July 1, 2017 through June 30, 2018. 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 (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) 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, 2018 are based on the ratio of each employer’s contribution to total employer contributions of the group for the fiscal year ended June 30, 2018.

At June 30, 2019, the District reported in the statement of net position (accrual basis) a liability of \$40,845,470 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018 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 the District’s share of contributions to the pension plan relative to the contributions of all participating governmental entities, actuarially determined. At June 30, 2018, the District’s proportionate share was 0.20745 percent, which was a decrease of 0.00272 percent from its proportionate share measured as of June 30, 2017 of 0.21017 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,837,465 for PERS. The pension contribution made by the District during the current 2018/2019 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, 2019 with a measurement date of the prior fiscal year end of June 30, 2018. 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, 2019 for contributions made subsequent to the measurement date. At June 30, 2019, 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	\$ 778,929	\$ 210,612
Changes of Assumptions	6,730,657	13,060,209
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		383,132
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,686,569</u>	<u>506,385</u>
Total	<u>\$ 9,196,155</u>	<u>\$ 14,160,338</u>

At June 30, 2019, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2019	\$ 815,609
2020	94,603
2021	(2,562,368)
2022	(2,457,677)
2023	<u>(854,350)</u>
	<u>\$ (4,964,183)</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. 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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	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%
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>
2019	June 30, 2018	5.66%
2018	June 30, 2017	5.00%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

Long-Term Expected Rate of Return Through June 30, 2046

Municipal Bond Rate * From July 1, 2046
and Thereafter

* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. 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 5.66%, 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 (4.66 percent) or 1-percentage-point higher (6.66 percent) than the current rate:

	1% Decrease <u>(4.66%)</u>	Current Discount Rate <u>(5.66%)</u>	1% Increase <u>(6.66%)</u>
<u>2018</u>			
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 51,358,472</u>	<u>\$ 40,845,470</u>	<u>\$ 32,025,733</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2018. A sensitivity analysis specific to the District's net pension liability at June 30, 2018 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2018. 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, 2018, 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, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$8,918,955 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the net pension liability attributable to the District is \$152,992,971. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2018. At June 30, 2018, the State's share of the net pension liability attributable to the District was 0.24049 percent, which was an increase of 0.00070 percent from its proportionate share measured as of June 30, 2017 of 0.23979 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.25%
Salary Increases:	
2011-2026	1.55-4.55%
Thereafter	2.00-5.45%
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2006

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, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. 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, 2018 are summarized in the following table:

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	4.86%
2018	June 30, 2017	4.25%

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, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. 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 4.86%, 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 (3.86 percent) or 1-percentage-point higher (5.86 percent) than the current rate:

	1% Decrease (3.86%)	Current Discount Rate (4.86%)	1% Increase (5.86%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 181,760,449</u>	<u>\$ 152,992,971</u>	<u>\$ 129,294,198</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2018. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2018 was not provided by the pension system.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

D. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. 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 Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2017:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	145,050
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
Total	<u>362,181</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.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2018 is \$46.1 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2017 which were rolled forward to June 30, 2018.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2017 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2018.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan.

The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2019, 2018 and 2017 were \$2,135,522, \$2,342,909 and \$2,247,367, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan 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.

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 Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. 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 measurement period July 1, 2017 through June 30, 2018. 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, 2019, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$4,757,171. 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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

At June 30, 2019 the State's proportionate share of the OPEB liability attributable to the District is \$96,580,693. 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, 2018 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2018. At June 30, 2018, the state's share of the OPEB liability attributable to the District was 0.20945 percent, which was a decrease of 0.00024 percent from its proportionate share measured as of June 30, 2017 of 0.20969 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. 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 Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disable Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Long-Term Rate of Return	1.00%
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*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.

The actuarial assumptions used in the June 30, 2017 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.

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight 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 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For prescription drug benefits, the initial trend rate is 8.0 percent and decreases to a 5.0 percent long-term trend rate after seven 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.

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, 2018.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

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>
2019	June 30, 2018	3.87%
2018	June 30, 2017	3.58%

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.

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, 2019 (measurement date June 30, 2018) is as follows:

	<u>Total OPEB Liability (State Share 100%)</u>
Balance, June 30, 2017 Measurement Date	\$ <u>112,477,323</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,367,402
Interest on the Total OPEB Liability	4,138,804
Differences Between Expected and Actual Experiences	(10,826,441)
Changes of Assumptions	(11,083,118)
Gross Benefit Payments	(2,582,533)
Contributions from the Member	89,256
Net Changes	<u>\$ (15,896,630)</u>
Balance, June 30, 2018 Measurement Date	<u>\$ 96,580,693</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58 percent in 2017 to 3.87 percent in 2018.

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, 2018. 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, 2018 was not provided by the pension system.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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 3.87%, 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 (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease <u>(2.87%)</u>	Current Discount Rate <u>(3.87%)</u>	1% Increase <u>(4.87%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 114,178,040	\$ 96,580,693	\$ 82,592,620

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:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 79,829,568	\$ 96,580,693	\$ 118,734,697

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018 were not provided by the pension system.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Local Sources					
County Property Tax Levy	\$ 31,818,936		\$ 31,818,936	\$ 31,818,936	-
Tuition-Other LEAs	27,884,196		27,884,196	28,566,296	\$ 682,100
Tuition - Post Secondary	650,000		650,000	667,779	17,779
Tuition - EMS	450,000		450,000	199,301	(250,699)
Tuition - Adult Evening	400,000		400,000	388,287	(11,713)
Interest on Investments	25,000		25,000	110,105	85,105
Interest on Capital Reserve	1,000		1,000	9,170	8,170
GED Testing Fees	117,427		117,427	45,761	(71,666)
One to One Aides	-		-	17,330	17,330
Lab Research Fee	30,000		30,000	32,957	2,957
Technology Agreement	266,000		266,000	266,000	-
Miscellaneous	197,641	-	197,641	488,083	290,442
Total Local Sources	61,840,200	-	61,840,200	62,610,005	769,805
State Sources					
Adjustment Aid	4,194,257	\$ (331,453)	3,862,804	3,862,804	-
Categorical Special Education Aid	1,618,948		1,618,948	1,618,948	-
Categorical Security Aid	213,795		213,795	213,795	-
On-Behalf TPAF Pension System Contributions- NCGI (Non-Budgeted)				96,529	96,529
On-Behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				4,238	4,238
On-Behalf TPAF Pension System Contributions- Normal Contributions (Non-Budgeted)				4,611,429	4,611,429
On-Behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,135,522	2,135,522
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,920,639	1,920,639
Total State Sources	6,027,000	(331,453)	5,695,547	14,463,904	8,768,357
Federal Sources					
Medicaid Reimbursement	37,515	-	37,515	29,793	(7,722)
Total Federal Sources	37,515	-	37,515	29,793	(7,722)
Total Revenues	67,904,715	(331,453)	67,573,262	77,103,702	9,530,440
EXPENDITURES:					
Regular Programs- Instruction					
Salaries of Teachers	9,412,920	145,600	9,558,520	9,558,473	47
Other Salaries for Instruction	203,522	2,800	206,322	206,268	54
Purchased Prof. - Educ. Service	115,000	(13,800)	101,200	101,000	200
Rentals	25,000	-	25,000	23,016	1,984
Travel	10,000	1,952	11,952	8,425	3,527
General Supplies	654,000	189,386	843,386	686,731	156,655
Textbooks	100,000	20,205	120,205	109,059	11,146
Other Objects	15,000	11,899	26,899	24,840	2,059
Total Regular Programs- Instruction	10,535,442	358,042	10,893,484	10,717,812	175,672
Regular Programs- Home Instruction					
Salaries of Teachers	35,000	31,740	66,740	66,692	48
Purchased Professional Educational Service	25,000	(2,240)	22,760	13,684	9,076
Total Regular Programs- Home Instruction	60,000	29,500	89,500	80,376	9,124
Total Regular Programs- Instruction	10,595,442	387,542	10,982,984	10,798,188	184,796
Basic Skills/Remedial					
Salaries of Teachers	153,959	(37,100)	116,859	84,552	32,307
Total Basic Skills/Remedial	153,959	(37,100)	116,859	84,552	32,307
Bilingual Education					
Salaries of Teachers	92,830	7,600	100,430	100,383	47
Total Bilingual Education	92,830	7,600	100,430	100,383	47

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Other Special Programs					
Regular Vocational Programs- Instruction					
Salaries of Teachers	\$ 6,311,979	\$ (214,400)	\$ 6,097,579	\$ 6,064,873	\$ 32,706
Purchased Professional Educational Services	67,000	99,400	166,400	166,368	32
Rentals	40,500	8,200	48,700	47,259	1,441
Travel	7,500	(760)	6,740	641	6,099
General Supplies	807,655	170,996	978,651	747,848	230,803
Textbooks	136,600	(6,480)	130,120	99,445	30,675
Other Objects	17,000	-	17,000	10,783	6,217
Total Regular Vocational Programs- Instruction	7,388,234	56,956	7,445,190	7,137,217	307,973
Special Vocational Programs- Instruction					
Salaries of Teachers	5,014,324	(77,350)	4,936,974	4,931,541	5,433
Purchased Professional Educational Services	580,000	-	580,000	580,000	-
Travel	4,000	-	4,000	985	3,015
General Supplies	195,000	47,758	242,758	202,910	39,848
Textbooks	30,000	4,188	34,188	27,214	6,974
Other Objects	20,000	(11,000)	9,000	7,569	1,431
Total Special Vocational Programs- Instruction	5,843,324	(36,404)	5,806,920	5,750,219	56,701
Total Vocational Programs	13,231,558	20,552	13,252,110	12,887,436	364,674
Other Instructional Programs					
School Sponsored Co/Extra Curricular Activities					
Salaries	640,000	98,000	738,000	737,991	9
Travel	1,700	-	1,700	(40)	1,740
Other Objects	35,500	(1,500)	34,000	24,831	9,169
Total School Sponsored Co/Extra Curricular Activities	677,200	96,500	773,700	762,782	10,918
School Sponsored Athletics					
Salaries	604,267	39,000	643,267	643,219	48
Purchased Services	100,000	(18,100)	81,900	78,978	2,922
Travel	4,000	-	4,000	3,514	486
Supplies and Materials	110,000	34,592	144,592	127,340	17,252
Other Objects	20,000	(150)	19,850	19,567	283
Total School Sponsored Athletics	838,267	55,342	893,609	872,618	20,991
Other Instructional Programs- Instruction					
Salaries	295,000	92,000	387,000	386,952	48
Total Other Instructional Programs	295,000	92,000	387,000	386,952	48
Total Instruction	25,884,256	622,436	26,506,692	25,892,911	613,781
Attendance & Social Work					
Salaries	116,045	300	116,345	116,328	17
Total Attendance & Social Work	116,045	300	116,345	116,328	17
Health Services					
Salaries	388,882	4,000	392,882	392,873	9
Purchased Professional and Technical Services	49,500	(6,800)	42,700	32,233	10,467
Supplies and Materials	11,000	(1,550)	9,450	3,421	6,029
Other Objects	14,500	4,050	18,550	14,672	3,878
Total Health Services	463,882	(300)	463,582	443,199	20,383

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Speech, OT, PT and Related Services					
Salaries of Other Professional Staff	\$ 251,419	\$ 600	\$ 252,019	\$ 251,947	\$ 72
Total Speech, OT, PT and Related Services	<u>251,419</u>	<u>600</u>	<u>252,019</u>	<u>251,947</u>	<u>72</u>
Guidance					
Salaries of Other Professional Staff	1,633,071	66,200	1,699,271	1,699,229	42
Salaries of Secretarial and Clerical Assistants	178,397	650	179,047	178,997	50
Purchased Professional Education Services	-	81,200	81,200	-	81,200
Total Guidance	<u>1,811,468</u>	<u>148,050</u>	<u>1,959,518</u>	<u>1,878,226</u>	<u>81,292</u>
Child Study Teams					
Salaries of Other Professional Staff	560,882	5,100	565,982	565,896	86
Salaries of Secretarial and Clerical Assistants	159,747	2,800	162,547	162,478	69
Purchased Professional Education Services	22,500	(10,000)	12,500	11,050	1,450
Other Purchased Professional & Technical Services	2,000	(1,800)	200	200	-
Travel	4,000	(1,701)	2,299	1,138	1,161
Supplies and Materials	40,000	9,950	49,950	37,060	12,890
Other Objects	8,000	(6,000)	2,000	1,043	957
Total Child Study Teams	<u>797,129</u>	<u>(1,651)</u>	<u>795,478</u>	<u>778,865</u>	<u>16,613</u>
Improvement of Instruction Services					
Salaries of Other Professional Staff	933,415	4,600	938,015	938,002	13
Salaries of Secretarial and Clerical Assistants	201,901	(4,600)	197,301	195,361	1,940
Purchased Professional Educational Services	36,000	531	36,531	36,426	105
Rentals	3,500	-	3,500	3,048	452
Other Purchased Services	45,000	1,000	46,000	43,709	2,291
Travel	11,000	8,300	19,300	12,088	7,212
Supplies and Materials	35,000	(11,738)	23,262	22,692	570
Other Objects	63,000	3,948	66,948	64,184	2,764
Total Improvement of Instruction Services	<u>1,328,816</u>	<u>2,041</u>	<u>1,330,857</u>	<u>1,315,510</u>	<u>15,347</u>
Educational Media Service/School Library					
Salaries	63,542	-	63,542	43,631	19,911
Other Purchased Services	65,300	-	65,300	53,698	11,602
Supplies and Materials	8,000	-	8,000	999	7,001
Total Educational Media Services/School Library	<u>136,842</u>	<u>-</u>	<u>136,842</u>	<u>98,328</u>	<u>38,514</u>
Instructional Staff Training Services					
Travel	77,000	1,375	78,375	46,733	31,642
Other Objects	29,500	15,500	45,000	15,939	29,061
Total Instructional Staff Training Services	<u>106,500</u>	<u>16,875</u>	<u>123,375</u>	<u>62,672</u>	<u>60,703</u>
Support Services General Administration					
Salaries	544,912	14,500	559,412	559,336	76
Legal Services	275,000	(24,850)	250,150	230,214	19,936
Audit Fees	60,000	4,300	64,300	64,299	1
Expenditure and Internal Control	10,000	4,050	14,050	14,040	10
Architect/Engineering Fees	35,000	546,845	581,845	302,376	279,469
Other Purchased Professional Services	187,500	-	187,500	155,869	31,631
Rentals	4,000	-	4,000	1,620	2,380
Communications/Telephone	465,000	(264,100)	200,900	200,698	202
Travel	10,000	-	10,000	3,269	6,731
Other Purchased Services	183,200	2,000	185,200	150,341	34,859
Supplies and Materials	13,000	58	13,058	2,407	10,651
Miscellaneous Expenditures	56,000	-	56,000	55,930	70
BOE Membership Dues and Fees	1,000	-	1,000	-	1,000
Total Support Services General Administration	<u>1,844,612</u>	<u>282,803</u>	<u>2,127,415</u>	<u>1,740,399</u>	<u>387,016</u>
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,559,426	6,000	1,565,426	1,565,377	49
Salaries of Secretarial and Clerical Assistants	610,641	(3,800)	606,841	606,429	412
Travel	6,750	(2,200)	4,550	452	4,098
Other Purchased Services	7,600	(2,000)	5,600	904	4,696
Supplies and Materials	41,445	32,876	74,321	44,864	29,457
Other Objects	22,500	3,300	25,800	22,806	2,994
Total Support Services School Administration	<u>2,248,362</u>	<u>34,176</u>	<u>2,282,538</u>	<u>2,240,832</u>	<u>41,706</u>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Central Services					
Salaries	\$ 1,195,008	\$ (17,500)	\$ 1,177,508	\$ 1,160,859	\$ 16,649
Purchased Technical Services	130,700	(15,200)	115,500	93,165	22,335
Rentals	7,500	-	7,500	7,192	308
Travel	8,500	1,065	9,565	5,460	4,105
Supplies and Materials	32,000	36,815	68,815	57,007	11,808
Miscellaneous Expenditures	10,500	3,050	13,550	12,094	1,456
Total Central Services	<u>1,384,208</u>	<u>8,230</u>	<u>1,392,438</u>	<u>1,335,777</u>	<u>56,661</u>
Admin. Info. Technology					
Salaries	3,062,002	-	3,062,002	2,983,349	78,653
Purchased Professional Technical Services	100,000	-	100,000	74,813	25,187
Other Purchased Services	1,200,000	56,010	1,256,010	1,106,956	149,054
Travel	20,000	-	20,000	8,805	11,195
General Supplies	250,000	286,056	536,056	396,752	139,304
Other Objects	25,000	-	25,000	2,285	22,715
Total Admin. Info. Technology	<u>4,657,002</u>	<u>342,066</u>	<u>4,999,068</u>	<u>4,572,960</u>	<u>426,108</u>
Required Maintenance for School Facilities					
Salaries	732,604	-	732,604	607,787	124,817
Cleaning, Repair and Maintenance Services	425,000	202,759	627,759	567,708	60,051
Lead Testing of Drinking Water	-	2,200	2,200	-	2,200
Cleaning, Repair and Maintenance Services-Maintenance Reserve	-	-	-	-	-
General Supplies	155,000	91,455	246,455	212,053	34,402
Total Required Maintenance for School Facilities	<u>1,312,604</u>	<u>296,414</u>	<u>1,609,018</u>	<u>1,387,548</u>	<u>221,470</u>
Custodial Services					
Salaries	2,827,462	35,000	2,862,462	2,842,343	20,119
Purchased Professional & Technical Services	260,000	(35,000)	225,000	210,000	15,000
Cleaning, Repair and Maintenance Services	638,000	108,111	746,111	596,642	149,469
Other Purchased Property Services	110,000	-	110,000	98,521	11,479
Insurance	570,000	(50,000)	520,000	451,219	68,781
Travel	2,500	-	2,500	1,949	551
General Supplies	355,000	25,878	380,878	349,841	31,037
Energy (Natural Gas)	450,000	(125,000)	325,000	318,952	6,048
Energy (Electricity)	1,400,000	(238,200)	1,161,800	1,152,481	9,319
Energy(Gasoline)	40,000	-	40,000	28,991	11,009
Other Objects	15,000	256	15,256	13,039	2,217
Total Custodial Services	<u>6,667,962</u>	<u>(278,955)</u>	<u>6,389,007</u>	<u>6,063,978</u>	<u>325,029</u>
Care and Upkeep of Grounds					
Salaries	270,801	(29,520)	241,281	208,405	32,876
Cleaning, Repair and Maintenance Services	40,000	329,285	369,285	108,388	260,897
General Supplies	5,000	20	5,020	2,098	2,922
Total Care and Upkeep of Grounds	<u>315,801</u>	<u>299,785</u>	<u>615,586</u>	<u>318,891</u>	<u>296,695</u>
Security					
Salaries	100,000	(20,000)	80,000	24,941	55,059
Cleaning, Repair and Maintenance Services	165,000	17,000	182,000	162,433	19,567
General Supplies	5,000	(341)	4,659	4,659	-
Total Security	<u>270,000</u>	<u>(3,341)</u>	<u>266,659</u>	<u>192,033</u>	<u>74,626</u>
Total Oper & Maint of Plant Services	<u>8,566,367</u>	<u>313,903</u>	<u>8,880,270</u>	<u>7,962,450</u>	<u>917,820</u>
Student Transportation Services					
Salaries for Pupil Transp (Oth. Than Bet. Home & School)	517,482	(35,000)	482,482	476,465	6,017
Cleaning, Repair and Maintenance Services	9,000	-	9,000	2,291	6,709
Contr. Services- Other- Vendors	245,000	(153,750)	91,250	83,975	7,275
Insurance	80,000	-	80,000	80,000	-
Travel	-	-	-	-	-
Supplies and Materials	10,000	(7,150)	2,850	1,696	1,154
Miscellaneous Expenditures	3,000	150	3,150	2,607	543
Total Student Transportation Services	<u>864,482</u>	<u>(195,750)</u>	<u>668,732</u>	<u>647,034</u>	<u>21,698</u>
Unallocated Benefits- Employee Benefits					
Social Security Contributions	1,300,000	2,100	1,302,100	1,302,065	35
Other Retirement Contribution- Regular	2,150,000	(9,100)	2,140,900	2,075,462	65,438
Workman's Compensation	567,000	-	567,000	549,711	17,289
Health Benefits	10,250,165	(1,074,203)	9,175,962	8,302,470	873,492
Tuition Reimbursement	120,000	-	120,000	103,945	16,055
Other Employee Benefits	249,000	103,000	352,000	351,723	277
Total Unallocated Benefits- Employee Benefits	<u>14,636,165</u>	<u>(978,203)</u>	<u>13,657,962</u>	<u>12,685,376</u>	<u>972,586</u>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
On-behalf TPAF Pension System Contributions- NCGI Premium (Non-Budgeted)				\$ 96,529	\$ (96,529)
On-behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				4,238	(4,238)
On-behalf TPAF Pension System Contributions- Normal Contribution (Non-Budgeted)				4,611,429	(4,611,429)
On-behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,135,522	(2,135,522)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,920,639	(1,920,639)
Total Undistributed Expenditures	\$ 39,213,299	\$ (26,860)	\$ 39,186,439	44,898,260	1,135,897
Total Expenditures - Current	65,097,555	595,576	65,693,131	70,791,171	(5,098,040)
CAPITAL OUTLAY					
Equipment					
Instruction	-	576,396	576,396	249,252	327,144
Child Study Teams	-	2,050	2,050	2,019	31
Non-Instructional Equipment	-	5,470	5,470	5,358	
Admin Info Technology	-	148,904	148,904	103,607	45,297
Operations and Maintenance of Plant	-	102,340	102,340	98,116	4,224
Grounds	-	8,200	8,200	3,948	4,252
Security	-	318,956	318,956	158,955	160,001
Student Transportaion	-	176,000	176,000	-	176,000
Special Schools	-	26,366	26,366	25,592	774
Total Equipment	-	1,364,682	1,364,682	646,847	717,835
Facilities Acquisition and Construction Services					
Architect Fees		121,500	121,500	73,650	47,850
Construction Services		1,181,037	1,181,037	549,418	631,619
Other Objects	1,000	-	1,000	-	1,000
Assessment for Debt Service	47,894	-	47,894	47,894	-
Total Facilities and Construction Services	48,894	1,302,537	1,351,431	670,962	680,469
Total Capital Outlay	48,894	2,667,219	2,716,113	1,317,809	1,398,304
SPECIAL SCHOOLS					
Post- Secondary Programs- Instruction					
Salaries of Teachers	367,129	-	367,129	364,142	2,987
Other Purchased Services	4,500	-	4,500	3,324	1,176
Travel	1,100	4	1,104	-	1,104
General Supplies	46,000	35,766	81,766	63,431	18,335
Textbooks	15,000	4,063	19,063	11,937	7,126
Other Objects	7,000	1,000	8,000	7,341	659
Total Post- Secondary Programs -Instruction	440,729	40,833	481,562	450,175	31,387
Post- Secondary Programs- Support Services					
Personal Services-Employee Benefits	115,000	-	115,000	113,398	1,602
Total Post Secondary Programs - Support Services	115,000	-	115,000	113,398	1,602
Total Post Secondary Programs	555,729	40,833	596,562	563,573	32,989
Other Special Schools - Instruction					
Salaries of Teachers	619,040	-	619,040	553,764	65,276
General Supplies	314,000	-	314,000	174,969	139,031
Textbooks	-	-	-	-	-
Total Other Special Schools - Instruction	933,040	-	933,040	728,733	204,307
Other Special Schools - Support Services					
Salaries	606,258	15,200	621,458	605,216	16,242
Purchased Professional and Technical Services	15,600	-	15,600	4,500	11,100
Other Purchased Services	36,000	10,032	46,032	24,955	21,077
Travel	4,000	(419)	3,581	1,591	1,990
Supplies and Materials	8,800	1,000	9,800	6,472	3,328
Other Objects	9,500	(585)	8,915	5,723	3,192
Total Other Special Schools - Support Services	680,158	25,228	705,386	648,457	56,929
Total Other Special Schools	1,613,198	25,228	1,638,426	1,377,190	261,236
Vocational Evening - Local - Instruction					
Salaries of Teachers	420,576	14,200	434,776	434,701	75
Purchased Professional and Technical Services	-	-	-	-	-
Travel	-	-	-	-	-
General Supplies	28,500	(2,438)	26,062	24,517	1,545
Textbooks	1,000	-	1,000	-	1,000
Other Objects	-	2,590	2,590	2,590	-
Total Vocational Evening - Local - Instruction	450,076	14,352	464,428	461,808	2,620

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Vocational Evening - Local - Support Services					
Salaries	\$ 450,660	\$ 18,000	\$ 468,660	\$ 468,466	\$ 194
Employee Benefits	210,000	(49,200)	160,800	159,974	826
Rentals	6,800	-	6,800	6,768	32
Other Purchased Services	45,000	4,205	49,205	22,739	26,466
Travel	1,000	-	1,000	-	1,000
General Supplies	7,000	(1,745)	5,255	5,246	9
Other Objects	4,000	(749)	3,251	2,916	335
Total Vocational Evening - Local - Support Services	<u>724,460</u>	<u>(29,489)</u>	<u>694,971</u>	<u>666,109</u>	<u>28,862</u>
Total Vocational Evening	<u>1,174,536</u>	<u>(15,137)</u>	<u>1,159,399</u>	<u>1,127,917</u>	<u>31,482</u>
GED Testing Center (Other Special Schools)					
Salaries	73,927	-	73,927	73,411	516
Other Purchased Services	3,000	-	3,000	963	2,037
Travel	500	-	500	-	500
Supplies and Materials	40,000	-	40,000	14,206	25,794
Total Other Special Schools - Support Services	<u>117,427</u>	<u>-</u>	<u>117,427</u>	<u>88,580</u>	<u>28,847</u>
Total Special Schools	<u>3,460,890</u>	<u>50,924</u>	<u>3,511,814</u>	<u>3,157,260</u>	<u>354,554</u>
Total Expenditures	<u>68,607,339</u>	<u>3,313,719</u>	<u>71,921,058</u>	<u>75,266,240</u>	<u>(3,345,182)</u>
Excess (Deficiency) of Revenues and Over/(Under) Expenditures	<u>(702,624)</u>	<u>(3,645,172)</u>	<u>(4,347,796)</u>	<u>1,837,462</u>	<u>6,185,258</u>
Other Financing Sources (Uses)					
Transfers out	-	(339,868)	(339,868)	(474,024)	(134,156)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>(339,868)</u>	<u>(339,868)</u>	<u>(474,024)</u>	<u>(134,156)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources(Uses)	<u>(702,624)</u>	<u>(3,985,040)</u>	<u>(4,687,664)</u>	<u>1,363,438</u>	<u>6,051,102</u>
Fund Balance, Beginning of Year	<u>10,744,276</u>	<u>-</u>	<u>10,744,276</u>	<u>10,744,276</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 10,041,652</u>	<u>\$ (3,985,040)</u>	<u>\$ 6,056,612</u>	<u>\$ 12,107,714</u>	<u>\$ 6,051,102</u>
Recapitulation:					
Restricted					
Capital Reserve				\$ 5,433,468	
Maintenance Reserve				781,419	
Maintenance Reserve - Designated for Subsequent Year's Budget				100,000	
Assigned					
Year End Encumbrances				3,144,743	
Designated for Subsequent Year's Budget				700,000	
Unassigned					
Unrestricted Fund Balance				<u>1,948,084</u>	
				12,107,714	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis				<u>(564,765)</u>	
Fund Balance per Governmental Funds (GAAP):				<u>\$ 11,542,949</u>	

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources:	\$ 2,120,000	\$ 492,461	\$ 2,612,461	\$ 1,808,222	\$ (804,239)
Federal Sources	8,040,000	(603,535)	7,436,465	6,133,973	(1,302,492)
Local Sources	45,000	38,872	83,872	68,571	(15,301)
Total Revenues	<u>10,205,000</u>	<u>(72,202)</u>	<u>10,132,798</u>	<u>8,010,766</u>	<u>(2,122,032)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	2,515,000	(1,587,983)	927,017	636,345	290,672
Purchased Professional Services	205,000	(129,899)	75,101	21,153	53,948
General Supplies	-	194,969	194,969	120,792	74,177
Total Instruction	<u>2,720,000</u>	<u>(1,522,913)</u>	<u>1,197,087</u>	<u>778,290</u>	<u>418,797</u>
Support Services					
Salaries	7,475,000	(4,692,385)	2,782,615	2,133,676	648,939
Personnel Services Employee Benefits		1,240,214	1,240,214	902,744	337,470
Purchased Professional Education Services	-	2,791,096	2,791,096	2,196,572	594,524
Purchased Professional Technical Services		658,178	658,178	656,456	1,722
Other Purchased Services	10,000	177,741	187,741	134,356	53,385
Rental		359,539	359,539	359,538	1
Travel		11,072	11,072	8,288	2,784
Supplies and Materials		109,892	109,892	85,736	24,156
Other Objects	-	31,460	31,460	28,352	3,108
Total Support Services	<u>7,485,000</u>	<u>686,807</u>	<u>8,171,807</u>	<u>6,505,718</u>	<u>1,666,089</u>
Facilities Acquisition and Construction					
Instructional Equipment	-	763,904	763,904	726,758	37,146
Total Facilities Acquisition and Construction	<u>-</u>	<u>763,904</u>	<u>763,904</u>	<u>726,758</u>	<u>37,146</u>
Total Expenditures	<u>10,205,000</u>	<u>(72,202)</u>	<u>10,132,798</u>	<u>8,010,766</u>	<u>2,122,032</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

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

	General Fund	Special Revenue Fund
Source/Inflows of Resources		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 77,103,702	\$ 8,010,766
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2018		397,976
Encumbrances, June 30, 2019		(324,775)
Last State Aid payments recognized for GAAP purposes, not recognized for budgetary statements (2017/2018 State Aid)	569,601	
Last State Aid payments recognized for Budgetary purposes, not recognized for GAAP statements (2018/2019 State Aid)	(564,765)	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 77,108,538	\$ 8,083,967
Uses/Outflows of Resources		
Actual amounts(budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 75,266,240	\$ 8,010,766
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2018		397,976
Encumbrances, June 30, 2019	-	(324,775)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	\$ 75,266,240	\$ 8,083,967

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

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

Public Employees Retirement System

Last Six Fiscal Years*

	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.20745 %	0.21017 %	0.20574 %	0.19847 %	0.19306 %	0.19087 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 40,845,470	\$ 48,926,086	\$ 60,935,261	\$ 44,554,713	\$ 36,146,276	\$36,480,813
District's Covered Payroll	\$ 14,470,006	\$ 14,465,635	\$ 14,265,980	\$ 13,751,772	\$ 13,433,021	\$12,960,436
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	282.28%	338.22%	427.14%	323.99%	269.09%	281.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60 %	48.10 %	40.14 %	47.93 %	52.08 %	48.72 %

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

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

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

Public Employees Retirement System

Last Six Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 2,063,437	\$ 1,947,075	\$ 1,827,794	\$ 1,706,393	\$ 1,048,496	\$ 1,567,180
Contributions in Relation to the Contractually Required Contribution	<u>2,063,437</u>	<u>1,947,075</u>	<u>1,827,794</u>	<u>1,706,393</u>	<u>1,048,496</u>	<u>1,567,180</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 14,521,657	\$ 14,465,635	\$ 14,265,980	\$ 13,751,772	\$ 13,433,021	\$ 12,960,436
Contributions as a Percentage of Covered Payroll	14.21%	13.46%	12.81%	12.41%	7.81%	12.09%

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

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

Teachers Pension and Annuity Fund

Last Six Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 152,992,971</u>	<u>\$ 161,676,127</u>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
Total	<u>\$ 152,992,971</u>	<u>\$ 161,676,127</u>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
District's Covered Payroll	\$ 25,797,432	\$ 24,928,054	\$ 24,753,579	\$ 24,304,151	\$ 23,902,723	\$ 23,580,067
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Two Fiscal Years*

	2019	2018
Total OPEB Liability		
Service Cost	\$ 4,367,402	\$ 5,356,667
Interest on Total OPEB Liability	4,138,804	3,531,499
Differences Between Expected and Actual Experiences	(10,826,441)	-
Changes of Assumptions	(11,083,118)	(14,859,882)
Gross Benefit Payments	(2,582,533)	(1,793,443)
Contribution from the Member	89,256	66,039
Net Change in Total OPEB Liability	(15,896,630)	(7,699,120)
Total OPEB Liability - Beginning	112,477,323	120,176,443
Total OPEB Liability - Ending	\$ 96,580,693	\$ 112,477,323
District's Proportionate Share of OPEB Liability	\$ -	\$ -
State's Proportionate Share of OPEB Liability	96,580,693	112,477,323
Total OPEB Liability - Ending	\$ 96,580,693	\$ 112,477,323
District's Covered- Payroll	\$ 40,267,438	\$ 39,393,689
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Payroll	0%	0%

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Total Page 2</u>	<u>Adult Basic Education</u>	<u>Displaced Homemaker</u>	<u>Apprentice Coordinator</u>	<u>WDP Customized Training</u>	<u>ESEA Title I</u>	<u>IDEIA Part B Basic</u>	<u>NCLB Title II-Pt A</u>	<u>Totals</u>
REVENUES									
State Sources	\$ 1,640,866		\$ 146,636	\$ 20,720					\$ 1,808,222
Federal Sources	4,295,725	\$ 1,132,160				\$ 183,505	\$ 481,004	\$ 41,579	6,133,973
Local Sources	<u>65,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	\$ 3,396	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,571</u>
Total Revenues	<u>\$ 6,001,766</u>	<u>\$ 1,132,160</u>	<u>\$ 146,636</u>	<u>\$ 20,720</u>	<u>\$ 3,396</u>	<u>\$ 183,505</u>	<u>\$ 481,004</u>	<u>\$ 41,579</u>	<u>\$ 8,010,766</u>
EXPENDITURES									
Instruction									
Salaries of Teachers	\$ 95,634	\$ 375,513				\$ 137,962	\$ 27,236		\$ 636,345
Purchased Prof./Tech Services	21,153	-							21,153
General Supplies	<u>85,853</u>	<u>34,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,792</u>
Total Instruction	<u>202,640</u>	<u>410,452</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,962</u>	<u>27,236</u>	<u>-</u>	<u>778,290</u>
Support Services									
Salaries	1,693,576		\$ 97,992	\$ 17,416	\$ 3,155		321,537	-	\$ 2,133,676
Purchased Prof. Ed. Services	2,196,572								2,196,572
Purchased Prof. Tech Services	24,554	616,000					\$ 15,902		656,456
Other Purchased Services	101,966		31,015	1,375	-				134,356
Personal Services Employee Benefits	648,016	76,135	15,808	1,332	241	45,543	115,669		902,744
Rentals	359,538								359,538
Travel	6,544	350	1,226	168					8,288
Supplies and Materials	41,602	871	595	429			16,562	25,677	85,736
Other Objects	<u>-</u>	<u>28,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,352</u>
Total Support Services	<u>5,072,368</u>	<u>721,708</u>	<u>146,636</u>	<u>20,720</u>	<u>3,396</u>	<u>45,543</u>	<u>453,768</u>	<u>41,579</u>	<u>6,505,718</u>
Facilities Acquisition and Construction									
Instructional Equipment	<u>726,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>726,758</u>
Total Facilities Acquisition and Construction	<u>726,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>726,758</u>
Total Expenditures	<u>\$ 6,001,766</u>	<u>\$ 1,132,160</u>	<u>\$ 146,636</u>	<u>\$ 20,720</u>	<u>\$ 3,396</u>	<u>\$ 183,505</u>	<u>\$ 481,004</u>	<u>\$ 41,579</u>	<u>\$ 8,010,766</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Total Exhibit Page 3</u>	<u>County Vocational Partnership</u>	<u>WFNJ Program</u>	<u>WFNJ Admin</u>	<u>Community Library</u>	<u>Foundation Funds</u>	<u>Perkins Post- Secondary</u>	<u>Perkins Secondary</u>	<u>Perkins Secondary Reserve</u>	<u>Total Page 2</u>
REVENUES										
State	\$ 218,976	\$ 52,572	\$ 1,192,235	\$ 177,083						\$ 1,640,866
Federal	3,398,079						\$ 137,124	\$ 676,200	\$ 84,322	4,295,725
Other	1,295	-	-	-	\$ 30,277	\$ 33,603	-	-	-	65,175
	-									
Total Revenues	\$ 3,618,350	\$ 52,572	\$ 1,192,235	\$ 177,083	\$ 30,277	\$ 33,603	\$ 137,124	\$ 676,200	\$ 84,322	\$ 6,001,766
EXPENDITURES										
Instruction										
Salaries of Teachers		\$ 24,796			\$ 15,477			\$ 55,361		\$ 95,634
Purchased Prof./Tech Services	\$ 8,160	12,743			250					21,153
General Supplies	614	-	-	-	13,250	\$ 29,718	\$ 452	41,819	-	85,853
Total Instruction	8,774	37,539	-	-	28,977	29,718	452	97,180	-	202,640
Support Services										
Salaries	1,059,934	1,676	\$ 467,909	\$ 128,887			35,170	-		1,693,576
Purchased Prof. Ed. Services	1,838,568		358,004	-				-		2,196,572
Purchased Prof. Tech Services	11,936			6,138				6,480		24,554
Other Purchased Services	65,637	-	33,151	3,178		-				101,966
Personal Services Employee Benefits	390,768	5,858	199,396	21,000	1,184		10,605	19,205		648,016
Rentals	228,098		115,656	15,784						359,538
Travel	1,715		42	786	116	3,885				6,544
Supplies and Materials	12,920		18,077	1,310				9,295		41,602
Other Objects	-									-
Indirect Costs	-	-	-	-	-	-	-	-	-	-
Total Support Services	3,609,576	7,534	1,192,235	177,083	1,300	3,885	45,775	34,980	-	5,072,368
Facilities Acquisition and Construction										
Buildings	-									-
Instructional Equipment	-	7,499	-	-	-	-	90,897	544,040	\$ 84,322	726,758
Total Facilities Acquisition and Construction	-	7,499	-	-	-	-	90,897	544,040	84,322	726,758
Total Expenditures	\$ 3,618,350	\$ 52,572	\$ 1,192,235	\$ 177,083	\$ 30,277	\$ 33,603	\$ 137,124	\$ 676,200	\$ 84,322	\$ 6,001,766

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>ESEA Title IV</u>	<u>Shaping NJ Healthy Community</u>	<u>Workforce Learning Link</u>	<u>WIA Adult</u>	<u>Project Search</u>	<u>WIA Youth</u>	<u>WIA Dislocated</u>	<u>Total Page 3</u>
REVENUES								
State		\$ 17,287	\$ 201,689					\$ 218,976
Federal	\$ 11,033			\$ 833,431		\$ 918,886	\$ 1,634,729	3,398,079
Other	-	-	-	-	\$ 1,295	-	-	1,295
Total Revenues	<u>\$ 11,033</u>	<u>\$ 17,287</u>	<u>\$ 201,689</u>	<u>\$ 833,431</u>	<u>\$ 1,295</u>	<u>\$ 918,886</u>	<u>\$ 1,634,729</u>	<u>\$ 3,618,350</u>
EXPENDITURES								
Instruction								
Salaries of Teachers				-				
Purchased Prof./Tech Services	\$ 8,160							\$ 8,160
Other Purchased Services								-
General Supplies	-	\$ 614	-	-	-	-	-	614
Total Instruction	<u>8,160</u>	<u>614</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,774</u>
Support Services								
Salaries		3,954	\$ 55,877	\$ 277,072		\$ 204,772	\$ 518,259	1,059,934
Purchased Prof. Ed. Services			103,000	372,850		582,067	780,651	1,838,568
Purchased Prof. Tech Services			652	3,032		2,362	5,890	11,936
Other Purchased Services	2,873	12,416	7,571	13,017	\$ 1,295	9,400	19,065	65,637
Personal Services Employee Benefits		303	21,228	104,959		72,270	192,008	390,768
Rentals			12,427	57,741		45,200	112,730	228,098
Travel				691	-	217	807	1,715
Supplies and Materials			934	4,069		2,598	5,319	12,920
Other Objects	-	-	-	-	-	-	-	-
Total Support Services	<u>2,873</u>	<u>16,673</u>	<u>201,689</u>	<u>833,431</u>	<u>1,295</u>	<u>918,886</u>	<u>1,634,729</u>	<u>3,609,576</u>
Facilities Acquisition and Construction								
Buildings								-
Instructional Equipment	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 11,033</u>	<u>\$ 17,287</u>	<u>\$ 201,689</u>	<u>\$ 833,431</u>	<u>\$ 1,295</u>	<u>\$ 918,886</u>	<u>\$ 1,634,729</u>	<u>\$ 3,618,350</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Issue/Project Title</u>		<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2019</u>	
			<u>Prior Years</u>	<u>Current Year</u>		
30-424	Acq of Equipment and Various Improvements	6/8/2006	\$ 4,878,921	\$ 4,546,077	\$ 243,549	\$ 89,295
30-425	Acq of Equipment and Various Improvements	9/8/2006	4,356,000	4,354,785		1,215
30-426	Acq of Equipment and Various Improvements	7/11/2007	5,073,650	4,448,671	547,631	77,348
30-428	Acq of Equipment and Various Improvements	8/13/2008	11,371,280	9,864,233	1,345,491	161,556
30-429	Acq of Equipment and Various Improvements	7/7/2010	2,033,000	1,897,562	82,362	53,076
30-430	Acq of Equipment and Various Improvements	12/1/2010	2,715,000	2,685,157	15,580	14,263
30-431	Acq of Equipment and Various Improvements	12/1/2011	715,000	612,010	15,066	87,924
30-432	Acq of Equipment and Various Improvements	7/11/2012	735,000	589,760	95,000	50,240
30-433	Acq of Equipment and Various Improvements	7/10/2013	1,268,000	970,025	75,802	222,173
30-413	Acq of Equipment and Various Improvements	7/2014	1,205,000	751,003	305,102	148,895
30-414	Acq of Equipment and Various Improvements	10/14/2015	1,392,481	1,300,026	15,105	77,350
30-415	Acq of Equipment and Various Improvements	10/19/2016	1,685,000	907,073	330,157	447,770
30-416	Acq of Equipment and Various Improvements	10/18/2017	3,842,209	293,568	2,745,162	803,479
30-417	Acq of Equipment and Various Improvements	2018/19	5,022,022	-	684,428	4,337,594
30-418	Acq of Equipment and Various Improvements	2018/19	<u>266,500</u>	<u>-</u>	<u>137,696</u>	<u>128,804</u>
Fund Total			<u>\$ 46,559,063</u>	<u>\$ 33,219,950</u>	<u>\$ 6,638,131</u>	<u>\$ 6,700,982</u>
				Project Balance, June 30, 2019		\$ 6,700,982
				Unrealized Revenue - Authorized by the County of Bergen		<u>(4,639,008)</u>
				Fund Balance, June 30, 2019		<u>\$ 2,061,974</u>
				Encumbrances Payable		\$ 2,719,556
				Project Balances		<u>(657,582)</u>
						<u>\$ 2,061,974</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Revenues and Other Financing Sources

Transfer from General Fund - Capital Reserve	\$ 339,868
County Aid	<u>3,412,480</u>
Total Revenues	<u>3,752,348</u>

Expenditures and Other Financing Uses

Construction Services	4,693,796
Purchased Professional and Technical Services	478,090
Equipment	489,131
Supplies and Materials	<u>977,114</u>
Total Expenditures	<u>6,638,131</u>

Deficiency of Revenues Under Expenditures	(2,885,783)
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Fund Balance - Beginning of Year	<u>4,947,757</u>
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Fund Balance - End of Year	<u>\$ 2,061,974</u>
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ENTERPRISE FUNDS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2019**

EXHIBIT G-1

	Business Type Activities													
	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals
ASSETS														
Current Assets														
Cash and Cash Equivalents	\$ 60,891	\$ 14,686	\$ 7,461	\$ 25,616	\$ 454,047	\$ 5,944	\$ 33,845	\$ 354,180	\$ 505	\$ 43,485	\$ 7,245	\$ 20,379	\$ 89,100	\$ 1,117,384
Intergovernmental Receivable	9,532	-	-	-	278,404	-	-	-	-	-	-	-	33,495	9,532
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	311,899
Inventories	9,373	-	-	-	-	-	-	-	-	-	-	-	-	9,373
Total Current Assets	79,796	14,686	7,461	25,616	732,451	5,944	33,845	354,180	505	43,485	7,245	20,379	122,595	1,448,188
Capital Assets														
Furniture, Machinery & Equipment	668,272	-	-	871	1,233,536	-	-	-	-	-	-	-	88,164	1,990,843
Less: Accumulated Depreciation	(525,143)	-	-	(871)	(1,146,590)	-	-	-	-	-	-	-	(51,399)	(1,724,003)
Total Capital Assets	143,129	-	-	-	86,946	-	-	-	-	-	-	-	36,765	266,840
Total Assets	222,925	14,686	7,461	25,616	819,397	5,944	33,845	354,180	505	43,485	7,245	20,379	159,360	1,715,028
LIABILITIES														
Current Liabilities														
Accounts Payable	85,955	248	-	-	7,611	-	2,000	-	-	-	-	-	10,115	105,929
Other Payable	-	-	-	-	3,215	-	-	-	-	-	-	-	-	3,215
Due to B.C.S.S.D.	39,071	-	-	-	-	-	-	-	-	-	-	-	-	39,071
Unearned Revenue	-	-	-	38,700	81,876	-	17,404	113,370	-	37,304	-	14,315	-	302,969
Total Current Liabilities	125,026	248	-	38,700	92,702	-	19,404	113,370	-	37,304	-	14,315	10,115	451,184
Total Liabilities	125,026	248	-	38,700	92,702	-	19,404	113,370	-	37,304	-	14,315	10,115	451,184
DEFERRED INFLOW OF RESOURCES														
Deferred Commodities Revenue	664	-	-	-	-	-	-	-	-	-	-	-	-	664
Total Liabilities and Deferred Inflow of Resources	125,690	248	-	38,700	92,702	-	19,404	113,370	-	37,304	-	14,315	10,115	451,848
NET POSITION														
Net Investment in Capital Assets	143,129	-	-	-	86,946	-	-	-	-	-	-	-	36,765	266,840
Unrestricted	(45,894)	14,438	7,461	(13,084)	639,749	5,944	14,441	240,810	505	6,181	7,245	6,064	112,480	996,340
Total Net Position	\$ 97,235	\$ 14,438	\$ 7,461	\$ (13,084)	\$ 726,695	\$ 5,944	\$ 14,441	\$ 240,810	\$ 505	\$ 6,181	\$ 7,245	\$ 6,064	\$ 149,245	\$ 1,263,180

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Business Type Activities

	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals
OPERATING REVENUES														
Charges for Services														
Daily sales - reimbursable programs														
Lunch Program	\$ 327,692													\$ 327,692
Breakfast Program	7,966													7,966
Daily sales - nonreimbursable programs	211,803													211,803
Special Functions	74,201													74,201
Charges and Fees	-	\$ 424,689	\$ 32,388	\$ 205,810	\$ 1,944,879	\$ 15,370	\$ 9,282	\$ 114,324	-	\$ 29,363	-	\$ 18,830	\$ 396,659	3,191,594
Total Operating Revenues	621,662	424,689	32,388	205,810	1,944,879	15,370	9,282	114,324	-	29,363	-	18,830	396,659	3,813,256
OPERATING EXPENSES														
Cost of Sales - reimbursable programs	203,176													203,176
Cost of Sales - nonreimbursable programs	90,493													90,493
Salaries	284,925	267,205	31,533	178,866	1,162,517	13,652	4,160	80,869	-	24,161	-	10,420	301,751	2,360,059
Employee Benefits	82,127	120,441	935	13,120	461,060	1,044	318	6,187	-	1,887	-	797	49,367	737,283
Other Purchased Services	104,641	4,988	-	8,162	89,092	2,000	9,251	6,000					-	224,134
Supplies and Materials	133,794	2,314	-	9,709	-	213	-	10,301				1,549	11,966	169,846
Textbooks								6,604						6,604
Depreciation	16,357				21,487	-							6,713	44,557
Other Objects	-	835	-	-	1,654	143	-	-	-	-	-	-	-	2,632
Total Operating Expenses	915,513	395,783	32,468	209,857	1,735,810	17,052	13,729	109,961	-	26,048	-	12,766	369,797	3,838,784
Operating Income (Loss)	(293,851)	28,906	(80)	(4,047)	209,069	(1,682)	(4,447)	4,363	-	3,315	-	6,064	26,862	(25,528)
NONOPERATING REVENUES														
State Sources														
State School Lunch Program	5,514													5,514
Federal Sources														
National School Lunch Program	109,337													109,337
National School Lunch Program-PB	6,460													6,460
Commodities Program	35,531													35,531
National School Breakfast Program	11,837													11,837
Total Non-Operating Revenues	168,679	-	-	-	-	-	-	-	-	-	-	-	-	168,679
Net Income (Loss) Before Contributions & Transfers	(125,172)	28,906	(80)	(4,047)	209,069	(1,682)	(4,447)	4,363	-	3,315	-	6,064	26,862	143,151
Transfers														
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Net Position	(125,172)	28,906	(80)	(4,047)	209,069	(1,682)	(4,447)	4,363	-	3,315	-	6,064	26,862	143,151
Total Net Position - Beginning of Year	222,407	(14,468)	7,541	(9,037)	517,626	7,626	18,888	236,447	\$ 505	2,866	\$ 7,245	-	122,383	1,120,029
Total Net Position - Ending of Year	\$ 97,235	\$ 14,438	\$ 7,461	\$ (13,084)	\$ 726,695	\$ 5,944	\$ 14,441	\$ 240,810	\$ 505	\$ 6,181	\$ 7,245	\$ 6,064	\$ 149,245	\$ 1,263,180

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT G-3

	Business Type Activities													
	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals
CASH FLOWS FROM OPERATING ACTIVITIES														
Receipts from Customers	\$ 665,883	\$ 424,689	-	\$ 144,910	\$ 1,965,254	\$ 15,370	\$ 17,404	\$ 132,125	-	\$ 36,446	-	\$ 14,485	\$ 386,016	\$ 3,802,582
Payments to Employees	(284,925)	(267,205)	(31,533)	(178,866)	(1,162,517)	(13,652)	(4,160)	(80,869)	-	(24,161)	-	(10,420)	(301,751)	(2,360,059)
Payments for Health Benefits	(82,127)	(120,441)	(935)	(13,120)	(461,060)	(1,044)	(318)	(6,187)	-	(1,887)	-	(797)	(49,367)	(737,283)
Payments to Suppliers	(471,319)	(26,663)	(9,116)	(17,995)	(20,746)	(2,255)	(7,251)	(23,505)	-	-	-	(1,549)	(7,601)	(657,501)
Net Cash Provided by/(Used for) operating activities	(172,487)	10,380	(41,584)	(65,072)	250,931	(1,682)	5,675	22,164	-	10,398	-	1,719	27,297	47,739
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES														
State Sources	5,518	-	-	-	-	-	-	-	-	-	-	-	-	5,518
Federal Sources	127,649	-	-	-	-	-	-	-	-	-	-	-	-	127,649
Net cash provided by (used for) Noncapital financing activities	133,167	-	-	-	-	-	-	-	-	-	-	-	-	133,167
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES														
Purchases of capital assets	(18,630)	-	-	-	-	-	-	-	-	-	-	-	(5,750)	(24,380)
Net cash provided by/(used for) capital and related financing activities	(18,630)	-	-	-	-	-	-	-	-	-	-	-	(5,750)	(24,380)
Net increase (decrease) in cash and cash equivalents	(57,950)	10,380	(41,584)	(65,072)	250,931	(1,682)	5,675	22,164	-	10,398	-	1,719	21,547	156,526
Cash and Cash Equivalents - Beginning of Year	118,841	4,306	49,045	90,688	203,116	7,626	28,170	332,016	\$ 505	33,087	\$ 7,245	18,660	67,553	960,858
Cash and Cash Equivalents - End of Year	\$ 60,891	\$ 14,686	\$ 7,461	\$ 25,616	\$ 454,047	\$ 5,944	\$ 33,845	\$ 354,180	\$ 505	\$ 43,485	\$ 7,245	\$ 20,379	\$ 89,100	\$ 1,117,384
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities														
Operating Income/(Loss)	\$ (293,851)	\$ 28,906	\$ (80)	\$ (4,047)	\$ 209,069	\$ (1,682)	\$ (4,447)	\$ 4,363	-	\$ 3,315	-	\$ 6,064	\$ 26,862	\$ (25,528)
Adjustments to reconcile operating income/(loss) to net cash provided by (used for) operating activities														
Depreciation	16,357	-	-	-	21,487	-	-	-	-	-	-	-	6,713	44,557
Food Distribution (USDA Commodities) National School Lunch Program	34,628	-	-	-	-	-	-	-	-	-	-	-	-	34,628
(Increase) Decrease in accounts receivable, net	5,150	-	-	-	(61,501)	-	-	-	-	-	-	-	(13,518)	(69,869)
(Increase) Decrease in inventories	491	-	-	-	-	-	-	-	-	-	-	-	-	491
Increase/(decrease) in unearned revenues	-	-	(32,388)	(60,900)	81,876	-	8,122	17,801	-	7,083	-	(4,345)	(2,875)	14,374
Increase/(decrease) in other payable	39,071	(11,941)	-	(125)	-	-	2,000	-	-	-	-	-	-	27,130
Increase/(decrease) in accounts payable	25,667	(6,582)	(9,116)	(125)	-	-	-	-	-	-	-	-	10,115	21,956
Total adjustments	121,364	(18,526)	(41,504)	(61,025)	41,862	-	10,122	17,801	-	7,083	-	(4,345)	435	73,267
Net cash provided by (used for) operating activities	\$ (172,487)	\$ 10,380	\$ (41,584)	\$ (65,072)	\$ 250,931	\$ (1,682)	\$ 5,675	\$ 22,164	\$ -	\$ 10,398	\$ -	\$ 1,719	\$ 27,297	\$ 47,739
Noncash Investing, Capital and Financing Activities														
Fair Value of Food Distribution Programs- National School Lunch	\$ 34,628													

INTERNAL SERVICE FUND

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2019

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>Total</u>
ASSETS					
Current Assets					
Cash		\$ 3,407	-	\$ 473,297	\$ 476,704
Intergovernmental Receivable					
Due from B.C.S.S.D		934,444			934,444
Other				30,000	30,000
Interfund Receivable	\$ 3,076,490	-	-	-	3,076,490
Total Current Assets	<u>3,076,490</u>	<u>937,851</u>	<u>-</u>	<u>503,297</u>	<u>4,517,638</u>
Capital Assets					
Furniture, Machinery and Equipment				90,219	90,219
Less: Accumulated Depreciation	-	-	-	(11,277)	(11,277)
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,942</u>	<u>78,942</u>
Total Assets	<u>3,076,490</u>	<u>937,851</u>	<u>-</u>	<u>582,239</u>	<u>4,596,580</u>
LIABILITIES					
Current Liabilities					
Accounts Payable		7,851		1,831	9,682
Interfunds Payable	-	930,000	\$ 987	-	930,987
Total Current Liabilities	<u>-</u>	<u>937,851</u>	<u>987</u>	<u>1,831</u>	<u>940,669</u>
Noncurrent Liabilities					
Compensated Absences	3,076,490	-	-	-	3,076,490
Total Liabilities	<u>3,076,490</u>	<u>937,851</u>	<u>987</u>	<u>1,831</u>	<u>4,017,159</u>
NET POSITION					
New Investment in Capital Assets				78,942	78,942
Unrestricted	-	-	(987)	501,466	500,479
Total net position	\$ -	\$ -	\$ (987)	\$ 580,408	\$ 579,421

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>Total</u>
OPERATING REVENUES					
Charges and Fees	-	\$ 2,066,948	-	\$ 292,000	\$ 2,358,948
Total Operating Revenues	-	2,066,948	-	292,000	2,358,948
OPERATING EXPENSES					
Salaries		1,565,622		130,924	1,696,546
Employee Benefits		406,690		12,839	419,529
Compensated Absences	\$ 134,156				134,156
Other Purchased Services		-		1,528	1,528
Communications - Telephone		94,636			94,636
Travel				294	294
Supplies and Materials				5,744	5,744
Depreciation	-	-	-	7,518	7,518
Total Operating Expenses	134,156	2,066,948	-	158,847	2,359,951
Operating Income	(134,156)	-	-	133,153	(1,003)
Other Financing Sources					
Transfer In	134,156	-	-	-	134,156
Net Position, Beginning of Year	-	-	\$ (987)	447,255	446,268
Net Position, End of Year	\$ -	\$ -	\$ (987)	\$ 580,408	\$ 579,421

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers		\$ 1,262,274		\$ 382,000	\$ 1,644,274
Cash Payments for Salaries and Benefits	\$ (134,156)	(1,972,313)		(143,763)	(2,250,232)
Cash Payments to Suppliers for Goods and Services	-	(221,340)	-	(5,735)	(227,075)
Net Cash Provided (Used) by Operating Activities	<u>(134,156)</u>	<u>(931,379)</u>	<u>-</u>	<u>232,502</u>	<u>(833,033)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund Transfers - General Fund	<u>134,156</u>	<u>930,000</u>	<u>-</u>	<u>-</u>	<u>1,064,156</u>
Net Cash Provided(Used) by Noncapital Financing activities	<u>134,156</u>	<u>930,000</u>	<u>-</u>	<u>-</u>	<u>1,064,156</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	(1,379)	-	232,502	231,123
Cash and Cash Equivalents, Beginning of Year	-	4,786	-	240,795	245,581
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ 3,407</u>	<u>\$ -</u>	<u>\$ 473,297</u>	<u>\$ 476,704</u>
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities					
Operating Income (Loss)	\$ (134,156)	-	-	\$ 133,153	\$ (1,003)
Adjustments to reconcile operating income to net cash provided(used) by operating activities:					
Depreciation				7,518	7,518
(Increase)/Decrease in Intergovernmental Receivable	-	\$ (804,674)		90,000	(714,674)
Increase/(Decrease) in Accounts Payable	-	(126,705)	-	1,831	(124,874)
Total Adjustments	<u>-</u>	<u>(931,379)</u>	<u>-</u>	<u>99,349</u>	<u>(832,030)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (134,156)</u>	<u>\$ (931,379)</u>	<u>\$ -</u>	<u>\$ 232,502</u>	<u>\$ (833,033)</u>

FIDUCIARY FUNDS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AS OF JUNE 30, 2019**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 787,155	\$ 44,387	\$ 831,542
Total Assets	<u>\$ 787,155</u>	<u>\$ 44,387</u>	<u>\$ 831,542</u>
LIABILITIES			
Payroll deductions and withholdings		\$ 37,387	\$ 37,387
Due to Other Funds		7,000	7,000
Payable to student groups	\$ 787,155	-	787,155
Total Liabilities	<u>\$ 787,155</u>	<u>\$ 44,387</u>	<u>\$ 831,542</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash Disburse- <u>ments</u>	Balance June 30, <u>2019</u>
SCHOOLS				
Applied Technical High School	\$ 5,320	\$ 28,601	\$ 25,596	\$ 8,325
Academy for the Advancement of Science and Technology	596,588	1,441,793	1,435,673	602,708
Teterboro Technical High School	138,606	308,965	316,794	130,777
Paramus Vocational High School	30,961	46,920	41,258	36,623
Athletic Account	<u>38,894</u>	<u>108,779</u>	<u>138,951</u>	<u>8,722</u>
	<u>\$ 810,369</u>	<u>\$ 1,935,058</u>	<u>\$ 1,958,272</u>	<u>\$ 787,155</u>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Balance July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash Disburse- <u>ments</u>	Balance June 30, <u>2019</u>
Payroll Deductions and Withholdings	\$ 361,795	\$ 25,192,737	\$ 25,517,145	\$ 37,387
Due to Other Funds	2,000	5,000		7,000
Accrued Salaries and Wages	<u>-</u>	<u>28,137,816</u>	<u>28,137,816</u>	<u>-</u>
	<u>\$ 363,795</u>	<u>\$ 53,335,553</u>	<u>\$ 53,654,961</u>	<u>\$ 44,387</u>

LONG-TERM DEBT

EXHIBIT I-1

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF PAYABLE BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOT APPLICABLE

EXHIBIT I-2

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOT APPLICABLE

EXHIBIT I-3

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOT APPLICABLE

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014 (Restated)	2015	2016	2017	2018	2019
Governmental Activities										
Net Investment in Capital Assets	\$ 43,808,410	\$ 43,421,022	\$ 50,008,514	\$ 50,867,900	\$ 49,277,231	\$ 49,479,630	\$ 50,030,937	\$ 48,611,395	\$ 47,399,005	\$ 51,182,260
Restricted	1,100,001	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989	10,645,647	8,477,906
Unrestricted	2,072,520	2,836,911	2,631,444	4,704,881	(32,517,594)	(33,085,751)	(35,125,320)	(38,748,085)	(40,098,240)	(40,081,112)
Total Governmental Activities Net Position	\$ 46,980,931	\$ 47,727,938	\$ 54,111,948	\$ 57,954,657	\$ 20,862,313	\$ 22,551,432	\$ 19,450,242	\$ 15,609,299	\$ 17,946,412	\$ 19,579,054
Business-Type Activities										
Net Investment in Capital Assets	\$ 550,886	\$ 521,640	\$ 467,977	\$ 418,441	\$ 497,126	\$ 417,011	\$ 367,596	\$ 320,044	\$ 287,017	\$ 266,840
Restricted										
Unrestricted	900,064	1,196,433	1,378,912	1,840,925	1,081,403	937,336	846,906	749,499	833,012	996,340
Total Business-Type Activities Net Position	\$ 1,450,950	\$ 1,718,073	\$ 1,846,889	\$ 2,259,366	\$ 1,578,529	\$ 1,354,347	\$ 1,214,502	\$ 1,069,543	\$ 1,120,029	\$ 1,263,180
District-Wide										
Net Investment in Capital Assets	\$ 44,359,296	\$ 43,942,662	\$ 50,476,491	\$ 51,286,341	\$ 49,774,357	\$ 49,896,641	\$ 50,398,533	\$ 48,931,439	\$ 47,686,022	\$ 51,449,100
Restricted	1,100,001	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989	10,645,647	8,477,906
Unrestricted	2,972,584	4,033,344	4,010,356	6,545,806	(31,436,191)	(32,148,415)	(34,278,414)	(37,998,586)	(39,265,228)	(39,084,772)
Total District Net Position	\$ 48,431,881	\$ 49,446,011	\$ 55,958,837	\$ 60,214,023	\$ 22,440,842	\$ 23,905,779	\$ 20,664,744	\$ 16,678,842	\$ 19,066,441	\$ 20,842,234

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 16,672,216	\$ 15,488,402	\$ 16,296,880	\$ 15,766,744	\$ 16,175,172	\$ 19,292,897	\$ 21,615,596	\$ 23,771,123	\$ 22,652,497	\$ 21,018,953
Other Special Education	382,892	1,273,493	1,623,324	1,361,059	1,202,646	1,207,686	1,417,698	1,259,523	455,157	295,508
Vocational	15,129,724	15,694,495	16,425,873	17,385,957	17,203,275	20,727,275	23,049,247	24,578,919	24,590,842	23,231,923
Other Instruction	5,766,856	2,584,804	2,350,887	2,145,071	2,101,112	2,738,122	3,083,333	3,809,101	4,344,779	4,180,965
Adult/Continuing Education Programs	2,168,973	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306	994,264	1,029,777
Support Services:										
Student & Instruction Related Services	16,430,807	20,918,305	20,864,055	20,722,030	21,284,694	15,081,857	14,820,193	15,353,581	17,014,460	18,931,748
School Administrative Services	2,695,296	2,663,009	2,721,457	3,128,511	3,439,812	3,929,539	4,534,126	4,827,057	4,480,170	3,936,436
General Administration	3,017,604	2,648,016	3,501,311	3,994,765	3,582,717	3,507,357	2,674,123	2,882,626	3,438,716	3,490,562
Plant Operations And Maintenance	8,769,953	9,604,982	9,365,347	9,288,606	10,238,259	10,604,646	10,594,482	10,947,900	11,192,029	10,656,523
Pupil Transportation	538,073	565,186	628,964	643,447	641,645	2,581,110	1,080,865	1,136,645	1,099,529	969,586
Other Support Services	2,398,284	2,202,175	2,223,643	2,360,112	2,583,940	6,819,158	8,481,150	9,163,851	9,916,291	8,422,209
Interest	-	-	-	-	-	-	5,539	-	-	-
Total Governmental Activities Expenses	73,970,678	74,650,646	76,908,085	77,286,567	78,989,534	87,024,378	91,987,134	98,644,632	100,178,734	96,164,190
Business-Type Activities:										
Food Service	717,800	675,057	766,982	704,383	673,446	742,604	754,158	807,823	834,407	915,513
Other	1,157,362	1,334,412	1,633,916	2,098,622	2,970,621	2,411,056	2,730,645	2,475,140	2,797,107	2,923,271
Total Business-Type Activities Expense	1,875,162	2,009,469	2,400,898	2,803,005	3,644,067	3,153,660	3,484,803	3,282,963	3,631,514	3,838,784
Total District Expenses	\$ 75,845,840	\$ 76,660,115	\$ 79,308,983	\$ 80,089,572	\$ 82,633,601	\$ 90,178,038	\$ 95,471,937	\$ 101,927,595	\$ 103,810,248	\$ 100,002,974
Program Revenues										
Governmental Activities:										
Charges For Services:										
Regular	\$ 8,422,313	\$ 8,304,719	\$ 8,532,347	\$ 8,763,830	\$ 16,470,979	\$ 8,994,884	\$ 9,862,770	\$ 9,567,603	\$ 10,045,687	\$ 10,270,197
Other Special Education										
Vocational	13,526,775	14,275,079	14,898,221	15,140,793	7,756,795	15,520,538	15,546,249	16,790,824	17,458,518	18,296,099
Other Instruction	474,370	480,111	438,572	201,995	245,530	491,371	512,980	331,603	425,098	199,301
Adult/Continuing Education Programs	933,644	1,100,066	1,234,779	1,207,791	1,258,720	1,063,649	1,058,901	1,037,414	1,014,690	1,056,066
Support Services:										
Student & Instruction Related Services	786,578	882,931	843,261	541,878	265,644	359,592	312,320	392,741	451,934	312,092
School Administrative Services	162,146	164,997		17,715	50,643	50,643	42,478	56,472	58,014	58,307
General Administration	1,092,432	922,340	777,998	783,994	729,192	707,152	770,064	753,749	756,041	855,646
Plant Operations And Maintenance	449,417	575,377	283,443	159,057	365,823	218,494	254,746	201,944	159,828	136,263
Pupil Transportation	96,568	110,161	125,210	129,140	95,531	93,078	100,436	99,504	98,659	101,659
Other Support Services	556,444	460,510	644,358	641,665	712,557	723,359	1,067,340	1,286,780	1,270,016	1,224,072
Operating Grants And Contributions	12,215,539	11,669,272	12,623,275	14,793,654	15,054,363	20,642,137	23,441,351	27,954,315	30,360,529	24,790,073
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	38,716,226	38,945,563	40,401,464	42,363,797	42,972,849	48,864,897	52,969,635	58,472,949	62,099,014	57,299,775

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-Type Activities:										
Charges For Services										
Food Service	\$ 602,963	\$ 542,448	\$ 761,349	\$ 557,432	\$ 558,872	\$ 576,814	\$ 576,329	\$ 614,017	\$ 612,582	\$ 621,662
Other	1,152,365	1,648,019	1,675,776	2,558,055	2,310,881	2,250,018	2,655,247	2,366,881	2,731,576	3,191,594
Operating Grants And Contributions	131,368	136,125	142,589	149,995	143,477	152,646	163,382	157,106	162,842	168,679
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	<u>1,886,696</u>	<u>2,326,592</u>	<u>2,579,714</u>	<u>3,265,482</u>	<u>3,013,230</u>	<u>2,979,478</u>	<u>3,394,958</u>	<u>3,138,004</u>	<u>3,507,000</u>	<u>3,981,935</u>
Total District Program Revenues	<u>\$ 40,602,922</u>	<u>\$ 41,272,155</u>	<u>\$ 42,981,178</u>	<u>\$ 45,629,279</u>	<u>\$ 45,986,079</u>	<u>\$ 51,844,375</u>	<u>\$ 56,364,593</u>	<u>\$ 61,610,953</u>	<u>\$ 65,606,014</u>	<u>\$ 61,281,710</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (35,254,452)	\$ (35,705,083)	\$ (36,506,621)	\$ (34,922,770)	\$ (36,016,685)	\$ (38,159,481)	\$ (39,017,499)	\$ (40,171,683)	\$ (38,079,720)	\$ (38,864,415)
Business-Type Activities	11,534	317,123	178,816	462,477	(630,837)	(174,182)	(89,845)	(144,959)	(124,514)	143,151
Total District-Wide Net Expense	<u>\$ (35,242,918)</u>	<u>\$ (35,387,960)</u>	<u>\$ (36,327,805)</u>	<u>\$ (34,460,293)</u>	<u>\$ (36,647,522)</u>	<u>\$ (38,333,663)</u>	<u>\$ (39,107,344)</u>	<u>\$ (40,316,642)</u>	<u>\$ (38,204,234)</u>	<u>\$ (38,721,264)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
County Property Tax Levy	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408	\$ 30,910,722	\$ 31,818,936
County Aid	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577	4,774,827	3,412,480
Federal and State Aid Unrestricted	6,660,479	4,375,445	5,135,736	4,121,860	4,268,255	4,233,029	4,090,475	4,403,793	4,110,588	3,867,640
Federal and State Aid Restricted	494,647	515,468	879,418	654,679	571,595	646,224	990,341	718,461	582,891	757,433
Investment Earnings	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071	51,954	119,528
Miscellaneous Income	1,057,341	641,636	765,811	218,274	322,331	561,317	354,393	133,830	160,851	521,040
Transfers	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	(175,000)	-
Loss on Disposal of Capital Assets	-	-	-	(6,634)	-	-	-	(170,400)	-	-
Total Governmental Activities	<u>40,644,881</u>	<u>36,452,090</u>	<u>42,890,331</u>	<u>38,765,779</u>	<u>35,405,154</u>	<u>39,848,600</u>	<u>35,916,309</u>	<u>36,330,740</u>	<u>40,416,833</u>	<u>40,497,057</u>
Business-Type Activities:										
Transfers	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	-	175,000	-
Total Business-Type Activities	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>175,000</u>	<u>-</u>
Total District-Wide	<u>\$ 40,594,881</u>	<u>\$ 36,402,090</u>	<u>\$ 42,840,331</u>	<u>\$ 38,715,779</u>	<u>\$ 35,355,154</u>	<u>\$ 39,798,600</u>	<u>\$ 35,866,309</u>	<u>\$ 36,330,740</u>	<u>\$ 40,591,833</u>	<u>\$ 40,497,057</u>
Change in Net Position										
Governmental Activities	\$ 5,390,429	\$ 747,007	\$ 6,383,710	\$ 3,843,009	\$ (611,531)	\$ 1,689,119	\$ (3,101,190)	\$ (3,840,943)	\$ 2,337,113	\$ 1,632,642
Business-Type Activities	(38,466)	267,123	128,816	412,477	(680,837)	(224,182)	(139,845)	(144,959)	50,486	143,151
Total District	<u>\$ 5,351,963</u>	<u>\$ 1,014,130</u>	<u>\$ 6,512,526</u>	<u>\$ 4,255,486</u>	<u>\$ (1,292,368)</u>	<u>\$ 1,464,937</u>	<u>\$ (3,241,035)</u>	<u>\$ (3,985,902)</u>	<u>\$ 2,387,599</u>	<u>\$ 1,775,793</u>

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 1,841,826									
Unreserved	3,724,644									
Restricted		\$ 1,369,001	\$ 1,371,667	\$ 2,676,695	\$ 4,001,915	\$ 2,831,174	\$ 3,410,171	\$ 4,757,456	\$ 5,597,098	\$ 6,314,887
Assigned		3,616,299	3,763,868	3,288,996	3,050,029	2,404,228	1,774,978	2,400,164	3,496,280	3,844,743
Unearned	-	1,388,774	2,075,886	2,141,872	1,772,575	1,892,562	1,574,623	1,351,845	1,081,297	1,383,319
Total General Fund	\$ 5,566,470	\$ 6,374,074	\$ 7,211,421	\$ 8,107,563	\$ 8,824,519	\$ 7,127,964	\$ 6,759,772	\$ 8,509,465	\$ 10,174,675	\$ 11,542,949
All Other Governmental Funds										
Reserved	\$ 1,045,988									
Unassigned	(1,902,950)	\$ (856,175)	\$ (2,133,623)	\$ (295,398)	\$ (295,398)	\$ 3,226,167	\$ 1,034,092	\$ 890,616		
Nonspendable		100,000	100,000	100,000	100,000	100,000	100,000	100,000	\$ 100,000	\$ 100,000
Restricted	-	1,004	323	579	761	212	362	541	4,948,549	2,063,019
Total All Other Governmental Funds	\$ (856,962)	\$ (755,171)	\$ (2,033,300)	\$ (194,819)	\$ (194,637)	\$ 3,326,379	\$ 1,134,454	\$ 991,157	\$ 5,048,549	\$ 2,163,019

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

Source: District's financial statements

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

Fiscal Year Ended June 30,

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
County Property Tax Levy	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408	\$ 30,910,722	\$ 31,818,936
County Aid	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577	4,774,827	3,412,480
Tuition - LEA's	23,357,102	24,159,975	25,103,919	25,225,197	25,661,833	26,007,132	26,904,443	27,666,393	28,943,993	29,821,663
Interest Earnings	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071	53,473	119,528
Miscellaneous	1,061,440	654,787	793,612	398,416	500,345	627,600	788,688	561,785	500,142	918,902
State Sources	12,181,302	9,958,263	12,007,500	12,702,958	12,407,358	12,416,181	14,009,042	14,356,081	15,341,091	16,301,982
Federal Sources	7,185,264	6,588,771	6,603,128	6,776,305	7,379,032	7,281,286	7,181,683	7,243,377	7,131,336	6,211,747
Total Revenue	76,167,522	72,231,337	80,567,525	78,830,476	76,141,541	80,690,229	79,314,956	81,072,692	87,655,584	88,605,238
Expenditures										
Instruction										
Regular Instruction	15,263,523	14,379,171	15,127,953	14,603,327	14,862,533	15,440,334	16,687,000	16,280,816	16,631,710	17,501,638
Other Special Instruction	385,032	1,273,493	1,623,324	1,342,690	1,205,266	1,207,686	1,406,736	1,088,873	455,157	295,508
Vocational Education	14,083,080	14,624,818	15,306,181	16,186,718	15,913,948	16,572,066	17,769,053	16,743,166	18,012,791	19,462,218
Other Instruction	5,773,276	2,593,804	2,353,257	2,152,541	2,108,972	2,305,667	2,476,996	2,763,401	3,460,228	3,733,751
Adult/Continuing Education	2,168,973	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306	994,264	1,029,777
Support Services:										
Student and Inst. Related Services	15,135,725	19,566,673	19,558,096	19,755,505	20,635,759	14,345,210	14,082,440	14,188,768	15,019,550	16,285,139
General Administration	2,552,657	2,494,442	2,629,178	3,152,218	2,832,404	2,665,676	1,819,055	2,039,452	2,508,498	2,513,520
School Administrative Services	2,152,550	1,640,449	2,688,484	3,046,780	3,344,141	3,395,276	3,900,015	3,727,076	3,494,656	3,427,799
Plant Operations And Maintenance	8,323,257	8,963,114	9,062,453	9,098,463	9,801,146	10,236,125	10,113,603	10,211,895	9,920,250	10,070,852
Pupil Transportation	394,556	403,808	452,657	459,844	488,295	2,427,018	934,573	950,997	848,254	793,368
Other Support Services	1,796,166	1,650,248	1,440,304	1,547,786	1,683,122	5,822,496	7,388,132	7,757,469	7,776,419	7,186,403
Debt Service							289,539	286,000	-	-
Capital Outlay	2,227,579	2,606,881	9,926,944	4,399,639	1,960,046	3,825,524	4,296,562	2,572,805	2,511,033	7,688,365
Total Expenditures	70,256,374	71,204,680	81,075,175	76,235,776	75,371,894	78,777,809	81,794,486	79,525,024	81,632,810	89,988,338
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	5,911,148	1,026,657	(507,650)	2,594,700	769,647	1,912,420	(2,479,530)	1,547,668	6,022,774	(1,383,100)
Other Financing Sources (Uses)										
Capital Leases (Non-Budgeted)										
Transfers In	50,000	50,000	66,868	139,923	50,000	1,337,113	150,087	485,724	854,463	(474,024)
Transfers Out	(146,217)	(167,262)	-	-	(102,509)	(1,425,072)	(230,674)	(426,996)	(1,154,635)	339,868
Total Other Financing Sources (Uses)	(96,217)	(117,262)	66,868	139,923	(52,509)	(87,959)	(80,587)	58,728	(300,172)	(134,156)
Net Change in Fund Balances	\$ 5,814,931	\$ 909,395	\$ (440,782)	\$ 2,734,623	\$ 717,138	\$ 1,824,461	\$ (2,560,117)	\$ 1,606,396	\$ 5,722,602	\$ (1,517,256)
Debt Service as a Percentage of										
Noncapital Expenditures	N/A	N/A	N/A	N/A	N/A	N/A	0.35%	0.36%	0.00%	0.00%

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

* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

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

Fiscal Year Ended June 30	<u>Tuition</u>	<u>Interest</u>	<u>Miscellaneous</u>	Special schools <u>Tuition and Fees</u>	<u>Total</u>
2019	\$ 29,821,663	\$ 119,275	\$ 488,083	\$ 362,048	\$ 30,791,069
2018	28,943,993	51,703	160,851	319,473	29,476,020
2017	27,666,393	23,892	133,830	327,051	28,151,166
2016	25,383,307	27,511	683,845	1,508,429	27,603,092
2015	24,515,421	36,518	561,317	1,555,021	26,668,277
2014	24,227,774	47,063	322,331	1,504,250	26,101,418
2013	23,904,623	36,273	307,486	1,320,574	25,568,956
2012	23,430,568	25,909	765,811	1,673,351	25,895,639
2011	22,579,798	12,369	641,636	1,580,177	24,813,980
2010	21,949,088	16,634	1,057,341	1,408,014	24,431,077

Source: School District's Financial Statements

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

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2010	\$ 84,454,481,049	\$ 74,747,147,306	\$ 159,201,628,355	\$ 285,137,988	\$ 159,486,766,343	\$ 175,481,754,684
2011	83,995,183,645	75,287,323,039	159,282,506,684	265,906,193	159,548,412,877	173,258,537,441
2012	81,103,273,440	75,153,761,789	156,257,035,229	230,570,595	156,487,605,828	168,748,014,772
2013	79,070,936,935	75,049,684,025	154,120,620,960	129,981,494	154,250,602,454	165,008,934,260
2014	78,408,456,350	75,186,325,534	153,594,781,884	97,873,857	153,692,655,741	162,301,130,131
2015	77,512,874,732	75,335,444,029	152,828,462,316	96,580,480	152,925,042,796	163,570,157,295
2016	77,002,654,839	77,328,202,717	154,291,592,456	90,073,801	154,381,666,257	167,963,794,248
2017	77,502,137,732	79,190,477,789	156,692,615,521	90,385,516	156,783,001,037	172,030,836,227
2018	78,049,679,382	80,870,511,380	158,920,190,762	84,076,455	159,004,267,217	176,365,111,170
2019	78,392,045,418	82,037,285,718	160,429,331,136	79,624,118	160,508,955,254	180,143,991,705

Source: County Abstract of Ratables

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

Assessment Year	General	Open Space	Total County Tax Rate
2010	\$ 0.1934	\$ 0.0025	\$ 0.1959
2011	0.2032	0.0025	0.2057
2012	0.2178	0.0025	0.2203
2013	0.2248	0.0025	0.2273
2014	0.2312	0.0025	0.2337
2015	0.2377	0.0025	0.2402
2016	0.2434	0.0025	0.2459
2017	0.2417	0.0100	0.2517
2018	0.2351	0.0100	0.2451
2019	0.2338	0.0100	0.2438

Source: County Abstract of Ratables

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

Taxpayer	2019		2010	
	Assessed Valuation	% of County's Net Assessed Valuation	Assessed Valuation	% of County's Net Assessed Valuation

INFORMATION NOT AVAILABLE

Source: Bergen County

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 28,223,529	\$ 28,223,529	100.00%	
2011	29,190,098	29,190,098	100.00%	
2012	29,190,098	29,190,098	100.00%	
2013	29,190,098	29,190,098	100.00%	
2014	29,190,098	29,190,098	100.00%	
2015	29,566,905	29,566,905	100.00%	
2016	29,566,905	29,566,905	100.00%	
2017	30,010,408	30,010,408	100.00%	
2018	30,910,722	30,910,722	100.00%	
2019	31,818,936	31,818,936	100.00%	

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Population</u>	<u>Per Capita</u>
	<u>Capital Leases</u>	<u>Total District</u>		
2010	\$ 4,358	\$ 4,358	906,341	\$ 0.005
2011	-	-	912,033	-
2012	-	-	916,408	-
2013	-	-	920,303	-
2014	-	-	923,757	-
2015	-	-	926,997	-
2016	-	-	928,979	-
2017	-	-	933,569	-
2018	-	-	936,692	-
2019	-	-	936,692 (1)	-

Source: District records

(1) Estimated

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

NOT APPLICABLE

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF DECEMBER 31, 2018
 (Unaudited)**

Net Direct Debt of School District
 as of June 30, 2019

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 875,747,791

Bergen County Utilities Authority - Water Pollution (100%)

149,567,387

\$ 1,025,315,178

Total Direct and Overlapping Debt

\$ 1,025,315,178

Source:

County of Bergen Annual Debt Statement

BCUA Audit and 2018 County Equalization Table

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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Average equalized valuation of taxable property (last three years)	\$ 182,615,485,340	\$ 181,109,724,691	\$ 175,561,330,658	\$ 165,344,818,875	\$ 163,332,190,759	\$ 163,894,415,971	\$ 166,824,155,204	\$ 171,055,311,950	\$ 175,460,099,760
Debt limit (2% of average equalization value)	3,652,309,707	3,622,194,494	3,511,226,613	3,306,896,378	3,266,643,815	3,277,888,319	3,336,483,104	3,421,106,239	3,509,201,995
Net Debt Issued Outstanding and Authorized	<u>681,875,430</u>	<u>730,825,489</u>	<u>698,412,830</u>	<u>849,429,739</u>	<u>933,422,641</u>	<u>1,089,653,537</u>	<u>1,205,030,344</u>	<u>876,045,885</u>	<u>875,747,791</u>
Remaining Borrowing Capacity	<u>\$ 2,970,434,277</u>	<u>\$ 2,891,369,005</u>	<u>\$ 2,812,813,783</u>	<u>\$ 2,457,466,639</u>	<u>\$ 2,333,221,174</u>	<u>\$ 2,188,234,782</u>	<u>\$ 2,131,452,760</u>	<u>\$ 2,545,060,354</u>	<u>\$ 2,633,454,204</u>

Source: Annual Debt Statements

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

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

<u>Year</u>	<u>Population</u>		<u>Per Capita Personal Income**</u>	<u>Unemployment Rate*</u>
2019	936,692	(1)	N/A	N/A
2018	936,692		N/A	3.4%
2017	933,569		\$ 81,203	3.9%
2016	928,979		77,901	4.2%
2015	926,997		76,821	4.6%
2014	923,757		73,637	5.4%
2013	920,203		71,100	7.1%
2012	916,408		71,789	8.1%
2011	912,033		68,865	7.9%
2010	906,341		65,992	8.1%

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

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

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

<u>Taxpayer</u>	<u>2019</u>		<u>2010</u>	
	<u>Employees</u>	<u>% of Total County Employment</u>	<u>Employees</u>	<u>% of Total County Employment</u>

NOT AVAILABLE

NOT AVAILABLE

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

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Instruction										
Regular	235.5	225.6	100.5	97.5	97.1	100.2	99.7	99.7	100.7	102.6
Vocational			126.1	126.7	145.6	142.5	125.2	123.4	129.4	139.2
Other instruction	78.0	37.0	3.0	3.0	2.0	3.0	3.0	3.0	2.0	2.0
Adult/continuing education programs			37.5	45.8	20.3	20.3	20.0	20.6	21.0	21.2
Support Services:										
Attendance and Social Work	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Health Services	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0
Student & instruction related services	42.6	38.7	37.4	38.0	39.2	39.1	42.1	40.1	39.0	46.0
Educational Media Services	16.5	36.0	38.0	39.0	40.0	39.9	1.0	1.0	1.0	1.0
General administration	0.7	3.0	3.0	3.0	2.8	2.8	2.8	2.8	3.3	3.3
School administrative services	20.9	19.9	17.9	19.2	22.2	22.2	22.2	21.2	20.2	20.2
Central services	5.6	9.6	10.3	11.1	11.1	11.1	11.5	12.1	11.5	15.0
Administrative Information Technology	0.1	0.1	0.1	0.1	0.1	0.1	39.0	39.4	39.4	37.8
Plant operations and maintenance	26.9	50.3	51.7	51.5	49.3	56.0	51.3	51.3	50.8	50.5
Pupil transportation	0.7	0.7		1.8	6.8	6.8	6.8	6.8	6.8	6.80
Total	<u>434.5</u>	<u>427.9</u>	<u>432.5</u>	<u>442.7</u>	<u>442.5</u>	<u>450.0</u>	<u>430.6</u>	<u>427.4</u>	<u>431.1</u>	<u>452.6</u>

Source: District Personnel Records

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
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
						High School					
2010	2,182	\$ 57,666,544	\$ 26,428	-3.84%	280.00	7.79		2,056.10	1,979.00	36.28%	96.25%
2011	2,226	68,597,799	30,817	16.60%	278.00	8.01		2,096.10	2,013.50	1.95%	96.06%
2012	2,276	71,148,231	31,260	1.44%	281.00	8.10		2,125.50	2,042.10	1.40%	96.08%
2013	2,231	71,836,137	32,199	3.00%	273.00	8.17		2,105.00	2,017.70	-0.96%	95.85%
2014	2,260	73,411,848	32,483	0.88%	282.00	8.01		2,122.70	2,039.10	0.84%	96.06%
2015	2,208	74,952,285	33,946	4.50%	268.00	8.24		2,108.01	2,027.00	-0.69%	96.16%
2016	2,277	77,208,385	33,908	-0.11%	225.00	10.12		2,272.30	2,170.90	7.79%	95.54%
2017	2,221	76,666,219	34,519	1.80%	222.00	10.00		2,326.55	2,227.72	2.39%	95.75%
2018	2,283	79,121,777	34,657	0.40%	231.80	9.85		2,381.46	2,281.95	2.36%	95.82%
2019	2,339	82,299,973	35,186	1.53%	237.70	9.84		2,443.68	2,345.69	2.61%	95.99%

N/A - Not Applicable

Sources: District records

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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
District Building										
High School										
Hackensack Campus										
Square Feet	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692
Capacity (students)										
Enrollment	1,039	1,063	1,063	1,061	1,052	1,044	1,058	1,069	1,091	1,099
Teterboro campus										
Square Feet	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974
Capacity (students)										
Enrollment	626	647	647	635	649	665	659	677	662	666
Paramus Campus										
Square Feet	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924
Capacity (students)										
Enrollment	491	516	516	535	546	499	529	531	534	423
Applied Tech High School @ BCC										
Square Feet							N/A	N/A	22,875	22,875
Capacity (students)										
Enrollment							31	59	87	151

Number of Schools at June 30, 2019
Senior High School = 4

Source: District Records

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
School Facilities										
Bergen County Academies	\$ 306,894	\$ 308,240	\$ 493,638	\$ 497,096	\$ 740,465	\$ 765,127	\$ 915,851	\$ 859,152	\$ 774,488	\$ 710,155
Voc-Paramus Special Needs	44,251	44,447	71,189	71,679	106,772	110,328	132,061	123,880	111,678	102,401
Bergen County Technical HS Teterboro	149,064	149,728	239,779	241,466	359,684	371,663	444,864	417,306	376,211	344,960
Tech Ed Center Paramus	56,778	57,032	91,332	91,975	137,005	141,568	169,448	158,951	143,300	131,396
Applied Tech HS									74,850	68,633
Adult Education Hackensack	<u>12,961</u>	<u>13,024</u>	<u>20,857</u>	<u>21,002</u>	<u>31,284</u>	<u>32,326</u>	<u>38,716</u>	<u>36,283</u>	<u>32,721</u>	<u>30,003</u>
Total School Facilities	<u>\$ 569,948</u>	<u>\$ 572,471</u>	<u>\$ 916,795</u>	<u>\$ 923,218</u>	<u>\$ 1,375,210</u>	<u>\$ 1,421,012</u>	<u>\$ 1,700,940</u>	<u>\$ 1,595,572</u>	<u>\$ 1,513,248</u>	<u>\$ 1,387,548</u>

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF INSURANCE
AS OF JUNE 30, 2019**

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

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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DEBRA GOLLE, CPA
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ROBERT LERCH, CPA
CHRIS SOHN, CPA

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

INDEPENDENT AUDITOR’S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Bergen County Technical and Vocational High School District’s basic financial statements and have issued our report thereon dated December 17, 2019.

Internal Control Over Financial Reporting

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

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

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

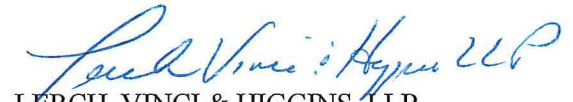
Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergen County Technical and Vocational High School District in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated December 17, 2019.

Purpose of this Report

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



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



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 17, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Bergen County Technical and Vocational High School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bergen County Technical and Vocational High School District's major federal and state programs for the fiscal year ended June 30, 2019. The Bergen County Technical and Vocational High School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Bergen County Technical and Vocational High School District's financial statements include the operations of the Workforce Investment Act Programs, which expended \$3,387,046 in Federal awards and \$1,571,007 in State financial assistance which are reflected in Exhibits K-3 and K-4 during the year ended June 30, 2019. Our audit, described below, did not include the operations of the Workforce Investment Act Programs since the District has contracted for a separate audit of the component unit to be performed in accordance with Uniform Guidance and the regulatory requirements promulgated by the Department of Labor and Workforce Development.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we audited the Bergen County Technical and Vocational High School District's compliance with the requirements of the Department of Labor and Workforce Development, the Bergen County Technical and Vocational High School District complied, in all material respects, with the compliance requirements referred to above that have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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


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

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

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

We have audited the financial statements of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2019 and have issued our report thereon dated December 17, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 17, 2019

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	FAIN Number	Grant Number	Grant Period	Award Amount	Balance June 30, 2019									
						Balance June 30, 2018	Adjustment	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balance	(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Agriculture Pass-through State Department of Agriculture															
Enterprise Fund															
National School Lunch Program	10.555		N/A												
Cash Assistance		S191NJ304N10		7/1/18 - 6/30/19	\$ 109,337				\$ 101,613	\$ 109,337		\$ (7,724)			
Cash Assistance		S181NJ304N10		7/1/17-6/30/18	102,666	\$ (7,533)			7,533			-			
Cash Assistance-PB Program		S181NJ304N10		7/1/17-6/30/18	6,261	(434)			434			-			
Cash Assistance-PB Program		S191NJ304N10		7/1/18 - 6/30/19	6,033				6,031	6,460		(429)			
Non-Cash Assistance		S191NJ304N10		7/1/18-6/30/19	36,539				1,567				\$ 664		
School Breakfast Program	10.553	S181NJ304N10	N/A	7/1/17-6/30/18	12,176	(1,213)			1,213			-			
School Breakfast Program	10.553	S191NJ304N10	N/A	7/1/18 - 6/30/19	12,900	-			10,825	11,837		(1,012)			
Total Enterprise Fund						(7,613)			162,277	163,165		(9,165)	664		
U.S. Department of Education Pass-through State Department of Education															
General Fund															
Medical Assistance Program	93.778	1905NJ5MAP		7/1/18 - 6/30/19	37,515	-			29,793	29,793		-			
Total General Fund						-			29,793	29,793		-			
Special Revenue Fund															
ESEA Title I	84.010A	S010A150030	NCLB209018	7/1/18 - 6/30/19	183,505	-			167,342	183,505		(16,163)			
NCLB Title I, Carryover	84.010A	S010A150030	NCLB209017	7/1/17 - 6/30/18	184,279	(72,902)			72,902			-			
IDEIA Part B-Basic	84.027	H027A150100	IDEA029018	7/1/18 - 6/30/19	481,004				481,004	481,004		-			
IDEIA Part B-Basic, Carryover	84.027	H027A150100	IDEA029017	7/1/17 - 6/30/18	494,981	(133,087)			133,087			-			
ESEA-Title II Part A	84.361	S367A150029	NCLB209018	7/1/18 - 6/30/19	41,579				41,579	41,579		-			
ESEA-Title IV	84.424	S434A170031	NCLB209018	7/1/18 - 6/30/19	11,033				11,033	11,033		-			
Vocational (Perkins) Post Secondary	84.048		PKPP029019	7/1/18 - 6/30/19	662,420				137,124	137,124		-			
Vocational (Perkins) Secondary	84.048		PERK0218	7/1/17-6/30/18	692,233	(157,402)			157,402			-			
Vocational (Perkins) Secondary	84.048		PERK0219	7/1/18 - 6/30/19	676,200				597,504	676,200		(78,696)			
Vocational (Perkins) Secondary Reserve	84.048		PERK0219	7/1/17 - 6/30/18	84,322				84,322	84,322		-			
Adult Basic Education	84.002		174000251	7/1/17-8/31/18	1,174,460	(146,669)			146,669			-			
Adult Basic Education	84.002		184000251	7/1/18 - 6/30/19	1,132,160				799,885	1,132,160		(332,275)			
Total U.S. Department of Education						(510,060)			2,829,853	2,746,927		(427,134)			
WIA - Adult Training															
WIA - Adult Training	17.258			7/1/18 - 6/30/19	845,778	(483,203)			977,571	833,431		(339,063)			
WIA - Summer Youth	17.259			7/1/18 - 6/30/19	927,388	(422,407)			976,208	918,886		(365,085)			
WIA - Dislocated Worker	17.278			7/1/18 - 6/30/19	1,661,859	(563,708)			1,796,937	1,634,729		(401,500)			
Total U.S. Department of Labor						(1,469,318)			3,750,716	3,387,046		(1,105,648)			
Total Special Revenue Funds						(1,979,378)			6,580,569	6,133,973	\$ -	(1,532,782)			
Total Federal Awards						\$ (1,986,991)	\$ -	\$ -	\$ 6,772,639	\$ 6,326,931	\$ -	\$ (1,541,947)	\$ 664	\$ -	

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2018	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2019			MEMO		
									(Accounts Receivable)	Uncarried Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education														
General Fund														
Adjustment Aid	19-495-034-5120-085	7/1/18- 6/30/19	\$ 3,862,804			\$ 3,298,039	\$ 3,862,804		\$ (564,765)					\$ 3,862,804
Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	4,194,257	\$ (569,601)		569,601			-					-
Categorical Special Education Aid	19-495-034-5120-089	7/1/18- 6/30/19	1,618,948			1,618,948	1,618,948		-					1,618,948
Categorical Security Aid	19-495-034-5120-084	7/1/18- 6/30/19	213,795			213,795	213,795		-					213,795
Total State Aid Public - Cluster				(569,601)	-	5,700,383	5,695,547	-	(564,765)	-	-	-	-	5,695,547
On-Behalf TPAF Pension System Contribution- NCGI Premium	19-495-034-5095-007	7/1/18-6/30/19	96,529			96,529	96,529							96,529
On-Behalf TPAF Pension System Contribution- LIDI	19-495-034-5095-007	7/1/18-6/30/19	4,238			4,238	4,238							4,238
On-Behalf TPAF Pension System Contribution- Normal Contribution	19-495-034-5095-006	7/1/18-6/30/19	4,611,429			4,611,429	4,611,429							4,611,429
On-Behalf TPAF Pension System Contribution- Post Retirement Medical	19-495-034-5095-001	7/1/18-6/30/19	2,135,522			2,135,522	2,135,522							2,135,522
TPAF Social Security Contributions	18-495-034-5095-002	7/1/17-6/30/18	1,732,143	(85,765)		85,765								-
TPAF Social Security Contributions	19-495-034-5095-002	7/1/18-6/30/19	1,920,639			1,827,331	1,920,639		(93,308)				\$ (93,308)	1,920,639
Total General Fund				(655,366)	-	14,461,197	14,463,904	-	(658,073)	-	-	-	(93,308)	14,463,904
Special Revenue Fund														
Apprentice Coordinator	19-100-034-5062-032	7/1/18 - 6/30/19	20,720			17,068	20,720		(3,652)				(3,652)	20,720
Apprentice Coordinator	18-100-034-5062-032	7/1/17 - 6/30/18	21,222	(3,244)		3,244								-
Div/Women - Displaced Homemaker	19-100-022-8051-036	7/1/18 - 6/30/19	146,636			150,000	146,636				\$ 3,364			146,636
Div/Women - Displaced Homemaker	18-100-022-8051-036	7/1/17 - 6/30/18	150,000	4,390		-		\$ 4,390						-
County Vocational Partnership	15-VE01-G06	7/1/14-6/30/18	600,000	(31,727)		31,727								-
County Vocational Partnership	18500134	7/1/17-6/30/21	130,006	(80,226)		118,499	52,572		(14,299)				(14,299)	52,572
Shaping NJ/Healthy Community	BERG003	7/1/18 - 6/30/19	17,287	14,032		9,999	17,287			\$ 6,744				17,287
Total State Department of Education-Special Revenue				(96,775)	-	330,537	237,215	4,390	(17,951)	6,744	3,364		(17,951)	237,215
U.S. Department of Labor Pass-through County of Bergen														
Special Revenue Fund														
Workforce Learning Link	4545-767-062-003	7/1/18 - 6/30/19	201,689			148,709	201,689		(52,980)				(52,980)	201,689
Workforce Learning Link	4545-767-062-003	7/1/17 - 6/30/18	252,000	(130,033)		130,033								-
WFNJ Administration 848V1	4545-100-062-313	7/1/18 - 6/30/19	177,115			176,670	177,083		(23,777)				(23,777)	177,083
WFNJ Program 849V1	4545-100-062-313	7/1/17 - 6/30/18	1,302,443	(330,330)		330,330								-
WFNJ Program 849V1	4545-100-062-313	7/1/18 - 6/30/19	1,139,788			817,437	1,192,235		(374,798)				(374,798)	1,192,235
Total Department of Labor - Special Revenue				(483,727)	-	1,603,179	1,571,007	-	(451,555)	-	-	-	(451,555)	1,571,007
Total Special Revenue				(580,502)	-	1,933,716	1,808,222	4,390	(469,506)	6,744	3,364		(469,506)	1,808,222

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2018	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2019			MEMO		
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Agriculture														
<u>Enterprise Fund</u>														
National School Lunch Program State Share	19-100-010-3350-023	7/1/18-6/30/19	\$ 5,514	-		\$ 5,147	\$ 5,514		\$ (367)				\$ (367)	\$ 5,514
National School Lunch Program State Share	18-100-010-3350-023	7/1/17-6/30/18	5,342	\$ (371)	-	371	-						-	-
Total Enterprise Fund				<u>(371)</u>	<u>-</u>	<u>5,518</u>	<u>5,514</u>	<u>-</u>	<u>(367)</u>	<u>-</u>	<u>-</u>		<u>(367)</u>	<u>5,514</u>
Total State Financial Assistance				<u>(1,236,239)</u>	<u>\$ -</u>	<u>\$ 16,400,431</u>	<u>16,277,640</u>	<u>\$ 4,390</u>	<u>\$ (1,127,946)</u>	<u>\$ 6,744</u>	<u>\$ 3,364</u>		<u>\$ (563,181)</u>	<u>16,277,640</u>
Less :State Financial Assistance Not Subject to Single Audit Determination														
<u>General Fund</u>														
On-Behalf TPAF Pension System Contribution-NCGI Premium		7/1/18-6/30/19	96,529			(96,529)	(96,529)							(96,529)
On-Behalf TPAF Pension System Contribution-LTDI		7/1/18-6/30/19	4,238			(4,238)	(4,238)							(4,238)
On-Behalf TPAF Pension System Contribution-Normal Contribution		7/1/18-6/30/19	4,611,429			(4,611,429)	(4,611,429)							(4,611,429)
On-Behalf TPAF Pension System Contribution-Post Retirement Med. Contrib.		7/1/18-6/30/19	2,135,522			(2,135,522)	(2,135,522)							(2,135,522)
Total State Financial Assistance Subject to Single Audit				<u>\$ (1,236,239)</u>	<u>\$ -</u>	<u>\$ 9,552,713</u>	<u>\$ 9,429,922</u>	<u>\$ 4,390</u>	<u>\$ (1,127,946)</u>	<u>\$ 6,744</u>	<u>\$ 3,364</u>		<u>\$ (563,181)</u>	<u>\$ 9,429,922</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$4,836 for the general fund and an increase of \$73,201 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 29,793	\$ 14,468,740	\$ 14,498,533
Special Revenue Fund	6,181,954	1,833,242	8,015,196
Food Service Fund	<u>163,165</u>	<u>5,514</u>	<u>168,679</u>
Total Financial Assistance	<u>\$ 6,374,912</u>	<u>\$ 16,307,496</u>	<u>\$ 22,682,408</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,920,639 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, 2019. The amount reported as TPAF Pension System Contributions in the amount of \$4,707,958, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,135,522 and TPAF Long-Term Disability Insurance in the amount of \$4,238 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2019.

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 payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major programs:

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

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

Auditee qualified as low-risk auditee? X yes no

Note 1 - Subject to a separate program specific audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part I – Summary of Auditor’s Results

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

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

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

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

Identification of major programs:

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

Note 1 - Subject to a separate program specific audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part 2 – Schedule of Financial Statement Findings

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

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

CURRENT YEAR STATE AWARDS

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

STATUS OF PRIOR YEAR FINDINGS

There were none.