

**BOROUGH OF BLOOMINGDALE  
SCHOOL DISTRICT**

**Borough of Bloomingdale School District  
Bloomingdale, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2019**

**Comprehensive Annual  
Financial Report**

**of the**

**Borough of Bloomingdale School District**

**Bloomingdale, New Jersey**

**For the Fiscal Year Ended June 30, 2019**

**Prepared by**

**Borough of Bloomingdale School District  
Finance Department**

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INTRODUCTORY SECTION

# Bloomingtondale Board of Education

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

November 6, 2019

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

Dear Honorable President and Board Members:

The comprehensive annual financial report of the Borough of Bloomingtondale School District for the fiscal year ended June 30, 2019, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of officials and a list of consultants and advisors. The financial section includes The Independent Auditors' Report, management's discussion and analysis, the basic financial statements and notes providing an overview of the financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends, and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

## 1) REPORTING ENTITY AND ITS SERVICES:

The Borough of Bloomingtondale School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Borough of Bloomingtondale School District and its schools constitute the District's reporting entity.

(1) REPORTING ENTITY AND ITS SERVICES: (Cont'd)

The District provides a full range of educational services appropriate to grade levels Pre-K through 8 as well as special education for handicapped students.

2) ECONOMIC CONDITION AND OUTLOOK:

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

3) MAJOR INITIATIVES:

Administrators and teachers continue their focus on the implementation of the New Jersey Student Learning Standards as well as the alignment of all curricula related to these standards. Ongoing staff development continues in the areas of both ELA and Math on all grade levels. The district has given staff access to individualized professional development through out of district and online methods to provide meaningful and ongoing training. In the areas of spelling, phonics, and letter formation, kindergarten and first grade are in year three of Foundations implementation, while second grade is in year two. This past year, grades two through five implemented the Reading Street Literacy program in their classes. Knowing Science, a hands on program aligned to the NJSLS/NGSS, has been implemented in grades K-4. Grades 5-8 continue to utilize the inquiry-based hands-on FOSS science program. Using the software product Achieve3000, literacy instruction is individually differentiated in grades K-8, along with an eScience component in grades 6-8. In mathematics, students continue their use of Everyday Math program in grades K-5, as well as the Connected Math 3 program in grades 6-8. In September of 2018, a 1:1 Chromebook initiative for all eighth grade students at WTB commenced. This initiative will use Google Classroom as a means to promote student-teacher interaction through enhanced communication and feedback in a paperless environment. In addition to the 1:1 initiative, students at all grade levels have access to laptop carts, Ipads, and district computer labs. Technology and 21st Century Life and Career skills are integrated throughout all grades and subjects.

4) INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system 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 system, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and agreements.



5) BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund and the special revenue fund and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2019.

6) ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

7) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Morris Essex Insurance Group (MEIG) oversees risk management for Workers' Compensation Insurance. A Schedule of Insurance Coverage is found on Exhibit J-20.

9) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board of Education at its last organization meeting. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

The Honorable President and Members  
of the Board of Education  
Borough of Bloomingdale School District  
Page 4  
November 6, 2019

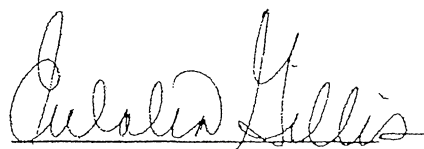
10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Board of the Borough of Bloomingdale School District for their concern in providing fiscal accountability to the citizens and taxpayers of the school District and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully Submitted,

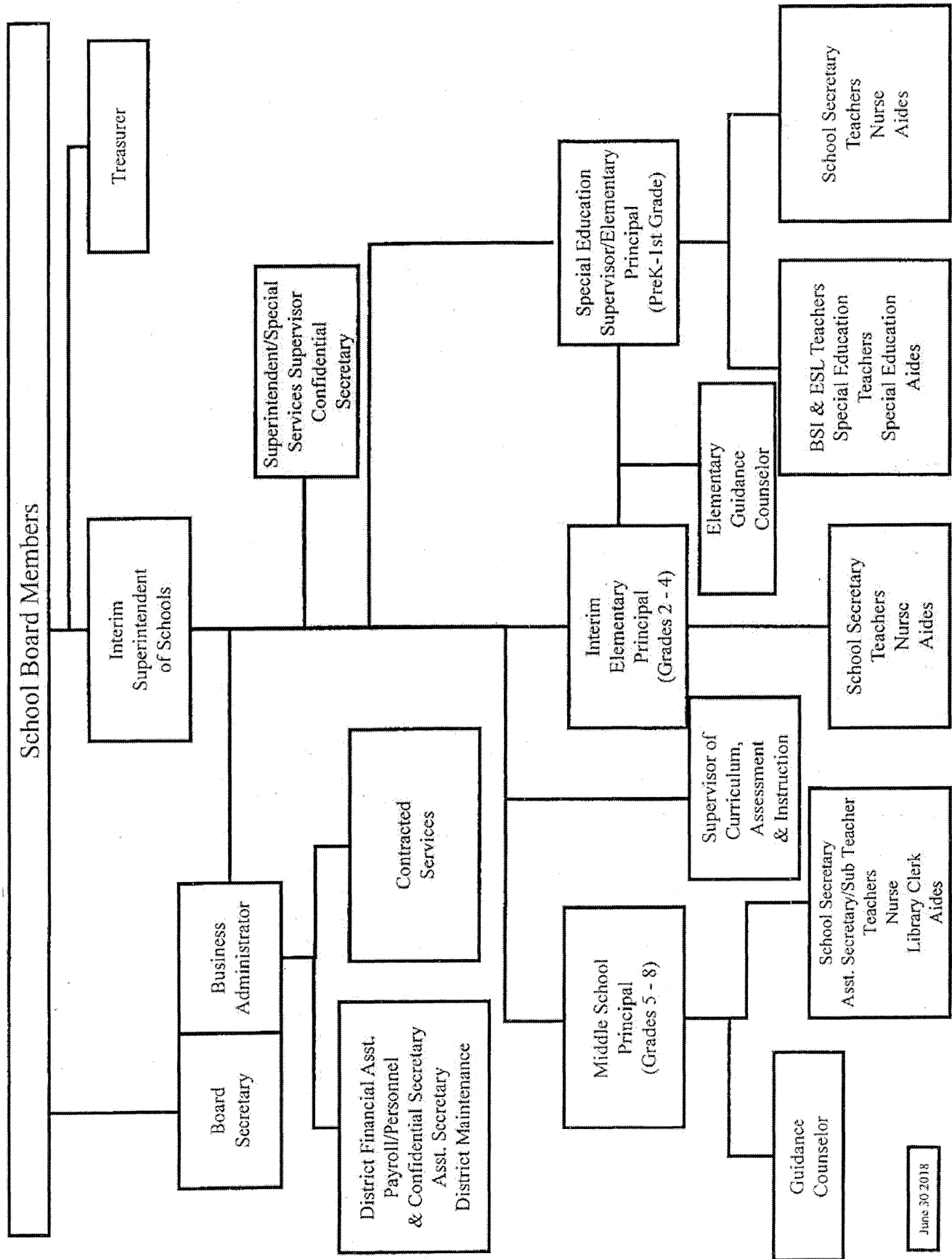


Frank Verducci  
Acting Superintendent of Schools



Eulalia Gillis  
Interim Business Administrator

# Bloomingdale Board of Education Administrative Flow Chart



June 30 2018

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
 ROSTER OF OFFICIALS  
 JUNE 30, 2019**

<u>Members of the Board of Education</u>	<u>Expiration of Term</u>
Lauren Grecco, President	2021
Robert Bloodgood, Vice-President	2021
Carol Marcus	2019
Charles Caraballo	2019
Keith Ermilio	2019
James Jacobs	2019
Michael Moeller	2020
Seat Open	2019
James Schalago	2021

<u>Other Officials</u>	<u>Title</u>
Robert Mooney	Interim Superintendent of Schools
Dr. Vincent Occhino	Acting Business Administrator/Board Secretary through December 3, 2018
Mark Kramer	Interim Business Administrator/Board Secretary from December 3, 2018-June 30,2019
Sherry Gallagher	Treasurer of School Monies

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT**  
**Consultants and Advisors**

**Audit Firm**

Nisivoccia LLP, CPAs  
200 Valley Road, Suite 300  
Mount Arlington, New Jersey 07856  
and  
11 Lawrence Road  
Newton, New Jersey 07860

**Attorneys**

Jeffrey Merlino  
Sciarrillo, Cornell, Merlino, McKeever & Osborne  
238 St. Paul Street  
Westfield, New Jersey, 07090

**Official Depository**

Lakeland Bank  
23 Main Street  
Bloomingdale, New Jersey 07403

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Borough of Bloomingdale School District  
County of Passaic, 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 Borough of Bloomingdale School District (the "District") in the County of Passaic as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' 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 *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 District'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 District'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 Borough of Bloomingdale School District, in the County of Morris, 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***

The financial statements of the District as of June 30, 2018 were audited by other auditors whose report dated January 23, 2019 expressed an unmodified opinion on those statements.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and postemployment benefit schedules in Exhibits L-1 through L-5 and the related notes and the budgetary comparison information in Exhibits C-1 through C-3 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 District's basic financial statements. The accompanying other supplementary schedules and the schedules of expenditures of federal and state 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*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying other supplementary schedules and the schedules of expenditures of federal and state awards 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 other supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



The Honorable President and Members  
of the Board of Education  
Borough of Bloomingdale School District  
Page 3

The accompanying other information such as the introductory and statistical sections has 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2019 on our consideration of the 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 solely 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 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 District's internal control over financial reporting and compliance.

November 6, 2019  
Mount Arlington, New Jersey

NISIVOCCIA LLP



Raymond Sarnelli  
Licensed Public School Accountant #864  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
UNAUDITED

**Borough of Bloomingdale School District  
Management Discussion and Analysis  
Unaudited**

This section of Morris Plains Borough School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending 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 follow this section.

**Financial Highlights**

- The District’s financial status increased by \$233,949 on a district-wide basis.
- Overall revenue was \$22.87 million.
- Total expenses were \$22.63 million.

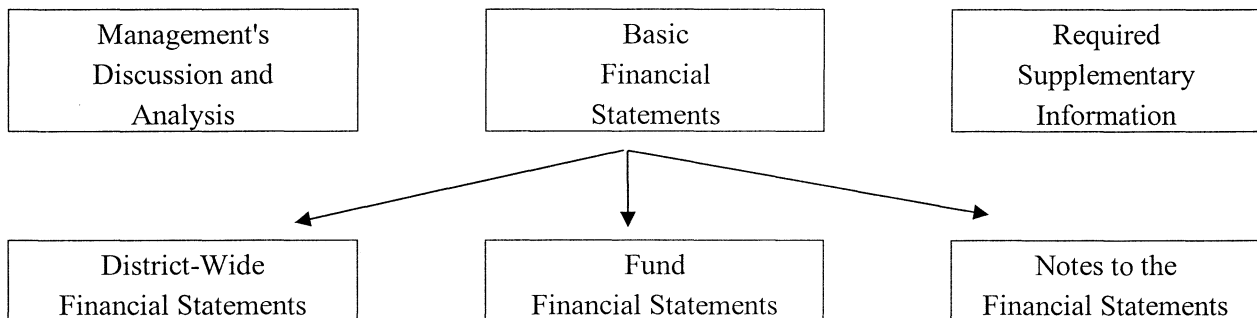
**Overview of the Financial Statements**

This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- 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 such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services.
- *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.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Organization of Morris Plains Borough School District’s Financial Report**



**Borough of Bloomingdale School District  
Management Discussion and Analysis  
Unaudited**

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 that structure and contents of each of the statements.

**Figure A-2**

***Major Features of the District-Wide and Fund Financial Statements***

	District-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 special education and building maintenance	Activities the District operates similar to private businesses: food services	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, 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, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue 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 revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**Borough of Bloomingdale School District**  
**Management Discussion and Analysis**  
**Unaudited**

### **District-wide Statements**

The District-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 inflows and outflows, and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

- 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 District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service is included here.

### **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 law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal 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 you 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, additional information at the bottom of the governmental funds statements explains the relationship (or difference) 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 District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

**Borough of Bloomingdale School District  
Management Discussion and Analysis  
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- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. 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. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

*Notes to the Basic Financial Statements:* Provide additional information essential to a full understanding of the District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District's combined net position increased \$233,949. Net position from governmental activities increased by \$235,189 combined with a decrease in net position from business-type activities of \$1,240. Net investment in capital assets increased by \$657,438, restricted net position decreased by \$1,222,379 and unrestricted net position increased by \$798,890.

**Figure A-3**

**Condensed Statement of Net Position**

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	
Current and Other Assets	\$ 4,742,175	\$ 5,033,530	\$ 43,360	\$ 23,838	\$ 4,785,535	\$ 5,057,368	
Capital Assets, Net	4,633,178	4,236,363	43,438	48,655	4,676,616	4,285,018	
Total Assets	9,375,353	9,269,893	86,798	72,493	9,462,151	9,342,386	1.28%
Deferred Outflow of Resources	706,781	584,007			706,781	584,007	21.02%
Other Liabilities	524,245	384,075	15,971	426	540,216	384,501	
Long-Term Liabilities	3,323,187	3,438,967			3,323,187	3,438,967	
Total Liabilities	3,847,432	3,823,042	15,971	426	3,863,403	3,823,468	1.04%
Deferred Inflows of Resources	1,505,698	1,537,043			1,505,698	1,537,043	-2.04%
Net Position:							
Net Investment in Capital Assets	4,308,018	3,645,363	43,438	48,655	4,351,456	3,694,018	
Restricted	3,150,233	4,372,612			3,150,233	4,372,612	
Unrestricted/(Deficit)	(2,729,247)	(3,524,160)	27,389	23,412	(2,701,858)	(3,500,748)	
Total Net Position	\$ 4,729,004	\$ 4,493,815	\$ 70,827	\$ 72,067	\$ 4,799,831	\$ 4,565,882	5.12%

*Changes in Net Position.* The District's combined net position was \$4,799,830 on June 30, 2019, \$233,949 or 5.12% more than it was the year before. (See Figure A-3). The increase in the District's financial position came primarily from its governmental activities as net position increased \$235,189, while net position from business type activities decreased \$1,240, (See Figure A-4) for the fiscal year ended June 30, 2019.

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**Figure A-4  
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	
Revenue:							
Program Revenue:							
Charges for Services	\$ 83,170	\$ 19,735	\$ 125,091	\$ 112,919	\$ 208,261	\$ 132,654	
Operating Grants & Contribution	5,775,397	365,717	81,954	87,833	5,857,351	453,550	
General Revenue:							
Property Taxes	17,213,069	16,609,314			17,213,069	16,609,314	
Unrestricted Federal and State Aid	11,606	6,193,186			11,606	6,193,186	
Other	52,283	233,926	48	58	52,331	233,984	
Total Revenue	<u>23,135,525</u>	<u>23,421,878</u>	<u>207,093</u>	<u>200,810</u>	<u>23,342,618</u>	<u>23,622,688</u>	-1.19%
Expenses:							
Instruction	7,978,150	7,510,802			7,978,150	7,510,802	
Pupil and Instruction Services	10,290,769	10,765,866			10,290,769	10,765,866	
Administrative and Business	1,402,432	1,563,566			1,402,432	1,563,566	
Maintenance and Operations	1,222,119	1,064,346			1,222,119	1,064,346	
Transportation	1,552,448	1,365,448			1,552,448	1,365,448	
Other	454,418	336,660	208,333	199,789	662,751	536,449	
Total Expenses	<u>22,900,336</u>	<u>22,606,688</u>	<u>208,333</u>	<u>199,789</u>	<u>23,108,669</u>	<u>22,806,477</u>	1.33%
Increase/(Decrease) in Net Position	<u>\$ 235,189</u>	<u>\$ 815,190</u>	<u>\$ (1,240)</u>	<u>\$ 1,021</u>	<u>\$ 233,949</u>	<u>\$ 816,211</u>	-71.34%

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District remains stable. Maintaining existing programs along with the provision of programs and services for students with special needs place great demands on the District's resources along with rising employee salary and benefits costs.

Careful management of expenses remains essential for the District to maintain its financial health. State aid has been relatively flat while costs continue to escalate.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial obligation placed on the District's taxpayers by each of these functions:

**Borough of Bloomingdale School District  
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**Figure A-5  
Net Cost of Governmental Activities**

	<u>Total Costs of Services</u>		<u>Net Cost of Services</u>	
	<u>2018/19</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2017/18</u>
Instruction	\$ 7,978,150	\$ 7,510,802	\$ 2,512,360	\$ 7,200,105
Pupil and Instruction Services	10,290,769	10,765,866	10,290,769	10,691,111
Administrative and Business	1,402,432	1,563,566	1,154,046	1,563,566
Maintenance and Operations	1,222,119	1,064,346	1,205,661	1,064,346
Transportation	1,552,448	1,365,448	1,424,515	1,365,448
Other	454,418	336,660	454,418	336,660
	<u>\$ 22,900,336</u>	<u>\$ 22,606,688</u>	<u>\$ 17,041,769</u>	<u>\$ 22,221,236</u>

**Business-Type Activities**

Net position from the District’s business-type activity decreased by \$1,240, (Refer to Figure A-4). The primary factor contributing to these results was:

- Decrease in business-type activity was a result of more operating expenses by the District.

**Financial Analysis of the District’s Funds**

The District’s financial position increased \$233,949. Revenues decreased this year in part due to a decrease in operating grants as well as unrestricted Federal and State Aid while expenditures during the current year decreased primarily as a result of reduced administrative and instruction services costs.

**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:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- Changes in budgetary line accounts to more accurately reflect current requirements.



**Borough of Bloomingdale School District  
Management Discussion and Analysis  
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**Capital Asset Administration**

**Figure A-6**

**Capital Assets (net of depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total School District</u>		<u>Percentage</u>
	<u>2018/19</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2017/18</u>	<u>Change</u>
Sites	\$ 48,500	\$ 48,500			\$ 48,500	\$ 48,500	
Construction in Progress:	248,290	248,290			248,290	248,290	
Buildings & Building Improvements	4,157,673	3,720,451			4,157,673	3,720,451	
Furniture, Machinery & Equipment	178,715	219,122	\$ 43,438	\$ 48,655	222,153	267,777	
<b>Total</b>	<b>\$ 4,633,178</b>	<b>\$ 4,236,363</b>	<b>\$ 43,438</b>	<b>\$ 48,655</b>	<b>\$ 4,676,616</b>	<b>\$ 4,285,018</b>	<b>9.14%</b>

- The change in Capital Assets is primarily a result of the acquisition of assets in the amount of \$725,846 offset by depreciation expense of \$308,549 and disposal of assets of \$20,482.
- The construction in progress represents referendum expenditures as of June 30, 2019.

**Long-Term Liabilities**

At year-end, the District had \$512,000 in general obligation bonds outstanding as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 8 to the basic financial statements.)

**Figure A-7**

**Outstanding Long-Term Liabilities**

	<u>Total School District</u>		<u>Percentage</u>
	<u>2018/19</u>	<u>2017/18</u>	<u>Change</u>
Bonds Payable	\$ 512,000	\$ 591,000	
Net Pension Liability	2,061,913	2,134,472	
Other Long Term Liabilities	749,274	713,495	
<b>Total</b>	<b>\$ 3,323,187</b>	<b>\$ 3,438,967</b>	<b>-3.37%</b>

- The District continued to pay down its debt, retiring \$79,000 of outstanding bonds.
- Other Long Term Liabilities increased \$35,779 comprised entirely of increases in compensated absences payable.
- Net Pension Liability decreased by \$72,559.

**Borough of Bloomingdale School District  
Management Discussion and Analysis  
Unaudited**

**Factors Bearing on the District's Future**

Currently, the District is in good financial condition. Everyone associated with the Board of Education is grateful for the community support of the schools. However, due to an environment of relatively flat state aid, there is an ever-increasing reliance on local property taxes to fund school district operations. A major concern is that an extraordinary financial burden is placed on taxpayers just to maintain appropriate class sizes and services.

Future finances will be challenged even further with the continued effect of legislation that impacts the financial operation of the School District. S1701, adopted by the State of New Jersey on June 17, 2004, forced the District to cut its allowable unassigned general fund balance to 2% of the District's total adjusted expenditures which leaves the District with very little protection in the event of unforeseen emergencies. This law also places limits on the District's ability to transfer funds into capital reserve for the construction and maintenance reserve of school facilities, the ability to transfer available fund balance as needed and the ability to transfer available funds between appropriation accounts. Taking away the option of transferring available funds during the budget year severely impacts our ability to maintain and improve our facilities.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's 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 financial information, contact the Board of Education Office at 225 Glenwild Avenue, Bloomingdale, New Jersey 07403.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2019

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 3,265,404	\$ 13,876	\$ 3,279,280
Receivables from Federal, State and Other Governments	1,365,896	12,577	1,378,473
Interfund Receivable	26,402		26,402
Internal Balances	(10,551)	10,551	
Inventory		6,356	6,356
Restricted Assets:			
Capital Reserve Account - Cash and Cash Equivalents	93,522		93,522
Tuition Reserve Account - Cash and Cash Equivalents	1,502		1,502
Capital Assets:			
Sites (Land) and Construction in Progress	296,790		296,790
Depreciable Site Improvements, Building and Building Improvements and Furniture, Machinery and Equipment	4,336,388	43,438	4,379,826
Total Assets	<u>9,375,353</u>	<u>86,798</u>	<u>9,462,151</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows Related to Pensions	<u>706,781</u>		<u>706,781</u>
Total Deferred Outflows of Resources	<u>706,781</u>		<u>706,781</u>
<u>LIABILITIES:</u>			
Accounts Payable	335,637	10,957	346,594
Payable to State Government	171,839		171,839
Accrued Interest Payable	5,796		5,796
Unearned Revenue	10,973	5,014	15,987
Noncurrent Liabilities:			
Due Within One Year, Net	80,000		80,000
Due Beyond One Year, Net	3,243,187		3,243,187
Total Liabilities	<u>3,847,432</u>	<u>15,971</u>	<u>3,863,403</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	<u>1,505,698</u>		<u>1,505,698</u>
Total Deferred Inflows of Resources	<u>1,505,698</u>		<u>1,505,698</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 4,308,018	\$ 43,438	\$ 4,351,456
Restricted for:			
Capital Reserve	93,522		93,522
Tuition Reserve	1,502		1,502
Excess Surplus	3,055,209		3,055,209
Unrestricted/(Deficit)	<u>(2,729,247)</u>	<u>27,389</u>	<u>(2,701,858)</u>
Total Net Position	<u>\$ 4,729,004</u>	<u>\$ 70,827</u>	<u>\$ 4,799,831</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 5,680,888	\$ 83,170	\$ 2,014,149		\$ (3,583,569)	\$	\$ (3,583,569)
Special Education	1,978,035		3,256,643		1,278,608		1,278,608
School -Sponsored/Other Instruction	319,227		111,828		(207,399)		(207,399)
Support Services:							
Tuition	7,668,179				(7,668,179)		(7,668,179)
Student and Instruction Related Services	2,622,590				(2,622,590)		(2,622,590)
General Administration Services	377,174				(377,174)		(377,174)
School Administration Services	723,018		248,386		(474,632)		(474,632)
Central Services	261,751				(261,751)		(261,751)
Administration Information Technology	40,489				(40,489)		(40,489)
Plant Operations and Maintenance	1,222,119		16,458		(1,205,661)		(1,205,661)
Pupil Transportation	1,552,448		127,933		(1,424,515)		(1,424,515)
Unallocated Depreciation	257,947				(257,947)		(257,947)
Interest on Long-Term Debt	12,687				(12,687)		(12,687)
Capital Outlay	20,482				(20,482)		(20,482)
Charter Schools	163,302				(163,302)		(163,302)
Total Governmental Activities	22,900,336	83,170	5,775,397		(17,041,769)		(17,041,769)

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

<u>Functions/Programs</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Business-Type Activities:						
Food Service	\$ 208,333	\$ 125,091	\$ 81,954		\$ (1,288)	\$ (1,288)
Total Business-Type Activities	208,333	125,091	81,954		(1,288)	(1,288)
Total Primary Government	\$ 23,108,669	\$ 208,261	\$ 5,857,351	\$ (17,041,769)	(1,288)	(17,043,057)
General Revenues:						
Taxes:						
Property Taxes, Levied for						
General Purposes, Net						
Taxes Levied for Debt Service						
Federal and State Aid not Restricted						
Miscellaneous Income						
Total General Revenue				17,276,958	48	17,277,006
Change in Net Position				235,189	(1,240)	233,949
Net Position - Beginning				4,493,815	72,067	4,565,882
Net Position - Ending				\$ 4,729,004	\$ 70,827	\$ 4,799,831

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 3,265,404			\$ 3,265,404
Interfund Receivables	474,850			474,850
Receivables From State Government	669,338	\$ 98,508	\$ 536,780	1,304,626
Receivables From Other Governments	61,270			61,270
Restricted Cash and Cash Equivalents	95,024			95,024
<b>Total Assets</b>	<b>\$ 4,565,886</b>	<b>\$ 98,508</b>	<b>\$ 536,780</b>	<b>\$ 5,201,174</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Interfund Payable	\$ 10,551	\$ 98,508	\$ 349,940	\$ 458,999
Accounts Payable	335,637			335,637
Payable to State Government	85,801			85,801
Unearned Revenue	10,973			10,973
<b>Total Liabilities</b>	<b>442,962</b>	<b>98,508</b>	<b>349,940</b>	<b>891,410</b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Capital Reserve Account	\$ 93,522			\$ 93,522
Tuition Reserve Designated for 2019-2020 Budget	1,502			1,502
Excess Surplus Designated for Subsequent Year's Expenditures	1,844,561			1,844,561
Excess Surplus	1,210,648			1,210,648
Capital Projects Fund			\$ 186,840	186,840
<b>Assigned:</b>				
Year-End Encumbrances	57,686			57,686
Designated for Subsequent Year's Expenditures	536,416			536,416
Unassigned	378,589			378,589
<b>Total Fund Balances</b>	<b>4,122,924</b>		<b>186,840</b>	<b>4,309,764</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,565,886</b>	<b>\$ 98,508</b>	<b>\$ 536,780</b>	
<b>Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:</b>				
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.				\$ 4,633,178
Interest on long-term debt is not accrued in Governmental Funds, but rather is recognized as an expenditure when due.				(5,796)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.				(2,061,913)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:				
Deferred Outflows				620,743
Deferred Inflows				(1,505,698)
Long-Term Liabilities, including Bonds Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.				(1,261,274)
<b>Net Position of Governmental Activities</b>				<b>\$ 4,729,004</b>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 17,120,452			92,617	\$ 17,213,069
Interest Earned on Capital Reserve Funds	186				186
Tuition - Other LEAs within the State	61,270				61,270
Tuition - Individuals	21,900				21,900
Miscellaneous	52,092			5	52,097
Total - Local Sources	17,255,900			92,622	17,348,522
State Sources	4,142,189				4,142,189
Federal Sources	11,606	\$ 441,410			453,016
Total Revenue	21,409,695	441,410		92,622	21,943,727
EXPENDITURES					
Current:					
Regular Instruction	2,871,218	255,450			3,126,668
Special Education Instruction	931,823	185,960			1,117,783
School Sponsored/Other Instruction	164,572				164,572
Support Services and Undistributed Costs:					
Tuition	7,668,179				7,668,179
Student & Instruction Related Services	2,288,111				2,288,111
General Administrative Services	338,826				338,826
School Administrative Services	382,281				382,281
Central Services	211,850				211,850
Administrative Information Technology	20,997				20,997
Plant Operations and Maintenance	1,119,219				1,119,219
Pupil Transportation	1,552,448				1,552,448
Unallocated Benefits	3,406,636				3,406,636

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES					
Debt Service:					
Principal				\$ 79,000	\$ 79,000
Interest and Other Charges				13,622	13,622
Transfer of Funds to Charter Schools	\$ 163,302				163,302
Capital Outlay	725,846				725,846
Total Expenditures	21,845,308	\$ 441,410		92,622	22,379,340
Excess/(Deficit) of Revenue over/(under) Expenditures	(435,613)				(435,613)
Net Change in Fund Balances	(435,613)				(435,613)
Fund Balance—July 1	4,558,537		\$ 186,840		4,745,377
Fund Balance—June 30	\$ 4,122,924	\$ -0-	\$ 186,840	\$ -0-	\$ 4,309,764

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE, 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 (from Exhibit B-2) \$ (435,613)

Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit 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 depreciation and capital asset adjustments/deletions differ from capital outlays in the period.

Depreciation Expense	\$ (308,549)
Capital Asset Adjustments/Deletions	(20,482)
Capital Outlays	725,846

396,815

Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

79,000

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

(35,779)

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	72,559
Change in Deferred Outflows	109,274
Change in Deferred Inflows	47,998

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the Governmental Funds, interest is reported when due. When accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).

935

Change in Net Position - Governmental Activities (From Exhibit A-2)

\$ 235,189

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2019

## ASSETS:

Current Assets:		
Cash and Cash Equivalents	\$	13,876
Intergovernmental Receivable:		
Federal		12,168
State		409
Interfund Receivable:		
General Fund		10,551
Inventories		6,356
		<hr/>
Total Current Assets		43,360
		<hr/>
Non-Current Assets:		
Capital Assets, Net of Depreciation		
Depreciable Furniture and Equipment		43,438
		<hr/>
Total Non-Current Assets		43,438
		<hr/>
Total Assets		86,798
		<hr/>
LIABILITIES:		
Current Liabilities:		
Accounts Payable - Vendors		10,957
Unearned Revenue - Prepaid Sales		2,794
Unearned Revenue - Donated Commodities		2,220
		<hr/>
Total Current Liabilities		15,971
		<hr/>
NET POSITION:		
Investment in Capital Assets		43,438
Unrestricted		27,389
		<hr/>
Total Net Position	\$	70,827
		<hr/> <hr/>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 93,118
Daily Sales - Non-Reimbursable Programs	31,973
	<hr/>
Total Operating Revenue	125,091
	<hr/>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	71,235
Cost of Sales - Non-Reimbursable Programs	24,459
Salaries, Benefits & Payroll Taxes	79,864
Supplies, Insurance & Other Costs	16,375
Management Fee	7,685
Depreciation Expense	8,715
	<hr/>
Total Operating Expenses	208,333
	<hr/>
Operating Loss	(83,242)
	<hr/>
Non-Operating Revenue:	
Local Sources:	
Interest Income	48
State Sources:	
State School Lunch Program	2,334
Federal Sources:	
National School Lunch Program	67,409
National School Breakfast Program	3,123
Food Distribution Program	9,088
	<hr/>
Total Non-Operating Revenue	82,002
	<hr/>
Change in Net Position	(1,240)
	<hr/>
Net Position - Beginning of Year	72,067
	<hr/>
Net Position - End of Year	\$ 70,827
	<hr/> <hr/>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 127,885
Payments to Employees	(79,864)
Payments to Food Service Vendor	(83,049)
Payments to Suppliers	(16,375)
Net Cash Used for Operating Activities	<u>(51,403)</u>
Cash Flows Provided for Investing Activities:	
Local Sources:	
Interest Income	48
Net Cash Provided by Investing Activities	<u>48</u>
Cash Flows from Capital and Related Financing Activities:	
Purchase of Capital Assets	(3,498)
Net Cash Used for Capital and Related Financing Activities	<u>(3,498)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program	2,107
Federal Sources:	
National School Lunch Program	60,400
National School Breakfast Program	3,123
Net Cash Provided by Noncapital Financing Activities	<u>65,630</u>
Net Increase in Cash and Cash Equivalents	10,777
Cash and Cash Equivalents, July 1	<u>3,099</u>
Cash and Cash Equivalents, June 30	<u>\$ 13,876</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (83,242)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	8,715
Food Distribution Program	9,088
Changes in Assets and Liabilities:	
(Increase) in Inventory	(1,509)
Increase In Unearned Revenue - Prepaid Sales	2,794
Increase in Unearned Revenue - Donated Commodities	1,895
Increase in Accounts Payable	10,856
Net Cash Used for Operating Activities	<u>\$ (51,403)</u>

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund Received U.S.D.A. Donated Commodities through the Food Distribution Program valued at \$9,083 and Utilized Commodities Valued at \$9,088.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2019

	<u>Agency Funds</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Flexible Spending Trust</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 352,325	\$ 88,370	\$ 260
Total Assets	<u>352,325</u>	<u>88,370</u>	<u>260</u>
<b>LIABILITIES:</b>			
Payroll Deductions and Withholdings	55,306		
Accrued Salaries and Wages	186,088		
Due to Student Groups	84,529		
Interfund Payable - General Fund	<u>26,402</u>		
Total Liabilities	<u>352,325</u>		
<b>NET POSITION:</b>			
Held in Trust for Unemployment Claims		88,370	
Held in Trust for Flexible Spending Claims			<u>260</u>
Total Net Position	<u>\$ -0-</u>	<u>\$ 88,370</u>	<u>\$ 260</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Unemployment Compensation Trust Fund	Flexible Spending Trust
Additions:		
Contributions:		
Employee Contributions	\$ 14,539	\$ 3,110
Board Contributions	28,819	
Total Contributions	43,358	3,110
Investment Earnings:		
Interest	161	1
Net Investment Earnings	161	1
Total Additions	43,519	3,111
Deductions		
Unemployment Compensation Claims	36,684	
Flexible Spending Claims		2,941
Total Deductions	36,684	2,941
Change in Net Position	6,835	170
Net Position - Beginning of the Year	81,535	90
Net Position - End of the Year	\$ 88,370	\$ 260

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
 ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials 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.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses in the program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue from sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes,

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Unemployment Compensation Trust Fund, Flexible Spending Trust Fund, Student Activities Fund and Payroll Agency Fund.

C. Measurement Focus and Basis of Accounting

The district-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting (Cont'd)

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2019 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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 generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 21,405,124	\$ 455,132
Differences - Budget to GAAP:		
Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not		
Current Year Encumbrances		(13,722)
Prior Year State Aid Payments Recognized for GAAP Statements	185,836	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(181,265)	
	<u>\$ 21,409,695</u>	<u>\$ 441,410</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds		
	<u>\$ 21,409,695</u>	<u>\$ 441,410</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 21,845,308	\$ 455,132
Differences - Budget to GAAP:		
Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not		
Current Year Encumbrances		(13,722)
	<u>\$ 21,845,308</u>	<u>\$ 441,410</u>
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds		
	<u>\$ 21,845,308</u>	<u>\$ 441,410</u>

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents and Investments: (Cont'd)

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as restricted, 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.

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

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2019.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary changes necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental funds upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	Estimated Useful Life
Buildings and Building Improvements	50 years
Furniture, Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

L. Long Term Liabilities:

In the government-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premiums and discounts are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond premiums as revenue in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

M. Accrued Salaries and Wages:

The District allows certain employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2019, the amount earned by these employees but not disbursed was \$186,088.

N. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

O. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

P. Fund Balance Appropriated:

General Fund: Of the \$4,122,924 General Fund fund balance at June 30, 2019, \$57,686 is assigned for encumbrances and \$536,416 is assigned as designated for subsequent year's expenditures. \$93,522 is restricted in the capital reserve account; \$1,502 has been restricted in the tuition reserve, \$1,210,648 is restricted for current year excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ending June 30, 2021: \$1,844,561 is restricted as prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2020, and \$378,589 is unassigned fund balance, which is \$181,265 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2020.

Capital Projects Fund: The \$186,840 Capital Projects Fund fund balance at June 30, 2019 is restricted fund balance.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated: (Cont'd)

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701) the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted above.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$181,265, as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

Q. Deficit Net Position:

The District has a deficit in unrestricted net position of \$2,729,247 in governmental activities, which is primarily due to the Net Pension Liability. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

R. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2019 related to pensions.

The District had deferred inflows of resources at June 30, 2019 related to assumptions in pensions.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

R. Net Position: (Cont'd)

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

S. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority.

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 restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for the capital projects and debt service fund, excess surplus, a capital reserve, and a tuition reserve.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources at June 30, 2019.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances and the amount designated for subsequent year's expenditures in the General Fund at June 30, 2019.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Revenue - Exchange and Nonexchange Transactions:

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes, interest and tuition.

U. Operating Revenue and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

V. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

W. Pensions:

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 State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the Investment section of this note.

Custodial Credit Risk - The District's policy with respect to custodial credit risk requires that the District ensure that District funds are only deposited in financial institutions in which New Jersey school districts are permitted to invest their funds.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) 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;
- (5) Bonds or other obligations, having a maturity date 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", P.L. 1983, c.313 (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 local units;
- (6) Local government investment pools;
- (7) 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); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are 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 requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2019, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents		
		Capital Reserve	Tuition Reserve	Total
Checking & Savings Accounts	\$ 3,720,235	\$ 93,522	\$ 1,502	\$ 3,815,259
	\$ 3,720,235	\$ 93,522	\$ 1,502	\$ 3,815,259

During the period ended June 30, 2019, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2019, was \$3,815,259 and the bank balance was \$4,375,204.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

(Continued)

NOTE 4. CAPITAL ASSETS

	Beginning Balance 6/30/2018	Increases	Adjustments/ Decreases	Balance 6/30/2019
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 48,500			\$ 48,500
Construction in Progress	248,290			248,290
Total Capital Assets not Being Depreciated	<u>296,790</u>			<u>296,790</u>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	7,806,456	692,749		8,499,205
Machinery and Equipment	492,092	33,097	(20,482)	504,707
Total Capital Assets Being Depreciated	<u>8,298,548</u>	<u>725,846</u>	<u>(20,482)</u>	<u>9,003,912</u>
Governmental Activities Capital Assets	<u>8,595,338</u>	<u>725,846</u>	<u>(20,482)</u>	<u>9,300,702</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(4,086,005)	(255,527)		(4,341,532)
Machinery and Equipment	(272,970)	(53,022)		(325,992)
Total Accumulated Depreciation	<u>(4,358,975)</u>	<u>(308,549)</u>		<u>(4,667,524)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 4,236,363</u>	<u>\$ 417,297</u>	<u>\$ (20,482)</u>	<u>\$ 4,633,178</u>
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 97,487	\$ 3,498		\$ 100,985
Less Accumulated Depreciation	<u>(48,832)</u>	<u>(8,715)</u>		<u>(57,547)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 48,655</u>	<u>\$ (5,217)</u>	<u>\$ - 0 -</u>	<u>\$ 43,438</u>
GRAND TOTAL	<u>\$ 4,285,018</u>	<u>\$ 412,080</u>	<u>\$ (20,482)</u>	<u>\$ 4,676,616</u>

As of June 30, 2019, the District has \$248,290 in an active construction in progress.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 864
Student and Instruction Related Services	9,349
General and School Administration Services	31,595
Operations and Maintenance of Plant	8,794
General/Unallocated	<u>257,947</u>
	<u>\$ 308,549</u>



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2019, the school district did not make any transfers to the capital outlay accounts.

NOTE 6. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Borough of Bloomingdale School District in 1997, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). 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 appropriations, 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-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2018 to June 30, 2019 fiscal year is as follows:

Balance at June 30, 2018	\$	93,336
Interest Earned		186
Balance at June 30, 2019	\$	93,522

The balance in the capital reserve account at June 30, 2019 did not exceed the balance of local support costs of uncompleted capital projects in the District’s approved Long Range Facilities Plan (“LRFP”).

NOTE 7. TUITION RESERVE ACCOUNT

A tuition reserve account may be established in accordance with N.J.A.C. 6A:23-3.1(f) for tuition between two Boards of Education that are in a formal sending/receiving relationship. The maximum amount that may be restricted at year end is 10% of the estimated contract year. Upon certification of tuition rates in the second year following the contract year, full appropriation of the applicable year's reserve must be liquidated and any remaining balance related to that year must be restricted and budgeted for tax relief.

The District established a \$1,502 tuition reserve during the year ended June 30, 2018 which will be used to pay for any tuition adjustments related to the District’s sending/receiving relationship in the fiscal year ending June 30, 2020 budget.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

(Continued)

NOTE 8. LONG-TERM LIABILITIES:

During the fiscal year ended June 30, 2019, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2018	Accrued	Retired	Balance 6/30/2019
Bonds Payable	\$ 591,000		\$ 79,000	\$ 512,000
Net Pension Liability	2,134,472		72,559	2,061,913
Compensated Absences Payable	713,495	\$ 73,190	37,411	749,274
	\$ 3,438,967	\$ 73,190	\$ 188,970	\$ 3,323,187

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds and will be retired through the Debt Service Fund.

The District has bonds outstanding as of June 30, 2019 as follows:

Purpose	Final Maturity Date	Interest Rate	Amount
2014 School Bonds	7/15/2024	2.47%	\$ 512,000
			\$ 512,000

Principal and interest due on serial bonds outstanding are as follows:

Fiscal Year Ending June 30,	Bonds		Total
	Principal	Interest	
2020	\$ 80,000	\$ 11,658	\$ 91,658
2021	82,000	9,658	91,658
2022	84,000	7,608	91,608
2023	86,000	5,508	91,508
2024	89,000	3,408	92,408
2025	91,000	1,063	92,063
	\$ 512,000	\$ 38,903	\$ 550,903

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 8. LONG-TERM LIABILITIES: (Cont'd)

B. Bonds Authorized But Not Issued:

As of June 30, 2019, the Board has no bonds authorized but not issued.

C. Capital Leases Payable:

As of June 30, 2019, the Board has no capital leases payable.

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2019 is \$-0- and the long-term portion is \$2,061,913. See Note 9 for further information on the PERS.

E. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability and will be liquidated through the General Fund. There is no current portion of the compensated absences balance of the governmental funds in the current year; therefore, the entire \$749,274 represents the long-term liability balance of compensated absences.

There is no liability for compensated absences in the District's Enterprise Fund.

NOTE 9. PENSION PLANS:

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Public Employee's Retirement System (PERS) of New Jersey; the Teachers' Pension and Annuity Fund (TPAF) or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401 (a).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/financial-reports.shtml](http://www.state.nj.us/treasury/pensions/financial-reports.shtml).

Benefits Provided

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual payments over a period of 15 years, which began with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$146,938 for fiscal year 2019.

The employee contribution rate was 7.50% effective July 1, 2018.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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

At June 30, 2019, the District reported a liability of \$2,061,913 for its proportionate share of the 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 July 1, 2017 which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the District's proportion was 0.0104%, which was an increase of 0.0013% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the District recognized pension expense of (\$125,673). At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	6.44	\$ 16,320	
	2015	5.72	73,659	
	2016	5.57	249,790	
	2017	5.48		\$ 380,098
	2018	5.63		279,192
			<u>339,769</u>	<u>659,290</u>
Changes in Proportion	2014	6.44		53,744
	2015	5.72		103,581
	2016	5.57		51,394
	2017	5.48		607,716
	2018	5.63		241,653
			<u>241,653</u>	<u>816,435</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2015	5.00		(12,460)
	2016	5.00		(69,655)
	2017	5.00		62,693
	2018	5.00		38,763
				<u>19,341</u>
Difference Between Expected and Actual Experience	2015	5.72	20,436	
	2016	5.57	7,580	
	2017	5.48	11,305	
	2018	5.63		10,632
			<u>39,321</u>	<u>10,632</u>
District Contribution Subsequent to the Measurement Date	2018	1.00	86,038	
			<u>\$ 706,781</u>	<u>\$ 1,505,698</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the District Contribution subsequent to measurement date) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2019	\$ 14,311
2020	(19,813)
2021	(142,078)
2022	(123,156)
2023	(39,436)
	\$ (310,173)

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:

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%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using a Projection Scale AA and a generational approach based on the Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward one year for females).

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. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected\_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' 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 Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through June 30, 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2046, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2018 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2018		
	At 1% Decrease (4.66%)	At Current Discount Rate (5.66%)	At 1% Increase (6.66%)
District's proportionate share of the Net Pension Liability	\$ 2,592,618	\$ 2,061,913	\$ 1,616,685

Pension plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/financial-reports.shtml](http://www.state.nj.us/treasury/pensions/financial-reports.shtml).

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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 represents the membership tiers for TPAF:



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. 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 included the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2019, the State of New Jersey contributed \$837,757 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$1,555,113.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2019, the State's proportionate share of the net pension liability associated with the District was \$26,675,928. 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 July 1, 2017 which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the District's proportion was 0.0419%, which was an decrease of 0.0016% from its proportion measured as of June 30, 2017.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		26,675,928
Total	\$	26,675,928

For the fiscal year ended June 30, 2019, the State recognized pension expense on behalf of the District in the amount of \$1,555,113 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2019 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	8.5	\$ 1,076,424,469	
	2015	8.3	3,063,649,492	
	2016	8.3	6,913,685,892	
	2017	8.3		\$ 10,084,192,916
	2018	8.29		5,994,557,085
				11,053,759,853
Difference Between Expected and Actual Experience	2014	8.5		10,252,211
	2015	8.3	189,214,650	
	2016	8.3		85,977,601
	2017	8.3	179,419,108	
	2018	8.29	1,051,605,259	
				1,420,239,017
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2015	5		(192,642,062)
	2016	5		(863,710,381)
	2017	5		678,024,787
	2018	5		384,121,486
				5,793,830
			\$12,473,998,870	\$ 16,180,773,643

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2019	\$ 401,574,312
2020	208,932,249
2021	(222,922,941)
2022	(149,225,008)
2023	(735,040,983)
Thereafter	(3,210,092,402)
	\$ (3,706,774,773)

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.

Inflation Rate	2.25%
Salary Increases:	
2011-2026	1.55 – 4.55%
Thereafter	2.00 – 5.45%
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60 year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement mortality rates were based on the RP-2006 Healthy Annuitant White Collar Mortality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60 year average of improvement rates based on Social Security data from 1953 to 2013. Disabled mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No mortality improvement is assumed for disabled retiree mortality.

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.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected\_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' 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 Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 4.86% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The State contributed 50% of the actuarially determined contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2018 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2018		
	At 1% Decrease (3.86%)	At Current Discount Rate (4.86%)	At 1% Increase (5.86%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 31,530,441	\$ 26,675,928	\$ 22,651,656

Pension Plan Fiduciary Net Position

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District obtains its health benefit coverage through Horizon Blue Cross Blue Shield.

Property and Liability Insurance

The Borough of Bloomingdale School District is a member of the Pooled Insurance Program of New Jersey (the "Fund"). This public entity risk management pool provides general liability, property and automotive coverage, and workers' compensation for its members. The Fund is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum.

Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of this Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

The June 30, 2019 audit report for the Fund is not available as of the date of this report. Selected, summarized financial information for the Fund as of June 30, 2018 is as follows:

	<u>Pooled Insurance Program of New Jersey</u>
Total Assets	\$ 20,370,655
Net Position	\$ 9,734,872
Total Revenue	\$ 7,318,956
Total Expenses	\$ 5,707,675
Change in Net Position	\$ 208,847
Member Dividends	\$ 1,402,434

Financial statements for the Group are available at the Group's Executive Director's Office:

Burton Agency, Inc.  
44 Bergen Street  
Westwood, New Jersey 07675  
(201) 664-0301

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016-2017	\$ 13,084	\$ 12,781	\$ 141	\$ 16,770	\$ 72,512
2017-2018	23,347	12,578	151	27,053	81,535
2018-2019	28,819	14,539	161	36,684	88,370

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2019.

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 474,850	\$ 10,551
Special Revenue Fund		98,508
Capital Projects Fund		349,940
Proprietary Fund - Food Service Fund	10,551	
Fiduciary Funds		26,402
	\$ 485,401	\$ 485,401

The interfund receivable in the General Fund and interfund payable in the Capital Projects and Special Revenue Funds represents the cash deficit in the Capital Projects and Special Revenue Funds as of June 30, 2019. The interfund receivable in the General Fund from the Fiduciary Funds represents payments made on behalf of the Fiduciary Funds. The interfund between the General Fund and the Food Service Fund represents subsidy reimbursements received in the General Fund not turned over to the Food Service Fund as of June 30, 2019.

NOTE 12. DEFERRED COMPENSATION

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

Lincoln Life	Valic
Siracusa	

NOTE 13. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined, agreed-upon schedule.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 14. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 15. CONTINGENT LIABILITIES

Litigation

The District is periodically involved in pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

Grant Programs

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

Encumbrances

At June 30, 2019, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
\$ 57,686	\$ 13,722	\$ 7,300	\$ 78,708

On the District's Governmental Funds Balance Sheet as of June 30, 2019, \$0- is assigned for year-end encumbrances in the Special Revenue Fund. On the GAAP basis, actual encumbrances are not recognized until paid and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. The Capital Projects Fund has \$7,300 of encumbrances which are included in the \$186,840 of restricted fund balance.

NOTE 16. ACCOUNTS PAYABLE

At June 30, 2019, the District had the following accounts payable:

	<u>Governmental Funds</u>	<u>District Contribution Subsequent to Measurement Date</u>	<u>Total Governmental Activities</u>	<u>Business-Type Activities Proprietary Fund</u>
Vendors	\$ 335,637		\$ 335,637	\$ 10,957
State of New Jersey	85,801	\$ 86,038	171,839	
	<u>\$ 421,438</u>	<u>\$ 86,038</u>	<u>\$ 507,476</u>	<u>\$ 10,957</u>



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in GASB Codification Section P50. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). 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 years or more of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits, if any, is the responsibility of the individual education employers.

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2017, the plan membership consisted of the following:

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)  
(Cont'd)

Employees Covered by Benefit Terms (Cont'd)

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	145,050
Active Plan Members	217,131
Total	362,181

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 which was rolled forward to June 30, 2017.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%		
		TPAF/ABP	PERS
Salary Increases:			
Through 2026		1.55 - 4.55%	2.15 - 4.15%
		based on years of service	based on age
Thereafter		2.00 - 5.45%	3.15 - 5.15%
		based on years of service	based on age

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 - June 30, 2015 and July 1, 2011 – June 30, 2014 for TPAF and PERS, respectively.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage. 100% of active members are considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)  
(Cont'd)

Mortality Rates

Pre-retirement 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. Post-retirement mortality rates were based on the RP-2006 Headcount-Weighted Health Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using MP-2017 scale.

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits and health maintenance organization (HMO) medical benefits, trend rate is initially 5.8% and decreases to a 5.0% long term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rates for June 30, 2018 and 2017 were 3.87% and 3.58%, respectively, a change of +.29%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. 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.

Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2017	\$ 23,295,907
Changes for Year:	
Service Cost	714,002
Interest on the Total OPEB Liability	850,072
Difference between Expected and Actual Experiences	(1,247,745)
Changes of Assumptions	(2,375,673)
Gross Benefit Payments by the State	(553,568)
Contributions from Members	19,132
Net Changes in Total OPEB liability	(2,593,780)
Balance at June 30, 2018	\$ 20,702,127

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)  
(Cont'd)

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2018, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2018		
	At 1% Decrease (2.87%)	At Discount Rate (3.87%)	At 1% Increase (4.87%)
Total OPEB Liability Attributable to the District	\$ 24,474,128	\$ 20,702,127	\$ 17,703,775

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2018, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2018		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 17,111,514	\$ 20,702,127	\$ 25,450,851

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

For the fiscal year ended June 30, 2019 the District recognized OPEB expense of \$862,402 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2018 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)  
(Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB  
(Cont'd)

	<u>Year of Deferral</u>	<u>Original Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2017	9.54		\$ (2,514,623)
Changes in Assumptions	2018	9.51		(2,125,865)
				(4,640,488)
Differences Between Expected and Actual Experience	2018	9.51		(2,009,604)
Changes in Proportion	N/A	N/A		(69,279)
			\$ -0-	\$ (6,719,371)

N/A - Not Available

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2019	\$ (819,458)
2020	(819,458)
2021	(819,458)
2022	(819,458)
2023	(819,458)
Thereafter	(2,552,800)
	\$ (6,650,091)

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST FIVE FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
District's proportion of the net pension liability	0.0133120961%	0.0132291256%	0.0131292071%	0.0103050938%	0.0137231494%
District's proportionate share of the net pension liability	\$ 2,492,388	\$ 2,969,674	\$ 3,888,495	\$ 3,038,050	\$ 2,702,020
District's covered employee payroll	\$ 902,229	\$ 891,550	\$ 909,100	\$ 909,754	\$ 883,951
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	276.25%	333.09%	427.73%	333.94%	305.68%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST FIVE FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 119,037	\$ 113,735	\$ 117,614	\$ 136,412	\$ 136,501
Contributions in relation to the contractually required contribution	<u>(119,037)</u>	<u>(113,735)</u>	<u>(117,614)</u>	<u>(136,412)</u>	<u>(136,501)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 899,543	\$ 902,229	\$ 891,550	\$ 909,100	\$ 909,754
Contributions as a percentage of covered employee payroll	13.23%	12.61%	13.19%	15.01%	15.00%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST FIVE FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,			
	2015	2016	2017	2018
State's proportion of the net pension liability attributable to the District	0.1122527050%	0.0385863627%	0.0376905659%	0.0394616171%
State's proportionate share of the net pension liability attributable to the District	\$ 19,801,491	\$ 24,388,229	\$ 29,649,799	\$ 26,606,456
District's covered employee payroll	\$ 3,887,313	3,825,033	4,415,822	4,898,571
State's proportionate share of the net pension liability attributable to the district as a percentage of the District's covered employee payroll	509.39%	637.60%	671.44%	543.15%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%
				26.49%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE CONTRIBUTIONS ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND

LAST FIVE FISCAL YEARS

UNAUDITED

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 1,065,506	\$ 1,489,121	\$ 2,227,770	\$ 1,843,160	\$ 1,635,214
Contributions in relation to the contractually required contribution	<u>(208,612)</u>	<u>(301,766)</u>	<u>(428,346)</u>	<u>(649,310)</u>	<u>(837,757)</u>
Contribution deficiency/(excess)	<u>\$ 856,894</u>	<u>\$ 1,187,355</u>	<u>\$ 1,798,218</u>	<u>\$ 1,193,850</u>	<u>\$ 797,457</u>
District's covered employee payroll	\$ 3,887,313	\$ 3,825,033	\$ 4,415,822	\$ 4,898,571	\$ 5,219,128
Contributions as a percentage of covered employee payroll	5.37%	7.89%	9.70%	13.26%	16.05%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S TOTAL OPEB LIABILITY  
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST TWO FISCAL YEARS  
UNAUDITED

	<u>Fiscal Year Ending</u>	
	<u>2017</u>	<u>2018</u>
Total OPEB Liability:		
Service Cost	\$ 859,034	\$ 714,002
Interest Cost	735,778	850,072
Difference between Expected and Actual Experiences		(1,247,745)
Changes in Assumptions	(2,994,972)	(2,375,673)
Member Contributions	19,869	19,132
Gross Benefit Payments	(539,583)	(553,568)
Net Change in Total OPEB Liability	(1,919,874)	(2,593,780)
Total OPEB Liability - Beginning	25,215,781	23,295,907
Total OPEB Liability - Ending	<u>\$ 23,295,907</u>	<u>\$ 20,702,127</u>
District's Covered Employee Payroll *	\$ 4,716,583	\$ 5,324,922
Total OPEB Liability as a Percentage of Covered Employee Payroll	494%	389%

\* - Covered payroll for the current fiscal year ending is based on the payroll on the prior year's census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 5.00% as of June 30, 2017 to 5.66% as of June 30, 2018. The municipal bond rate changed from 3.58% to 3.87%.

The morality rates utilized in the July 1, 2016 valuation were as follows: Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward one year for females).

The morality rates utilized in the July 1, 2017 valuation were as follows: Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and a generational approach based on the Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward one year for females).

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 4.25% as of June 30, 2017 to 4.86% as of June 30, 2018. The municipal bond rate changed from 3.58 to 3.87%.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

B.TEACHERS' PENSION AND ANNUITY FUND (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The salary increases in the July 1, 2016 valuation were as follows: 2012-2021 and thereafter – varies based on experience. The salary increases in the July 1, 2017 valuation are as follows: 2011-2026 – 1.55% - 4.55% and thereafter – 2% - 5.45%.

The morality rates utilized in the July 1, 2016 valuation were as follows: Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

The morality rates utilized in the July 1, 2017 valuation were as follows: Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60 year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement mortality rates were based on the RP-2006 Healthy Annuitant White Collar Mortality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60 year average of improvement rates based on Social Security data from 1953 to 2013. Disabled mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No mortality improvement is assumed for disabled retiree mortality.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

The mortality rates in the valuation as of June 30, 2017 were based on the following:

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

The mortality rates in the valuation as of June 30, 2018 were based on the following:

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

Pre-retirement 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. Post-retirement mortality rates were based on the RP-2006 Headcount-Weighted Health Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using MP-2017 scale.

The health care trend rates in the valuation as of June 30, 2017 were based on the following:

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long term trend rate after nine years. For self-insured post 65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long term rate after eight years. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

The health care trend rates in the valuation as of June 30, 2018 were based on the following:

For pre-Medicare preferred provider organization (PPO) medical benefits and health maintenance organization (HMO) medical benefits, trend rate is initially 5.8% and decreases to a 5.0% long term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

BUDGETARY COMPARISON SCHEDULES

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 17,120,452		\$ 17,120,452	\$ 17,120,452	\$ 186
Interest on Capital Reserve Funds				61,270	61,270
Tuition - Other Leads within the State	6,400		6,400	21,900	15,500
Tuition - Individuals	136,000		136,000	52,092	(83,908)
Unrestricted Miscellaneous Revenue					
Total - Local Sources	17,262,852		17,262,852	17,255,900	(6,952)
State Sources:					
Transportation Aid	228,997	(126,874)	102,123	102,123	
Special Education Aid	557,300		557,300	557,300	
Equalization Aid	1,258,651		1,258,651	1,258,651	
Security Aid	16,458		16,458	16,458	
Extraordinary Aid	500,000		500,000	628,121	128,121
Non Public Transportation				25,810	25,810
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				837,757	837,757
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				17,536	17,536
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				600	600
TPAF Post Retirement (On-Behalf - Non-Budgeted)				387,960	387,960
TPAF Social Security (Reimbursed - Non-Budgeted)				305,302	305,302
Total State Sources	2,561,406	(126,874)	2,434,532	4,137,618	1,703,086
Federal Sources:					
Medicaid Reimbursement	19,630		19,630	11,606	(8,024)
Total Federal Sources:	19,630		19,630	11,606	(8,024)
TOTAL REVENUE	19,843,888	(126,874)	19,717,014	21,405,124	1,688,110



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries	\$ 260,284	\$ 235	\$ 260,519	\$ 248,457	\$ 12,062
Grades 1-5 - Salaries of Teachers	1,313,253	4,720	1,317,973	1,302,299	15,674
Grades 6-8 - Salaries of Teachers	974,152	43,287	1,017,439	1,017,438	1
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	253,316	18,410	271,726	197,719	74,007
Purchased Professional and Education Services	1,989	1,011	3,000	1,500	1,500
Purchased Technical Services	3,000	(2,800)	200	200	
Other Purchased Services	26,740	(8,952)	17,788	17,787	1
General Supplies	153,036	(70,774)	82,262	81,667	595
Textbooks		4,226	4,226	4,151	75
Other Objects	2,500	(2,325)	175	175	
<b>Total Regular Programs - Instruction</b>	<b>2,988,270</b>	<b>(12,962)</b>	<b>2,975,308</b>	<b>2,871,218</b>	<b>104,090</b>
<b>Special Education - Instruction:</b>					
Multiple Disabilities:					
Salaries of Teachers	105,585	421	106,006	106,006	
Other Salaries for Instruction	37,314	54,227	91,541	91,541	
Supplies & Materials	1,700	(1,300)	400	400	
<b>Total Multiple Disabilities</b>	<b>144,599</b>	<b>53,348</b>	<b>197,947</b>	<b>197,947</b>	
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	556,388	17,859	574,247	547,993	26,254
General Supplies	5,600	(3,455)	2,145	2,145	
<b>Total Resource Room/Resource Center</b>	<b>561,988</b>	<b>14,404</b>	<b>576,392</b>	<b>550,138</b>	<b>26,254</b>
<b>Preschool Disabilities - Full-Time:</b>					
Salaries of Teachers	83,798	1,342	85,140	85,139	1
Other Salaries for Instruction	92,604		92,604	70,714	21,890
Purchased Professional - Educational Services	13,081	(13,000)	81	81	
Supplies & Materials		1,186	1,186	1,162	24
General Supplies	1,200	(1,186)	14	14	
<b>Total Preschool Disabilities - Full-Time</b>	<b>190,683</b>	<b>(11,658)</b>	<b>179,025</b>	<b>157,015</b>	<b>22,010</b>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Home Instruction:					
Salaries of Teachers	\$ 54,255	\$ 6,962	\$ 6,962	\$ 6,962	\$ 9,178
Purchased Professional and Education Services	250	(25,316)	28,939	19,761	250
General Supplies	54,505	(18,354)	36,151	26,723	9,428
Total Regular Programs - Home Instruction	951,775	37,740	989,515	931,823	57,692
Total Special Education - Instruction					
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	158,732		158,732	57,824	100,908
General Supplies	1,040		1,040	349	691
Total Basic Skills/Remedial - Instruction	159,772		159,772	58,173	101,599
Bilingual Education - Instruction:					
Salaries for Teachers	36,647	28,774	65,421	60,932	4,489
General Supplies	700		700	368	332
Total Bilingual Education - Instruction	37,347	28,774	66,121	61,300	4,821
School-Sponsored Cocurricular - Instruction:					
Salaries	66,410		66,410	27,158	39,252
Other Purchased Services	500		500	500	500
Supplies and Materials	250		250	250	250
Other Objects	250		250	250	250
Total School-Sponsored Cocurricular - Instruction	67,410		67,410	27,158	40,252
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	25,000		25,000	17,386	7,614
Other Purchased Services	250		250	250	250
Supplies and Materials	250		250	250	250
Other Object	648		648	555	93
Total School-Sponsored Cocurricular Athletics - Instruction	26,148		26,148	17,941	8,207

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Total Instruction	\$ 4,230,722	\$ 53,552	\$ 4,284,274	\$ 3,967,613	\$ 316,661
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Regular	4,599,167	(72,265)	4,526,902	4,394,558	132,344
Tuition to Other LEAs Within the State - Special	1,460,021	(154,825)	1,305,196	1,264,915	40,281
Tuition to County Vocational School District - Regular	573,520		573,520	558,525	14,995
Tuition, CSSD & Regular Day Schools		57,372	57,372	90,420	(33,048)
Tuition to Private Schools for the Handicapped - Within State	1,796,136	(192,960)	1,603,176	1,359,761	243,415
Total Undistributed Expenditures - Instruction	8,428,844	(362,678)	8,066,166	7,668,179	397,987
Attendance and Social Work Services:					
Salaries	73,083	1,689	74,772	61,669	13,103
Purchased Professional & Technical Services	12,870	30	12,900	12,900	
Total Attendance and Social Work Services	85,953	1,719	87,672	74,569	13,103
Undistributed Expenditures:					
Health Services:					
Salaries	191,979	4,860	196,839	195,865	974
Purchased Professional and Technical Services	359,428	87,658	447,086	194,295	252,791
Supplies and Materials	8,905	1,993	10,898	7,255	3,643
Other Objects	900		900	284	616
Total Health Services	561,212	94,511	655,723	397,699	258,024
Other Support Services - Speech, OT, PT and Related Services:					
Salaries	249,749		249,749	176,423	73,326
Purchased Professional - Educational Services	60,297	52,940	113,237	82,697	30,540
Supplies and Materials	2,752	300	3,052	3,026	26
Total Other Support Services - Speech, OT, PT and Related Services	312,798	53,240	366,038	262,146	103,892

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Other Support Services - Students - Extraordinary Services:					
Salaries - Other	\$ 31,608		\$ 31,608	\$ 5,893	\$ 25,715
Purchased Professional Services	368,584	\$ 140,777	509,361	463,607	45,754
Supplies and Materials	250	5,249	5,499	5,499	
Total Other Support Services - Students - Extraordinary Services	<u>400,442</u>	<u>146,026</u>	<u>546,468</u>	<u>474,999</u>	<u>71,469</u>
Other Support Services - Students - Guidance:					
Salaries of Other Professional Staff	112,438		112,438	97,971	14,467
Supplies and Materials	6,561	365	6,926	6,867	59
Other Objects	200		200	149	51
Association Dues	150		150	150	
Total Other Support Services - Students - Guidance	<u>119,349</u>	<u>365</u>	<u>119,714</u>	<u>104,987</u>	<u>14,727</u>
Other Support Services - Students - Child Study Team:					
Salaries of Other Professional Staff	412,134	6,103	418,237	418,237	
Salaries of Secretaries	36,594	2,032	38,626	38,626	
Purchased Professional and Educational Services	3,060		3,060		3,060
Other Purchased Professional and Technical Services	3,381		3,381	3,250	131
Miscellaneous Purchased Services	2,250		2,250	166	2,084
Supplies and Materials	5,721	(4,144)	1,577	1,252	325
Other Objects	204	763	967	967	
Total Other Support Services - Students - Child Study Team	<u>463,344</u>	<u>4,754</u>	<u>468,098</u>	<u>462,498</u>	<u>5,600</u>
Improvement of Instructional Services:					
Salaries of Other Professional Staff	88,677		88,677	76,333	12,344
Purchased Professional and Educational Services	71,007		71,007	35,460	35,547
Other Purchased Services	9,175		9,175		9,175
Supplies and Materials	13,261	(10,000)	3,261	1,119	2,142
Other Objects	1,530		1,530	163	1,367
Total Improvement of Instructional Services	<u>183,650</u>	<u>(10,000)</u>	<u>173,650</u>	<u>113,075</u>	<u>60,575</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Educational Media Services/School Library:					
Salaries	\$ 213,702	\$ 19,839	\$ 233,541	\$ 190,193	\$ 43,348
Purchased Professional Services	2,040	(1,387)	653	250	403
Other Purchased Services	120,536	14,710	135,246	134,074	1,172
Supplies and Materials	78,271	(7,236)	71,035	67,093	3,942
Other Objects		149	149		
Total Educational Media Services/School Library	<u>414,549</u>	<u>26,075</u>	<u>440,624</u>	<u>391,759</u>	<u>48,865</u>
Instructional Staff Training Services:					
Other Purchased Services	17,620	(6,979)	10,641	5,440	5,201
Supplies and Materials		939	939		
Total Instructional Staff Training Services	<u>17,620</u>	<u>(6,040)</u>	<u>11,580</u>	<u>6,379</u>	<u>5,201</u>
Support Services - General Administration:					
Salaries	174,765	13	174,778	151,762	23,016
Legal Services	35,000	35,565	70,565	70,564	1
Audit Fees	89,550		89,550	49,430	40,120
Architectural/Engineering Fees	40,000	(33,245)	6,755		6,755
Other Purchased Services	4,000	3,454	7,454	4,936	2,518
Communications/Telephone	50,827	(12,584)	38,243	28,970	9,273
Other Purchased Services	18,766	10,792	29,558	22,336	7,222
Supplies and Materials		60	60		
General Supplies	6,000	(3,750)	2,250	2,242	8
General Supplies	1,000		1,000		1,000
Miscellaneous Expenditures	1,020		1,020	175	845
BOE Membership Dues and Fees	10,000		10,000	8,351	1,649
Total Support Services - General Administration	<u>430,928</u>	<u>305</u>	<u>431,233</u>	<u>338,826</u>	<u>92,407</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 245,297	\$ 26,382	\$ 271,679	\$ 270,557	\$ 1,122
Salaries of Secretarial and Clerical Assistants	94,669	318	94,987	92,156	2,831
Purchased Professional & Technical Services	3,900	4,158	8,058	7,030	1,028
Other Purchased Services	3,640	(1,081)	2,559	2,557	2
Supplies and Materials	9,900	(2,609)	7,291	6,478	813
Other Objects	1,350	2,153	3,503	3,503	
Total Support Services - School Administration	<u>358,756</u>	<u>29,321</u>	<u>388,077</u>	<u>382,281</u>	<u>5,796</u>
<b>Central Services:</b>					
Salaries	159,170	34,399	193,569	193,569	
Other Purchased Services	1,500	250	1,750	1,516	234
Supplies and Materials	12,500	3,916	16,416	16,411	5
Other Objects	1,725	(225)	1,500	354	1,146
Total Central Services	<u>174,895</u>	<u>38,340</u>	<u>213,235</u>	<u>211,850</u>	<u>1,385</u>
<b>Administrative Information Technology:</b>					
Purchased Technical Services	17,560	4,622	22,182	19,152	3,030
Supplies and Materials	2,000		2,000	1,845	155
Total Administrative Information Technology	<u>19,560</u>	<u>4,622</u>	<u>24,182</u>	<u>20,997</u>	<u>3,185</u>
<b>Required Maintenance of School Facilities:</b>					
Salaries	60,758		60,758	53,269	7,489
Cleaning, Repair and Maintenance Services	54,551	67,099	121,650	112,869	8,781
General Supplies	16,320	(385)	15,935	12,564	3,371
Other Objects		1,650	1,650	1,650	
Total Required Maintenance of School Facilities	<u>131,629</u>	<u>68,364</u>	<u>199,993</u>	<u>180,352</u>	<u>19,641</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	\$ 27,000	\$ 14,379	\$ 41,379	\$ 39,064	\$ 2,315
General Supplies	4,080	7,339	11,419	8,416	3,003
Other Objects	3,060		3,060	824	2,236
Total Care and Upkeep of Grounds	<u>34,140</u>	<u>21,718</u>	<u>55,858</u>	<u>48,304</u>	<u>7,554</u>
Custodial Services:					
Salaries	330,000	34,104	364,104	299,799	64,305
Salaries Non-Instructional Aides	30,895		30,895	11,974	18,921
Purchased Professional and Technical Services	7,200	6,450	13,650	9,722	3,928
Cleaning, Repairs, and Maintenance Services	198,564	(11,100)	187,464	186,201	1,263
Other Purchased Property Services	13,616	3,702	17,318	13,112	4,206
Insurance	87,007	(3,023)	83,984	83,984	
Miscellaneous Purchased Services	31,645	(3,221)	28,424	26,211	2,213
General Supplies	78,000	4,723	82,723	79,334	3,389
Energy (Natural Gas)	95,196	27,098	122,294	62,630	59,664
Energy (Electricity)	120,000		120,000	117,596	2,404
Energy (Gasoline)	2,000		2,000		2,000
Total Custodial Services	<u>994,123</u>	<u>58,733</u>	<u>1,052,856</u>	<u>890,563</u>	<u>162,293</u>
Student Transportation Services:					
Salaries for Pupil Transportation	5,980		5,980	5,980	
Salaries for Pupil Transportation (between home/school)	9,392		9,392	5,980	3,412
Management Fee - ESC Transportation	32,124	(7,999)	24,125	21,825	2,300
Cleaning, Repairs, and Maintenance Services	150		150		150
Aid in Lieu - Non-public Schools	116,000	(28,873)	87,127	87,127	
Aid in Lieu - Charter Schools	5,000	3,000	8,000	7,000	1,000
Contracted Services: All-Choice Schools	2,000		2,000	2,000	
Contracted Services: Between Home and School - Joint Agreement	394,540	(4,800)	389,740	389,689	51
Contracted Services: Other Between Home and School - Vendors	32,059	(10,001)	22,058	11,424	10,634

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Student Transportation Services: (Cont'd):					
Contracted Services: Special Education Students - ESC's	\$ 226,714	\$ 55,653	\$ 282,367	\$ 282,367	
Contracted Services: Regular Students - ESC's	82,176	149,043	231,219	222,757	\$ 8,462
Contracted Services: Special Education Students - ESC's	745,202	(196,616)	548,586	516,137	32,449
Supplies and Materials	3,000	1	3,001	162	2,839
Total Student Transportation Services	<u>1,654,337</u>	<u>(40,592)</u>	<u>1,613,745</u>	<u>1,552,448</u>	<u>61,297</u>
Unallocated Benefits:					
Medical Malpractice Insurance Fund	300		300	101	199
Social Security Contribution	124,853	43,567	168,420	168,420	
Other Retirement Contributions - PERS	105,020	41,918	146,938	146,938	
Unemployment Compensation	10,000	18,900	28,900	28,819	81
Workmen's Compensation	45,000		45,000	40,760	4,240
Health Benefits	1,740,158	(365,650)	1,374,508	1,368,926	5,582
Tuition Reimbursement	42,745	(20,000)	22,745	17,099	5,646
Other Employee Benefits	35,000	(25,000)	10,000	5,027	4,973
Unused Sick Pay		81,391	81,391	81,391	
Total Unallocated Benefits	<u>2,103,076</u>	<u>(224,874)</u>	<u>1,878,202</u>	<u>1,857,481</u>	<u>20,721</u>
On-Behalf Contributions:					
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				837,757	(837,757)
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				17,536	(17,536)
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				600	(600)
TPAF Post Retirement (On-Behalf - Non-Budgeted)				387,960	(387,960)
TPAF Social Security (Reimbursed - Non-Budgeted)				305,302	(305,302)
Total On-Behalf Contributions				<u>1,549,155</u>	<u>(1,549,155)</u>
Total Undistributed Expenditures	<u>16,889,205</u>	<u>(96,091)</u>	<u>16,793,114</u>	<u>16,988,547</u>	<u>(195,433)</u>
<b>TOTAL CURRENT EXPENSE</b>	<u>21,119,927</u>	<u>(42,539)</u>	<u>21,077,388</u>	<u>20,956,160</u>	<u>121,228</u>



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY:					
Facilities Acquisition and Construction Services:					
Other Purchased Professional and Technical Services	\$ 29,760		\$ 29,760	\$ 25,610	\$ 4,150
Construction Services	698,969		698,969	698,969	
SDA Assessment for Debt Service	1,267		1,267	1,267	
Total Facilities Acquisition and Construction Services	<u>729,996</u>		<u>729,996</u>	<u>725,846</u>	<u>4,150</u>
Total Capital Outlay	<u>729,996</u>		<u>729,996</u>	<u>725,846</u>	<u>4,150</u>
Transfer Funds to Charter Schools	120,763	\$ 42,539	163,302	163,302	
TOTAL EXPENDITURES	<u>21,970,686</u>		<u>21,970,686</u>	<u>21,845,308</u>	<u>125,378</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(2,126,798)</u>	<u>(126,874)</u>	<u>(2,253,672)</u>	<u>(440,184)</u>	<u>1,813,488</u>
Fund Balance, July 1	<u>4,744,373</u>		<u>4,744,373</u>	<u>4,744,373</u>	
Fund Balance, June 30	<u>2,617,575</u>	<u>\$ (126,874)</u>	<u>2,490,701</u>	<u>4,304,189</u>	<u>1,813,488</u>
Recapitulation:					
Restricted:				\$ 93,522	
Capital Reserve				1,502	
Tuition Reserve				1,844,561	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,210,648	
Excess Surplus				536,416	
Assigned:				57,686	
Designated for Subsequent Year's Expenditures				559,854	
Year End Encumbrances				4,304,189	
Unassigned Fund Balance				(181,265)	
Reconciliation to Governmental Funds Statements (GAAP):				<u>\$ 4,122,924</u>	
Last State Aid Payments not Recognized on GAAP Basis					
Fund Balances per Governmental Funds (GAAP)					

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenue:					
Federal Sources	\$ 284,573	\$ 212,063	\$ 496,636	\$ 455,132	\$ (41,504)
Total Revenue	284,573	212,063	496,636	455,132	(41,504)
Expenditures:					
Instruction:					
Salaries of Teachers	104,263	87,166	191,429	191,429	
Purchased Professional/Technical Services		22,000	22,000	19,832	2,168
Tuition	153,190	35,147	188,337	182,937	5,400
General Supplies	3,105	22,635	25,740	22,095	3,645
Total Instruction	260,558	166,948	427,506	416,293	11,213
Support Services:					
Employee Benefits		36,442	36,442	36,442	
Purchased Professional/Educational Services	24,015	8,173	32,188	1,900	30,288
Supplies and Materials		500	500	497	3
Total Support Services	24,015	45,115	69,130	38,839	30,291
Total Expenditures	\$ 284,573	\$ 212,063	\$ 496,636	\$ 455,132	\$ 41,504

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
UNAUDITED

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 21,405,124	\$ 455,132
Differences - Budget to GAAP:		
Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not:		
Current Year Encumbrances		(13,722)
Prior Year State Aid Payment Recognized for GAAP Statements	185,836	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(181,265)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 21,409,695</u>	<u>\$ 441,410</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 21,845,308	\$ 455,132
Differences - Budget to GAAP:		
Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not:		
Current Year Encumbrances		(13,722)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 21,845,308</u>	<u>\$ 441,410</u>

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2019 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m). Appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end. The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from the GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	IDEA					No Child Left Behind		
	Part B	Preschool	Title I	Title IIA	Title IV	Totals		
<b>REVENUE:</b>								
Federal Sources	\$ 182,937	\$ 3,023	\$ 241,438	\$ 18,967	\$ 8,767	455,132		
<b>Total Revenue</b>	<b>182,937</b>	<b>3,023</b>	<b>241,438</b>	<b>18,967</b>	<b>8,767</b>	<b>455,132</b>		
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers			189,141		2,288	191,429		
Purchased Professional-Technical Services				18,967	865	19,832		
Tuition	182,937					182,937		
General Supplies		3,023	15,855		3,217	22,095		
<b>Total Instruction</b>	<b>182,937</b>	<b>3,023</b>	<b>204,996</b>	<b>18,967</b>	<b>6,370</b>	<b>416,293</b>		
Support Services:								
Employee Benefits			36,442			36,442		
Purchased Professional/Technical Services					1,900	1,900		
Supplies and Materials					497	497		
<b>Total Support Services</b>			<b>36,442</b>		<b>2,397</b>	<b>38,839</b>		
<b>Total Expenditures</b>	<b>\$ 182,937</b>	<b>\$ 3,023</b>	<b>\$ 241,438</b>	<b>\$ 18,967</b>	<b>\$ 8,767</b>	<b>\$ 455,132</b>		

BOROUGH OF BLOOMINGDALE 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



BOROUGH OF BLOOMINGDALE 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

Fund Balance - Beginning Balance	\$	186,840
		<u>186,840</u>
Fund Balance - Ending Balance	\$	<u>186,840</u>
<u>Recapitulation:</u>		
Restricted - Encumbrances	\$	7,300
Restricted Fund Balance		<u>179,540</u>
Fund Balance per Governmental Funds (GAAP)	\$	<u>186,840</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
WALTER T. BERGEN AND MARTHA B DAY SCHOOLS - BOILER REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Prior Periods	Total	Revised Authorized Cost
Revenue and Other Financing Sources:			
Bond Proceeds	\$ 694,585	\$ 694,585	\$ 694,585
State SDA Grants	480,953	480,953	480,953
Total Revenue and Other Financing Sources	1,175,538	1,175,538	1,175,538
Expenditures:			
Purchased Professional and Technical Services	86,500	86,500	86,500
Construction Services	943,342	943,342	1,089,038
Total Expenditures	1,029,842	1,029,842	1,175,538
Excess/Deficiency of Revenue and Other Financing Sources Over/Under Expenditures	\$ 145,696	\$ 145,696	\$ -0-

Additional Project Information:

Project Numbers	31-0420-050-13-11005-004 & 31-0420-020-13-7004-G1
Grant Date	1/6/2014
Bond Authorization Date	12/16/2013
Bonds Authorized	\$ 694,585
Bonds Issued	\$ 694,585
Original Authorized Cost	\$ 33,800
Revised Authorized Cost	\$ 1,175,538
Percentage Completion	87.61%
Original Target Completion Date	06/30/14
Revised Target Completion	06/30/20

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
WALTER T BERGEN AND MARTHA B DAY SCHOOLS - LIGHTING FOR SECURITY  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Prior Periods	Total	Revised Authorized Cost
Revenue and Other Financing Sources:			
Bond Proceeds	\$ 13,199	\$ 13,199	\$ 13,199
State SDA Grants	8,799	8,799	8,799
Total Revenue and Other Financing Sources	21,998	21,998	21,998
Expenditures:			
Purchased Professional and Technical Services	1,325	1,325	1,325
Construction Services	61	61	20,673
Total Expenditures	1,386	1,386	21,998

Excess/Deficiency of Revenue and Other Financing Sources  
Over/Under Expenditures

\$ 20,612	\$ 20,612	\$ -0-
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Additional Project Information:

Project Numbers	0420-020-13-7002-G-04/0420-050-13-11007-G04
Grant Date	1/6/2014
Bond Authorization Date	12/16/2013
Bonds Authorized	\$ 13,199
Bonds Issued	\$ 13,199
Original Authorized Cost	\$ 21,998
Revised Cost	\$ 21,998

Percentage Completion 6.30%  
Original Target Completion Date 06/30/14  
Revised Target Completion 06/30/20

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
MARTHA B DAY SCHOOL- BARRIER FREE  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Prior Periods	Total	Revised Authorized Cost
Revenue and Other Financing Sources:			
Bond Proceeds	\$ 72,321	\$ 72,321	\$ 72,321
State SDA Grants	30,431	30,431	30,431
Total Revenue and Other Financing Sources	102,752	102,752	102,752
Expenditures:			
Purchased Professional and Technical Services	6,500	6,500	6,500
Land and Improvements			
Construction Services	96,247	96,247	96,252
Total Expenditures	102,747	102,747	102,752
Excess/Deficiency of Revenue and Other Financing Sources Over/Under Expenditures	\$ 5	\$ 5	\$ -0-

Additional Project Information:

Project Numbers	0420-020-13-7003-G04
Grant Date	2/21/2014
Bond Authorization Date	12/16/2013
Bonds Authorized	\$ 72,321
Additional Bonds Authorized	N/A
Bonds Issued	\$ 72,321
Original Authorized Cost	\$ 102,752
Revised Cost	\$ 102,752
Percentage Completion	100.00%
Original Target Completion Date	06/30/14
Revised Target Completion	06/30/20

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
BUDGETARY BASIS  
MARTHA B DAY SCHOOL- STAIRS/MASONRY  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Prior Periods	Total	Authorized Cost
Revenue and Other Financing Sources:			
Bond Proceeds	\$ 24,895	\$ 24,895	\$ 24,895
State SDA Grants	16,597	16,597	16,597
Total Revenue and Other Financing Sources	41,492	41,492	41,492
Expenditures:			
Purchased Professional and Technical Services	3,350	3,350	3,350
Construction Services	17,616	17,616	38,142
Total Expenditures	20,966	20,966	41,492
Excess/Deficiency of Revenue and Other Financing Sources Over/Under Expenditures	\$ 20,526	\$ 20,526	\$ -0-

Additional Project Information:

Project Numbers	0420-020-13-7001-G04
Grant Date	2/21/2014
Bond Authorization Date	12/16/2013
Bonds Authorized	\$ 24,895
Bonds Issued	\$ 24,895
Original Authorized Cost	\$ 76,077
Revised Authorized Cost	\$ 41,492
Percentage Completion	50.53%
Original Target Completion Date	06/30/14
Revised Target Completion	06/30/20

PROPRIETARY FUNDS

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2019

## ASSETS:

Current Assets:		
Cash and Cash Equivalents	\$	13,876
Intergovernmental Accounts Receivable:		
Federal		12,168
State		409
Interfund Accounts Receivable:		
General Fund		10,551
Inventories		6,356
		<hr/>
Total Current Assets		43,360
Non-Current Assets:		
Capital Assets, Net of Depreciation		
Depreciable Furniture and Equipment		43,438
		<hr/>
Total Non-Current Assets		43,438
		<hr/>
Total Assets		86,798
		<hr/>
LIABILITIES:		
Current Liabilities:		
Accounts Payable - Vendors		10,957
Unearned Revenue - Prepaid Sales		2,794
Unearned Revenue - Donated Commodities		2,220
		<hr/>
Total Current Liabilities		15,971
		<hr/>
NET POSITION:		
Investment in Capital Assets		43,438
Unrestricted		27,389
		<hr/>
Total Net Position	\$	70,827
		<hr/> <hr/>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 93,118
Daily Sales - Non-Reimbursable Programs	31,973
	<hr/>
Total Operating Revenue	125,091
	<hr/>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	71,235
Cost of Sales - Non-Reimbursable Programs	24,459
Salaries, Benefits & Payroll Taxes	79,864
Supplies, Insurance & Other Costs	16,375
Management Fee	7,685
Depreciation Expense	8,715
	<hr/>
Total Operating Expenses	208,333
	<hr/>
Operating Loss	(83,242)
Non-Operating Income:	
Local Sources:	
Interest Income	48
State Sources:	
State School Lunch Program	2,334
Federal Sources:	
National School Lunch Program	67,409
National School Breakfast Program	3,123
Food Distribution Program	9,088
	<hr/>
Total Non-Operating Income	82,002
	<hr/>
Change in Net Position	(1,240)
Net Position - Beginning of Year	72,067
	<hr/>
Net Position - End of Year	\$ 70,827
	<hr/> <hr/>



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 127,885
Payments to Employees	(79,864)
Payments to Food Service Vendor	(83,049)
Payments to Suppliers	(16,375)
	<hr/>
Net Cash Used for Operating Activities	(51,403)
Cash Flows Provided for Investing Activities:	
Local Sources:	
Interest Income	48
	<hr/>
Net Cash Provided by Investing Activities	48
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(3,498)
	<hr/>
Net Cash Used for Capital and Related Financing Activities	(3,498)
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program	2,107
Federal Sources:	
National School Lunch Program	60,400
National School Breakfast Program	3,123
	<hr/>
Net Cash Provided by Noncapital Financing Activities	65,630
Net Increase in Cash and Cash Equivalents	10,777
Cash and Cash Equivalents, July 1	3,099
	<hr/>
Cash and Cash Equivalents, June 30	\$ 13,876
	<hr/> <hr/>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (83,242)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	8,715
Food Distribution Program	9,088
Changes in Assets and Liabilities:	
(Increase) in Inventory	(1,509)
Increase In Unearned Revenue - Prepaid Sales	2,794
Increase in Unearned Revenue - Donated Commodities	1,895
Increase in Accounts Payable	10,856
	<hr/>
Net Cash Used for Operating Activities	\$ (51,403)
	<hr/> <hr/>

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund Received U.S.D.A. Donated Commodities through the Food Distribution Program valued at \$9,083 and Utilized Commodities Valued at \$9,088.

FIDUCIARY FUNDS

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
FIDUCIARY FUND  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2019

	<u>Agency</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Flexible Spending Trust</u>	<u>Totals</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 352,325	\$ 88,370	\$ 260	\$ 440,955
Total Assets	<u>352,325</u>	<u>88,370</u>	<u>260</u>	<u>440,955</u>
<b>LIABILITIES:</b>				
Payroll Deductions and Withholdings	55,306			55,306
Accrued Salaries and Wages	186,088			186,088
Due to Student Groups	84,529			84,529
Interfund Payable General Fund	26,402			26,402
Total Liabilities	<u>352,325</u>			<u>352,325</u>
<b>NET POSITION:</b>				
Held in Trust for Unemployment Claims		88,370		88,370
Held in Trust for Flexible Spending Claims			260	260
	<u>\$ -0-</u>	<u>\$ 88,370</u>	<u>\$ 260</u>	<u>\$ 88,630</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Unemployment Compensation Trust Fund	Flexible Spending Trust	Totals
Additions:			
Contributions:			
Employee Contributions	\$ 14,539	\$ 3,110	\$ 14,539
Board Contributions	28,819		28,819
Total Contributions	<u>43,358</u>	<u>3,110</u>	<u>43,358</u>
Investment Earnings:			
Interest	161	1	162
Net Investment Earnings	<u>161</u>	<u>1</u>	<u>162</u>
Total Additions	<u>43,519</u>	<u>3,111</u>	<u>43,520</u>
Deductions			
Unemployment Compensation Claims	36,684		36,684
Flexible Spending Claims		2,941	2,941
Total Deductions	<u>36,684</u>	<u>2,941</u>	<u>39,625</u>
Change in Net Position	6,835	170	3,895
Net Position - Beginning of the Year	<u>81,535</u>	<u>90</u>	<u>81,625</u>
Net Position - End of the Year	<u>\$ 88,370</u>	<u>\$ 260</u>	<u>\$ 85,520</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2019</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 82,767	\$ 120,950	\$ 119,188	\$ 84,529
Total Assets	<u>\$ 82,767</u>	<u>\$ 120,950</u>	<u>\$ 119,188</u>	<u>\$ 84,529</u>
<u>LIABILITIES:</u>				
Liabilities:				
Due to Student Groups	\$ 82,767	\$ 120,950	\$ 119,188	\$ 84,529
Total Liabilities	<u>\$ 82,767</u>	<u>\$ 120,950</u>	<u>\$ 119,188</u>	<u>\$ 84,529</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF ACTIVITY

	<u>Balance</u> <u>July 1, 2018</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2019</u>
Walter T Bergen School	\$ 47,548	\$ 87,167	\$ 86,419	\$ 48,296
Martha B. Day School	7,028	14,366	14,346	7,048
Samuel R. Donald School	28,191	19,417	18,423	29,185
Total All School Accounts	<u>\$ 82,767</u>	<u>\$ 120,950</u>	<u>\$ 119,188</u>	<u>\$ 84,529</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2019</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 322,928	\$ 11,190,023	\$ 11,245,155	\$ 267,796
Total Assets	<u>\$ 322,928</u>	<u>\$ 11,190,023</u>	<u>\$ 11,245,155</u>	<u>\$ 267,796</u>
<u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 89,285	\$ 7,050,899	\$ 7,084,878	\$ 55,306
Accrued Salaries and Wages	183,841	186,088	183,841	186,088
Interfund Payable to General Fund	49,802	3,953,036	3,976,436	26,402
Total Liabilities	<u>\$ 322,928</u>	<u>\$ 11,190,023</u>	<u>\$ 11,245,155</u>	<u>\$ 267,796</u>

LONG-TERM DEBT



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance June 30, 2018	Retired or Matured	Balance June 30, 2019
			Date	Outstanding June 30, 2019 Amount				
2014 School Bonds	7/15/2014	\$ 805,000	07/15/19	\$ 80,000	2.470%	\$ 591,000	\$ 79,000	\$ 512,000
			07/15/20	82,000	2.470%			
			07/15/21	84,000	2.470%			
			07/15/22	86,000	2.470%			
			07/15/23	89,000	2.470%			
			07/15/24	91,000	2.470%			
						<u>\$ 591,000</u>	<u>\$ 79,000</u>	<u>\$ 512,000</u>

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 92,617		\$ 92,617	\$ 92,617	
Interest				5	
Total Revenues	92,617		92,617	92,622	
EXPENDITURES:					
Regular Debt Service:					
Interest	13,622		13,622	13,622	
Redemption of Principal	79,000		79,000	79,000	
Total Regular Debt Service	92,622		92,622	92,622	
Total Expenditures	92,622		92,622	92,622	
Excess/(Deficiency) of Revenues and Other Financing Sources					
Over/(Under) Expenditures	(5)		(5)		
Fund Balance, July 1					
Fund Balance / (Deficit), June 30	\$ (5)		\$ (5)	\$ -0-	\$ -0-

**STATISTICAL SECTION**  
**UNAUDITED**

This part of the 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 School's overall financial health.

**Contents**

	<b><u>Exhibit</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School's financial performance and well-being have changed over time.	J-1 thru J-5
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the School's ability to generate its property taxes.	J-6 thru J-9
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School's current levels of outstanding debt and the School's ability to issue additional debt in the future.	J-10 thru J-13
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the School's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
<b>Operating Information</b> These schedules contain information about the School's operations and resources to help the reader understand how the School's financial information relates to the services the School provides and the activities it performs.	J-16 thru J-20

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
UNAUDITED  
(accrual basis of accounting)

	June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 1,330,969	\$ 1,330,571	\$ 1,424,825	\$ 2,226,469	\$ 3,132,153	\$ 3,302,019	\$ 3,398,920	\$ 3,608,955	\$ 3,645,363	\$ 4,308,018
Restricted	796,875	1,582,474	1,313,004	1,560,931	1,262,447	2,875,577	3,442,795	3,429,730	4,372,612	3,150,233
Unrestricted/(Deficit)	(68,974)	(113,971)	536,709	666,012	1,173,218	(3,372,384)	(2,867,466)	(3,360,060)	(3,524,160)	(2,729,247)
Total Governmental Activities Net Position	\$ 2,058,870	\$ 2,799,074	\$ 3,274,538	\$ 4,453,412	\$ 5,567,818	\$ 2,805,212	\$ 3,974,249	\$ 3,678,625	\$ 4,493,815	\$ 4,729,004
<b>Business-type Activities</b>										
Investment in Capital Assets	\$ 37,122	\$ 31,294	\$ 25,731	\$ 20,169	\$ 14,607	\$ 9,585	\$ 9,042	\$ 7,451	\$ 48,655	\$ 43,438
Unrestricted/(Deficit)	41,793	38,737	28,154	27,851	24,435	22,596	34,049	29,891	23,412	27,389
Total Business-type Activities Net Position/(Deficit)	\$ 78,915	\$ 70,031	\$ 53,885	\$ 48,020	\$ 39,042	\$ 32,181	\$ 43,091	\$ 37,342	\$ 72,067	\$ 70,827
<b>District-wide</b>										
Net Investment in Capital Assets	\$ 1,368,092	\$ 1,361,864	\$ 1,450,556	\$ 2,246,638	\$ 3,146,760	\$ 3,311,604	\$ 3,407,962	\$ 3,616,406	\$ 3,694,018	\$ 4,351,456
Restricted	796,875	1,582,474	1,313,004	1,560,931	1,262,447	2,875,577	3,442,795	3,429,730	4,372,612	3,150,233
Unrestricted/(Deficit)	(27,181)	(75,234)	564,862	693,863	1,197,653	(3,349,788)	(2,833,417)	(3,330,169)	(3,500,748)	(2,701,858)
Total District Net Position	\$ 2,137,786	\$ 2,869,104	\$ 3,328,422	\$ 4,501,432	\$ 5,606,860	\$ 2,837,393	\$ 4,017,340	\$ 3,715,967	\$ 4,565,882	\$ 4,799,831

Source: Bloomingdale Borough School District Financial Reports

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
CHANGE IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 3,677,592	\$ 3,350,672	\$ 3,610,539	\$ 4,247,734	\$ 4,417,361	\$ 4,891,818	\$ 5,181,135	\$ 5,781,029	\$ 5,493,336	\$ 5,680,888
Special Education	1,184,449	1,354,277	1,262,086	1,206,555	1,289,740	1,730,160	1,388,569	1,679,182	1,608,561	1,978,035
Other Special Education	218,973	304,389	285,387	199,082	220,244	220,451	130,441	148,597	304,823	304,823
Other Instruction	53,921	53,557	54,368	71,813	75,788	75,934	104,165	106,426	104,082	319,227
Support Services:										
Tuition	5,878,316	5,821,923	5,707,890	5,555,760	5,803,370	6,436,935	6,624,807	7,638,825	7,342,139	7,668,179
Student & Instruction Related Services	2,081,041	2,211,695	2,355,186	2,677,863	2,862,258	3,281,641	3,183,338	3,720,355	3,423,727	2,622,590
General Administrative Services	377,135	378,041	296,026	279,775	356,322	356,412	377,694	367,991	412,510	377,174
School Administrative Services	368,447	377,218	478,846	608,449	522,608	497,731	420,860	479,865	477,734	723,018
Central Services	327,451	341,427	366,163	420,436	425,502	469,831	544,343	538,731	673,322	261,751
Administrative Information Technology	910,348	938,071	1,043,766	1,021,178	1,074,532	1,130,563	961,870	979,827	1,064,346	40,489
Plant Operations and Maintenance	1,031,888	906,057	958,544	1,027,909	1,049,752	1,216,985	1,146,926	1,373,705	1,365,448	1,552,448
Pupil Transportation		1,587	923	1,267	1,267	1,267		1,267	1,267	20,482
Capital Outlay										
Charter Schools	48,867	45,744	38,800	37,815	27,616	28,274	57,233	69,608	70,789	163,302
Unallocated Benefits	628,900	620,932	755,598	26,633	52,675	(12,309)	(32,011)	(2,602)	5,604	
Interest on Long-term Debt										
Unallocated Depreciation	86,188	100,552	6,432	107,153	118,618	167,694	140,057	274,374	14,672	12,687
Total Governmental Activities Expenses	16,873,514	16,806,141	17,220,556	17,488,155	18,297,860	20,493,179	20,266,995	23,173,701	22,606,688	22,900,336
Business-type Activities:										
Food Service	182,408	180,129	192,183	185,337	177,268	184,553	179,696	193,904	199,789	208,333
Total Business-type Activities Expense	182,408	180,129	192,183	185,337	177,268	184,553	179,696	193,904	199,789	208,333
Total District Expenses	17,055,922	16,986,270	17,412,739	17,673,492	18,475,128	20,677,732	20,446,691	23,367,605	22,806,477	23,108,669
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)										
Operating Grants and Contributions	529,924	311,126	297,742	300,702	296,205	262,021	356,040	339,517	365,717	5,775,397
Total Governmental Activities Program Revenues	529,924	311,126	303,022	300,702	296,205	330,762	385,097	359,655	385,452	5,858,567
Business-type Activities:										
Charges for Services:										
Food Service	128,027	121,428	112,416	102,725	103,392	106,647	111,295	103,575	112,920	125,091
Operating Grants and Contributions	51,672	49,717	63,570	76,707	64,851	70,999	78,032	84,532	87,833	81,954
Total Business-type Activities Program Revenues	179,699	171,145	175,986	179,432	168,243	177,646	189,327	188,107	200,753	207,045
Total District Program Revenues	709,623	482,271	479,008	480,134	464,448	508,408	574,424	547,762	586,205	6,065,612
Net (Expense)/Revenue	(16,343,590)	(16,495,015)	(16,917,534)	(17,187,453)	(18,001,655)	(20,162,417)	(19,881,898)	(22,814,046)	(22,221,236)	(17,041,769)
Governmental Activities	(2,709)	(8,984)	(16,197)	(5,905)	(9,025)	(6,907)	9,631	(5,797)	964	(1,288)
Business-type Activities	(16,346,299)	(16,503,999)	(16,933,731)	(17,193,358)	(18,010,680)	(20,169,324)	(19,872,267)	(22,819,843)	(22,220,272)	(17,043,057)

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT**  
**CHANGE IN NET POSITION, LAST TEN FISCAL YEARS**  
**UNAUDITED**  
 (accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 13,422,616	\$ 14,290,069	\$ 14,142,093	\$ 14,895,821	\$ 15,422,086	\$ 15,648,198	\$ 15,961,161	\$ 16,278,291	\$ 16,516,770	\$ 17,120,452
Taxes Levied for Debt Service	2,867,702	2,608,797	3,080,634	3,332,996	3,237,423	4,424,665	4,766,793	6,008,964	6,193,186	92,617
Unrestricted Grants and Contributions	782	685	1,692	1,408	661	809	8,455	10,614	4,080	11,606
Investment Earnings	212,517	335,668	168,579	136,102	455,891	606,995	133,709	128,128	229,845	52,283
Miscellaneous Income	16,503,617	17,235,219	17,392,998	18,366,327	19,116,061	20,680,667	20,961,178	22,518,423	23,036,425	17,276,958
<b>Total Governmental Activities</b>	<b>154</b>	<b>99</b>	<b>51</b>	<b>40</b>	<b>47</b>	<b>45</b>	<b>38</b>	<b>48</b>	<b>58</b>	<b>48</b>
Business-type Activities:										
Miscellaneous/Investment Earnings	154	99	51	40	47	45	38	48	58	48
Total Business-type Activities	154	99	51	40	47	45	38	48	58	48
<b>Total District-wide</b>	<b>16,503,771</b>	<b>17,235,319</b>	<b>17,393,049</b>	<b>18,366,367</b>	<b>19,116,108</b>	<b>20,680,712</b>	<b>20,961,216</b>	<b>22,518,471</b>	<b>23,036,483</b>	<b>17,277,006</b>
<b>Change in Net Position:</b>										
Governmental Activities	160,027	740,204	475,464	1,178,874	1,114,406	518,250	1,079,280	(295,623)	815,189	235,189
Business-type Activities	(2,535)	(8,885)	(16,146)	(5,865)	(8,978)	(6,862)	9,669	(5,749)	1,022	(1,240)
<b>Total District</b>	<b>\$ 157,472</b>	<b>\$ 731,319</b>	<b>\$ 459,319</b>	<b>\$ 1,173,009</b>	<b>\$ 1,105,428</b>	<b>\$ 511,389</b>	<b>\$ 1,088,949</b>	<b>\$ (301,372)</b>	<b>\$ 816,211</b>	<b>\$ 233,949</b>

Source: Bloomingdale Borough School District Financial Reports

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 UNAUDITED  
 (modified accrual basis of accounting)

	June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 796,875									
Unreserved/(Deficit)	620,541									
Restricted		\$ 1,068,558	\$ 1,313,004	\$ 1,560,931	\$ 1,262,447	\$ 1,623,105	\$ 2,606,466	\$ 2,150,173	\$ 2,450,199	\$ 3,150,233
Committed		21,413	21,000							
Assigned		492,504	576,610	758,966	1,283,864	925,122	1,322,464	1,092,713	1,742,873	594,102
Unassigned		584,535	614,603	609,184	644,168	635,577	310,698	755,293	365,465	378,589
Total General Fund	\$ 1,417,416	\$ 2,167,010	\$ 2,525,217	\$ 2,929,081	\$ 3,190,479	\$ 3,183,804	\$ 4,239,628	\$ 3,998,179	\$ 4,558,537	\$ 4,122,924
All Other Governmental Funds										
Assigned									\$ 7,300	
Capital Projects Fund										
Unreserved, Reported in:						\$ 1,156				
Special revenue fund						327,349	\$ 309,154	\$ 186,840	179,540	
Capital Projects Fund/(Deficit)										
Debt Service Fund										\$ 186,840
Restricted										
Unassigned/(Deficit)										
Total All Other Governmental Funds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 328,505	\$ 309,159	\$ 186,845	\$ 186,840	\$ 186,840

Source: Bloomingdale Borough School District Financial Reports

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

UNAUDITED  
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Tax Levy	\$ 13,422,616	\$ 14,290,069	\$ 14,142,093	\$ 14,895,821	\$ 15,422,086	\$ 15,648,198	\$ 16,052,221	\$ 16,370,717	\$ 16,609,314	\$ 17,213,069
Tuition Charges		215,252	99,006	80,812	189,289	68,741	29,057	20,137	19,735	83,170
Interest Earnings	782	685	1,692	1,408	8,217	10,614	8,455	10,614	4,080	186
Miscellaneous	212,517	120,415	69,573	55,290	260,067	260,067	133,709	128,128	229,845	52,097
State Sources	2,589,611	2,584,949	2,988,281	3,316,076	3,225,277	3,888,500	3,435,996	3,753,831	3,914,640	4,142,189
Federal Sources	799,808	327,053	390,095	317,622	308,351	295,728	376,609	365,897	387,456	453,016
<b>Total Revenue</b>	<b>17,025,335</b>	<b>17,538,425</b>	<b>17,690,740</b>	<b>18,667,029</b>	<b>19,412,267</b>	<b>20,169,451</b>	<b>20,036,047</b>	<b>20,649,324</b>	<b>21,165,071</b>	<b>21,943,727</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	2,991,213	2,660,985	2,786,720	2,897,856	3,050,383	3,143,962	3,219,002	3,258,614	3,195,286	3,126,668
Special Education Instruction	957,454	1,091,334	964,636	1,039,398	1,128,846	1,147,152	843,492	900,261	887,905	1,117,783
Other Special Instruction	172,396	234,825	211,483	129,738	147,010	147,069	89,489	93,689	180,804	
Other Instruction	42,884	41,208	40,245	46,748	50,237	46,677	61,219	56,185	56,403	164,572
<b>Support Services:</b>										
Tuition	5,878,316	5,821,923	5,707,890	5,555,760	5,803,371	6,436,935	6,624,807	7,638,826	7,342,139	7,668,179
Student & Instruction Related Services	1,759,892	1,863,939	1,918,253	2,000,415	2,208,434	2,411,696	2,238,504	2,521,468	2,273,762	2,288,111
General Administration	326,801	322,017	257,453	223,039	299,710	278,985	275,154	252,461	289,659	338,826
School Administrative Services	291,938	293,230	359,101	403,167	352,277	312,367	252,355	258,023	264,866	382,281
Central Services	260,280	266,417	276,824	280,172	288,309	296,135	321,518	278,309	380,166	211,850
Administrative Information Technology										20,997
Plant Operations and Maintenance	877,894	893,250	897,814	962,849	1,017,985	1,051,571	899,318	903,219	998,032	1,119,219
Pupil Transportation	1,001,609	886,596	938,316	990,403	995,430	1,188,001	1,146,926	1,372,045	1,355,077	1,552,448
Employee Benefits	2,138,634	2,255,200	2,725,527	2,773,933	2,728,717	2,790,215	2,765,657	2,853,432	2,964,330	3,406,636
Charter Schools	48,867	45,744	38,802	37,815	27,616	28,274	57,233	69,608	70,789	163,302
Capital Outlay	255,817	112,164	209,468	921,872	1,052,544	1,268,793	112,686	464,521	252,952	725,846
Debt Service:										
Principal								75,000	77,000	79,000
Interest and Other Charges								17,426	15,549	13,622
<b>Total Expenditures</b>	<b>17,003,995</b>	<b>16,788,832</b>	<b>17,352,532</b>	<b>18,263,165</b>	<b>19,150,869</b>	<b>20,547,831</b>	<b>18,907,358</b>	<b>21,013,087</b>	<b>20,604,718</b>	<b>22,379,340</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,340	749,593	358,208	403,864	261,398	(378,380)	1,128,689	(363,763)	560,353	(435,613)
<b>Other Financing Sources (Uses)</b>										
Cancellation of Prior Years Accounts Receivable						(105,946)				
Bond Proceeds						805,000				
Transfers Out						699,054				
Total Other Financing Sources (Uses)	-0-	-0-	-0-	-0-	-0-	699,054	(91,055)	-0-	-0-	-0-
<b>Net Change in Fund Balances</b>	<b>\$ 21,340</b>	<b>\$ 749,593</b>	<b>\$ 358,208</b>	<b>\$ 403,864</b>	<b>\$ 261,398</b>	<b>\$ 320,675</b>	<b>\$ 1,037,634</b>	<b>\$ (363,763)</b>	<b>\$ 560,353</b>	<b>\$ (435,613)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.45%	0.46%	0.43%

Source: Borough of Bloomingdale School District Financial Reports



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Other Miscellaneous	Total
2010		\$ 782	\$ 212,517	\$ 213,299
2011	\$ 215,252	685	120,415	336,352
2012	99,006	1,692	69,573	170,271
2013	80,812	1,408	55,290	137,510
2014	189,289	6,487	260,776	456,552
2015	68,741	9,560	258,724	337,025
2016	29,057	8,455	133,709	171,221
2017	20,137	10,614	128,128	158,879
2018	19,735	4,080	229,845	253,660
2019	83,170	186	52,092	135,448

Source: Bloomingdale Borough School District Financial Reports

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,**  
**LAST TEN YEARS**  
**UNAUDITED**

Year Ended December 31,	Vacant Land	Residential	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	School Tax Rate <sup>b</sup>	County Equalized Value
2009	\$ 12,650,800	\$ 364,644,100	\$ 551,164	\$ 33,034,900	\$ 6,000	\$ 10,861,500	\$ 421,748,464	\$ 324,360	\$ 422,072,824	3.127	\$ 1,001,864,289
2010	11,849,100	364,474,800	590,564	32,625,650	6,000	10,361,500	419,907,614	318,198	420,225,812	3.294	939,566,665
2011	12,820,400	364,341,500	590,564	31,839,200	140,400	10,709,900	420,441,964		420,441,964	3.382	897,229,970
2012	* 32,918,200	625,962,300	961,200	60,037,400	5,578,800	22,618,100	748,076,000		748,076,000	1.941	820,438,693
2013	32,367,100	623,684,300	961,200	59,251,800	5,578,800	22,560,300	744,403,500		744,403,500	2.037	785,981,945
2014	25,910,100	627,648,300	971,200	58,434,600	5,578,800	22,560,300	741,103,300		741,103,300	2.096	799,981,973
2015	26,171,400	625,595,800	1,406,100	55,521,500	5,365,600	22,160,300	736,220,700		736,220,700	2.147	796,430,874
2016	25,447,300	623,791,300	1,914,400	55,407,900	5,200,100	22,160,300	733,921,300		733,921,300	2.222	831,921,673
2017	25,484,300	624,082,800	1,914,400	53,049,500	5,200,100	22,160,300	731,891,400		731,891,400	2.253	850,245,586
2018	25,100,600	624,254,100	1,914,500	52,509,500	5,200,100	22,160,300	731,139,100		731,139,100	2.307	862,528,807

\* Revaluation became effective in this year.

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100 of assessed valuation.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
*(rate per \$100 of assessed value)*

Year Ended December 31,	Bloomingtondale Borough School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt <sup>b</sup>	Total Direct	Borough of Bloomingtondale	Passaic County	
2009	\$ 3.127		\$ 3.127	\$ 1.510	\$ 1.215	\$ 5.852
2010	3.294		3.294	1.659	1.278	6.231
2011	3.382		3.382	1.744	1.288	6.414
2012	1.941		1.941	1.045	0.695	3.681
2013	2.037		2.037	1.071	0.742	3.850
2014	2.096		2.096	1.063	0.746	3.905
2015	2.147		2.147	1.085	0.822	4.054
2016	2.197	\$ 0.025	2.222	1.109	0.824	4.155
2017	2.240	0.013	2.253	1.108	0.852	4.213
2018	2.294	0.013	2.307	1.120	0.868	4.295

Source: Municipal Tax Collector and School Business Administrator

Note:

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

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

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2019		2010	
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer
		\$ 14,890,100	3.45%	
Waterfall Village LLC		9,063,200	2.10%	
Finbar Equity I LLC C/O Tilcon Lake Josco		6,196,900	1.44%	
Bloomingdale Real Property LLC		5,000,000	1.16%	
Tilcon New York Inc		4,160,100	0.96%	
LCL Mountaintop LLC		2,700,000	0.63%	
Bloomingdale Urban Renewal LLC		2,475,000	0.57%	
Finbar Equity I LLC C/O Tilcon		2,096,200	0.49%	
TAIT Realty Management, LLC		2,034,900	0.47%	
Wachovia/World SVGS Bank		1,599,500	0.37%	
Total		\$ 50,215,900	11.65%	
				Taxable Assessed Value
				% of Total District Net Assessed Value
				N/A
				N/A

Data Not Available

Source: Municipal Tax Assessor

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy<sup>a</sup></u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2010	\$ 13,422,616	\$ 13,422,616	100.00%	-0-
2011	14,290,069	14,290,069	100.00%	-0-
2012	14,142,093	14,142,093	100.00%	-0-
2013	14,895,821	14,895,821	100.00%	-0-
2014	15,422,086	15,422,086	100.00%	-0-
2015	15,648,198	15,648,198	100.00%	-0-
2016	16,052,221	16,052,221	100.00%	-0-
2017	16,370,717	16,370,717	100.00%	-0-
2018	16,609,314	16,609,314	100.00%	-0-
2019	17,120,452	17,120,452	100.00%	-0-

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

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases			
2010	\$ -0-	\$ -0-	\$ -0-	\$ -0-	0.00%	\$ -0-
2011	-0-	-0-	-0-	-0-	0.00%	-0-
2012	-0-	-0-	-0-	-0-	0.00%	-0-
2013	-0-	-0-	-0-	-0-	0.00%	-0-
2014	-0-	-0-	-0-	-0-	0.00%	-0-
2015	805,000	-0-	-0-	805,000	0.21%	97.85
2016	743,000	-0-	-0-	743,000	0.19%	90.29
2017	668,000	-0-	-0-	668,000	0.17%	81.05
2018	591,000	-0-	-0-	591,000	0.15%	73.22
2019	512,000	-0-	-0-	512,000	0.13%	63.43

Source: Borough of Bloomingdale School District Financial Reports

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

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>General Bonded Debt Outstanding</u>						
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>	
2010	\$ -0-	\$ -0-	\$ -0-	0.00%	\$ -0-	
2011	-0-	-0-	-0-	0.00%	-0-	
2012	-0-	-0-	-0-	0.00%	-0-	
2013	-0-	-0-	-0-	0.00%	-0-	
2014	-0-	-0-	-0-	0.00%	-0-	
2015	805,000	-0-	805,000	0.11%	97.85	
2016	743,000	-0-	743,000	0.10%	90.29	
2017	668,000	-0-	668,000	0.09%	81.05	
2018	591,000	-0-	591,000	0.08%	73.22	
2019	512,000	-0-	512,000	0.12%	63.43	

Source: Bloomingdale Borough School District Financial Reports

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

a See Exhibit J-6 for property tax data.

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2018  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Bloomingdale	\$ 17,519,547	100.00%	\$ 17,519,547
Passaic County Utility Authority - Borough's Share	46,770,000	1.22%	572,256
County of Passaic	340,314,345	1.22%	<u>4,163,930</u>
Subtotal, overlapping debt			22,255,734
Borough of Bloomingdale School District Direct Debt			<u>512,000</u>
Total direct and overlapping debt			<u><u>\$ 22,767,734</u></u>

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

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

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



BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 30,386,387	\$ 29,542,114	\$ 28,380,184	\$ 26,569,171	\$ 25,036,506	\$ 24,064,026	\$ 23,080,948	\$ 23,615,345	\$ 24,194,981	\$ 25,033,028
Total net debt applicable to limit	\$ 30,386,387	\$ 29,542,114	\$ 28,380,184	\$ 26,569,171	\$ 25,036,506	\$ 23,259,026	\$ 22,337,948	\$ 22,947,345	\$ 23,603,981	\$ 24,521,028
Legal debt margin	0.00%	0.00%	0.00%	0.00%	0.00%	3.35%	3.22%	2.83%	2.44%	2.05%
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	3.35%	3.22%	2.83%	2.44%	2.05%

	2018	2017	2016
Equalized valuation basis	\$ 821,135,557	\$ 850,245,586	\$ 831,921,673
	\$ 2,503,302,816	\$ 834,434,272	\$ 25,033,028
Average equalized valuation of taxable property			\$ 512,000
Debt limit (3% of average equalization value)			\$ 24,521,028
Net bonded school debt			
Legal debt margin			

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Year	Borough Population <sup>a</sup>	Borough Personal Income <sup>b</sup>	Passaic County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2010	7,673	\$ 311,178,515	\$ 40,555	7.50%
2011	7,726	324,337,480	41,980	7.70%
2012	7,742	329,693,070	42,585	7.30%
2013	7,764	334,139,268	43,037	10.30%
2014	8,216	371,782,216	45,251	6.90%
2015	8,227	383,583,875	46,625	5.50%
2016	8,229	387,931,518	47,142	5.10%
2017	8,242	396,868,784	48,152	4.60%
2018	8,072 **	388,682,944 ***	48,152 *	4.20%
2019	8,072 **	388,682,944 ***	48,152 *	N/A

\*- Latest Passaic County per capita personal income available (2017) was used for calculation purposes.

\*\* - Latest population data available (2018) was used for calculation purposes

\*\*\*- Latest personal income data calculated using latest Passaic County per capita personal income data (2017) and latest Borough Population data (2018)

N/A - Information Unavailable

Source:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal Income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per Capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF PASSAIC  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

2019		2010	
Employer	Employees	Employer	Employees
		Percentage of Total Employment	Percentage of Total Employment
		Employment	Employment

Not available

Not available

\* - Employment data provided by the NJ Department of Labor and Workforce Development.

Source: Passaic County Treasurer's Office.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instruction	63	45	45	46	48	50	48	46	47	46
Regular	6	35	19	23	23	20	19	14	14	15
Special education	4	6	13	10	11	16	16	16	15	16
Other special education										
Support Services:										
Student & instruction related services	1		3	3	3	3	3	3	3	5
General and business administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	3	4	5	5	5	4	4	4	4	5
Business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	3	4	8	8	7	5	5	2	2	9
Pupil transportation	3	3	3	3	3	2				
<b>Total</b>	<b>88.0</b>	<b>102.0</b>	<b>101.0</b>	<b>103.0</b>	<b>105.0</b>	<b>105.0</b>	<b>100.0</b>	<b>90.0</b>	<b>90.0</b>	<b>101.0</b>

Source: District Personnel Records

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School					
2010	610	\$ 16,748,178	\$ 27,456	8.52%	54	1:11	1:12	615.0	589.0	-2.69%	95.77%	
2011	627	16,676,667	26,598	-3.13%	57	1:11.7	1:10.2	628.0	601.0	2.11%	95.70%	
2012	616	17,123,064	27,797	4.51%	58	1:8.9	1:10.2	611.0	586.0	-2.71%	95.91%	
2013	618	17,341,293	28,060	0.95%	57	1:8.8	1:9.1	614.0	584.0	0.49%	95.11%	
2014	612	18,098,325	29,572	5.39%	59	1:11	1:11	607.0	579.0	-1.14%	95.39%	
2015	600	19,226,346	32,044	8.36%	59	1:13	1:12	592.0	573.0	-2.47%	96.79%	
2016	605	17,794,672	29,413	-8.21%	56	1:10.9	1:10.6	582.0	561.0	-1.69%	96.39%	
2017	551	20,456,140	37,125	26.22%	57	1:9.5	1:12	527.5	513.2	-9.36%	97.29%	
2018	532	20,259,218	38,081	2.57%	57	1:9.1	1:10	530.1	521.9	0.49%	98.45%	
2019	546	21,845,308	40,010	5.06%	61	1:7.2	1:7	539.1	521.9	1.69%	96.82%	

Sources: Bloomingdale Borough School District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d Cost per pupil is the sum of operating expenditures divided by enrollment. This cost per pupil may be different from the State's cost per pupil calculations.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>District Building</b>										
<b>Elementary</b>										
Martha B. Day										
Square Feet	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198	28,198
Capacity (students)	216	216	216	216	216	216	216	216	216	216
Enrollment	152	152	139	139	154	154	154	154	117	123
<b>Elementary</b>										
Samuel R. Donald										
Square Feet	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588	36,588
Capacity (students)	257	257	257	257	257	257	257	257	257	257
Enrollment	210	210	199	199	189	189	189	189	172	170
<b>Middle School</b>										
Walter T. Bergen										
Square Feet	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965	55,965
Capacity (students)	257	257	257	257	257	257	257	257	257	257
Enrollment	248	248	278	278	269	269	269	269	246	247

Number of Schools at June 30, 2019  
 Elementary = 2  
 Middle School = 1

Source: District Facilities Office

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

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
 UNAUDITED

School Facilities*	Projects #	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Martha B. Day School	N/A	\$ 25,023	\$ 26,186	\$ 27,685	\$ 34,484	\$ 8,994	\$ 17,798	\$ 19,656	\$ 14,587	\$ 41,376	\$ 45,876
Samuel R. Donald School	N/A	29,952	33,838	31,529	36,142	15,558	44,612	15,902	19,277	46,638	51,710
Walter T. Bergen School	N/A	32,531	52,749	43,403	33,590	39,609	88,033	9,994	15,203	74,809	82,945
Total School Facilities		\$ 87,506	\$ 112,773	\$ 102,617	\$ 104,216	\$ 64,161	\$ 150,443	\$ 45,552	\$ 49,067	\$ 162,823	\$ 180,532

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

Source: District records

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2018  
UNAUDITED

	Coverage	Deductible
<b>American Alternative Insurance</b>		
Property & Casualty:		
Building & Contents including Equipment Breakdown	\$ 26,230,625	\$ 5,000
Commercial General Liability:		
Per occurrence	1,000,000	
Personal and Advertising Injury Limit	1,000,000	
Damage to Rented Premises	1,000,000	
Product/Completed Operations Aggregate	3,000,000	
General Aggregate - Policy Limit	3,000,000	
Medical Expenses	10,000	
Employee Benefits Liability = Each Employee	1,000,000	
Employee Benefits Liability = Aggregate	2,000,000	
Business Income	25,000	5,000
Extra Expense	5,000,000	5,000
Limited Pollution Liability Extension	1,000,000	
Employee Dishonesty including Faithful Performance	500,000	5,000
Forgery or Alteration	250,000	5,000
	\$1,000,000 or 100%	
	of amount paid for	
Ordinance or Law Coverage B&C	damage to Building,	5,000
	whichever is greater	
Form C Loss (Inside) Money & Securities	250,000	5,000
EDP Equipment Coverage	121,358,108	5,000
Earthquake- Blanket Coverage	5,000,000	100,000
Flood (Outside Zones A, V or B)	5,000,000	50,000
(Zone B)	2,000,000	100,000
(Zones A, N or V)	1,000,000	500,000
Commercial Automobile Liability	1,000,000	
Towing & Labor	Symbol 2 & 8	1,000
Comprehensive & Collision	5,000	
	<b>Limit</b>	<b>Retention</b>
<b>American Alternative Insurance Corp</b>		
Commercial Umbrella	9,000,000	10,000
<b>Greenwich Insurance Company</b>		
School Board Legal Liability	1,000,000	
Insurance Agreement A & C		25,000
Insurance Agreement B		500,003
<b><u>Public Official Bonds</u></b>		
<b>Western Surety Company</b>		
Sherry Lisa Gallagher - Treasurer	300,000	
<b>Selective Insurance Company</b>		
Vincent Occhino - Business Administrator (7/1/18-12/3/18)	150,000	
<b>Selective Insurance Company</b>		
Mark Kramer - Business Administrator (12/3/18-6/30/19)	150,000	
<b>Indian Harbor Insurance Company</b>		
Technology E&O	4,000,000	25,000
<b>Safety National Casualty Corporation</b>		
Excess Workers Compensation & Employer's Liability		
Employer's Liability Maximum Limit of Indemnity - Per Occurrence	1,000,000	
Self-Insured Retention Per Occurrence		500,000



BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2018  
UNAUDITED

	Limit	Retention
<b>Ace American Insurance Company</b>		
Environmental Impairment Liability		
Per Pollution Condition	\$ 1,000,000	
Per Named Insurance Sublimit	3,000,000	
Self-Insured - Retention		\$ 25,000
Program Aggregate	10,000,000	
 <b>Life Insurance Company of North America</b>		
Group Travel Accident		
Accident Medical Expense Benefit	2,000	
 <b>QBC Insurance Corporation</b>		
Volunteer Accident		
Medical Maximum	10,000	

SINGLE AUDIT SECTION



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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

The Honorable President and Members  
 of the Board of Education  
 Borough of Bloomingdale School District  
 County of Passaic, 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Bloomingdale School District, in the County of Passaic (the "District") as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 6, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District'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 the 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.

The Honorable President and Members  
of the Board of Education  
Borough of Bloomingdale School District  
Page 2

### **Compliance and Other Matters**

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

### **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 result of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 6, 2019  
Mount Arlington, New Jersey

NISIVOCCIA LLP



Raymond Sarinelli  
Licensed Public School Accountant #864  
Certified Public Accountant



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Report on Compliance For Each Major State Program;  
Report on Internal Control Over Compliance

Independent Auditors' Report

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

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

We have audited the Borough of Bloomingdale School District (the "District's") compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2019. The District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

The Honorable President and Members  
of the Board of Education  
Borough of Bloomingdale School District  
Page 2

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

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2019.

**Report on Internal Control Over Compliance**

Management of the 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 District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJOMB 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 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 Uniform Guidance or NJOMB 15-08. Accordingly, this report is not suitable for any other purpose.

November 6, 2019  
Mount Arlington, New Jersey

NISIVOCIA LLP



Raymond Sarinelli  
Licensed Public School Accountant #864  
Certified Public Accountant

**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass Through Grantor Program/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2018			Cash Received	Budgetary Expenditures	Repay Prior Years' Balance	Balance at June 30, 2019		Amount Provided to Subrecipients
					Budgetary Accounts Receivable	Unearned Revenue	Due to Grantor				Budgetary Accounts Receivable	Unearned Revenue	
<b>U.S. Department of Education Passed-through State Department of Education:</b>													
<b>Special Education Cluster:</b>													
I.D.E.A. Part B, Basic	84.027	IDEA338019	7/1/18-6/30/19	\$ 188,337			\$ 175,594	\$ (182,937)			\$ (7,343)		
I.D.E.A. Part B, Preschool	84.173	IDEA338019	7/1/18-6/30/19	7,024				(3,023)			(3,023)		
<b>Total Special Education Cluster</b>							175,594	(185,960)			(10,366)		
<b>Elementary and Secondary Education Act:</b>													
Title I	84.010	ESEA338019	7/1/18-6/30/19	244,987			153,284	(241,438)			(88,154)		
Title II, Part A	84.367	ESEA338019	7/1/18-6/30/19	46,288			9,463	(18,967)			(9,504)		
Title IV	84.424	ESEA338019	7/1/18-6/30/19	10,000			4,561	(8,767)			(4,206)		
<b>Total U.S. Department of Education</b>							342,902	(455,132)			(112,230)		
<b>U.S. Department of Agriculture:</b>													
<b>Passed-through State Department of Agriculture:</b>													
<b>Child Nutrition Cluster:</b>													
Food Distribution Program	10.555	N/A	7/1/17-6/30/18	16,112				(2,225)					
Food Distribution Program	10.555	N/A	7/1/18-6/30/19	9,083			9,083	(6,863)			\$ (2,220)		
National School Lunch Program	10.555	N/A	7/1/17-6/30/18	67,669			5,159						
National School Lunch Program	10.555	N/A	7/1/18-6/30/19	67,409			55,241	(67,409)			(12,168)		
National School Breakfast Program	10.555	N/A	7/1/17-6/30/18	1,736					\$ 325				
National School Breakfast Program	10.555	N/A	7/1/18-6/30/19	3,123			3,123	(3,123)					
<b>Total Child Nutrition Cluster - Total U.S. Department of Agriculture</b>							72,606	(79,620)		325	(12,168)	(2,220)	
<b>Total Federal Awards</b>							\$ (5,159)	\$ 2,225	\$ 325	\$ 415,508	\$ (534,752)	\$ (2,220)	\$ -0-

N/A - Not Available/Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2018			Balance at June 30, 2019			MEMO		
				Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	GAAP Accounts Receivable	Budgetary Unearned Revenue	Budgetary Accounts Receivable	Cumulative Total Expenditures	
				\$	\$	\$	\$	\$	\$	\$	\$	
New Jersey Department of Education General Fund:												
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	\$ 68,641	\$ (6,431)	\$ 6,431							\$ 68,641
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	557,300	(52,215)	(52,215)							557,300
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	1,258,651	(117,927)	(117,927)							1,258,651
Additional Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	56,460	(5,290)	(5,290)							56,460
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	16,458	(1,542)	(1,542)							16,458
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	8,670	(812)	(812)							8,670
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	8,670	812	812							8,670
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	8,510	(807)	(807)							8,510
Extraordinary Aid	18-495-034-5120-044	7/1/17-6/30/18	545,063	(545,063)	(545,063)							545,063
Non Public Transportation Reimbursed TPAF Social	18-495-034-5120-014	7/1/17-6/30/18	30,450	(30,450)	(30,450)							30,450
Security Contributions	18-495-034-5095-003	7/1/17-6/30/18	315,484	(15,866)	(15,866)							315,484
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	102,123		92,554	\$ (102,123)						102,123
Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	557,300		505,081	(557,300)						557,300
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	16,458		14,916	(16,458)						16,458
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	1,258,651		1,140,716	(1,258,651)						1,258,651
Extraordinary Aid	19-495-034-5120-044	7/1/18-6/30/19	628,121			(628,121)						628,121
Non Public Transportation On-Behalf TPAF Pension	19-495-034-5120-014	7/1/18-6/30/19	25,810			(25,810)						25,810
Contributions On-Behalf TPAF Non-Contributory Insurance	19-495-034-5094-002	7/1/18-6/30/19	837,757		837,757	(837,757)						837,757
On-Behalf TPAF Post Retirement Contributions	19-495-034-5094-004	7/1/18-6/30/19	17,536		17,536	(17,536)						17,536
On-Behalf TPAF Long-Term Disability Insurance Reimbursed TPAF Social Security Contributions	19-495-034-5094-001	7/1/18-6/30/19	387,960		387,960	(387,960)						387,960
600		7/1/18-6/30/19	600		600	(600)						600
Total General Fund State Aid	19-495-034-5094-003	7/1/18-6/30/19	305,302		289,895	(305,302)						305,302
				\$ (775,591)	\$ -0-	\$ 2,524,286	\$ (4,137,618)	\$ (669,338)	\$ -0-	\$ (850,603)	\$ (15,407)	\$ 7,011,975



**BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2018			Balance at June 30, 2019			MEMO	
				Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	GAAP Accounts Receivable	Budgetary Unearned Revenue	Budgetary Accounts Receivable	Cumulative Total Expenditures
<b>Capital Projects Fund</b>											
N. J. School Development Auth.	0420-020-13-7001	N/A	\$ 16,597	\$ (16,597)				\$ (16,597)		\$	\$ 16,597
N. J. School Development Auth.	0420-020-13-7002	N/A	4,129	(4,129)				(4,129)			1,386
N. J. School Development Auth.	0420-020-13-7003	N/A	30,431	(30,431)				(30,431)			30,431
N. J. School Development Auth.	0420-020-13-7004	N/A	237,820	(237,820)				(237,820)			237,820
N. J. School Development Auth.	0420-050-13-11005	N/A	243,133	(243,133)				(243,133)			243,133
N. J. School Development Auth.	0420-050-13-11007	N/A	4,670	(4,670)				(4,670)			4,670
<b>Total Capital Projects Fund</b>				<b>(536,780)</b>				<b>(536,780)</b>			<b>534,037</b>
<b>Enterprise Fund:</b>											
State School Lunch Program	19-100-010-3350-023	7/1/18-6/30/19	\$ 2,334		\$ 1,925			\$ (2,334)	\$ 409	\$	\$ 2,334
State School Lunch Program	18-100-010-3350-023	7/1/17-6/30/18	2,317	182	182						2,317
<b>Total Enterprise Fund</b>				<b>182</b>	<b>2,107</b>			<b>(2,334)</b>	<b>409</b>	<b>409</b>	<b>4,651</b>
<b>Total State Awards Subject to Single Audit Determination</b>				<b>\$(1,312,189)</b>	<b>\$ -0-</b>	<b>\$ 2,526,393</b>	<b>\$ (4,139,952)</b>	<b>\$(1,205,709)</b>	<b>\$ -0-</b>	<b>\$(850,194)</b>	<b>\$ 7,550,663</b>
<b>Less: State Awards Not Subject to Single Audit Major Program Determination</b>											
<b>On-Behalf TPAF Contributions:</b>											
On-Behalf TPAF Pension Contributions	19-495-034-5094-002	7/1/18-6/30/19	\$ (837,757)					\$ 837,757			
On-Behalf TPAF Non-Contributory Insurance	19-495-034-5094-004	7/1/18-6/30/19	(17,536)					17,536			
On-Behalf TPAF Post Retirement Contributions	19-495-034-5094-001	7/1/18-6/30/19	(387,960)					387,960			
On-Behalf TPAF Long-Term Disability Insurance	19-495-034-5094-004	7/1/18-6/30/19	(600)					600			
<b>Subtotal - On-Behalf TPAF Pension System Contributions</b>								<b>388,560</b>			
<b>Total State Awards Subject to Single Audit Major Program Determination</b>								<b>\$(3,751,392)</b>			

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Bloomingdale School District under programs of the federal and state governments for the fiscal year ended June 30, 2019. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments for the prior year and for the last two payments of the current budget year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the current year payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year and the final two state aid payments for the prior year which are recognized in the current 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 revenue, whereas the GAAP basis does not. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of the award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,571 for the general fund, (\$13,722) for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, and special revenue funds.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 11,606	\$ 4,142,189	\$ 4,153,795
Special Revenue Fund	441,410		441,410
Food Service Fund	79,620	2,334	81,954
	<u>\$ 532,636</u>	<u>\$ 4,144,523</u>	<u>\$ 4,677,159</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. FEDERAL AND STATE LOANS OUTSTANDING

The Borough of Bloomingdale School District had no loan balances outstanding at June 30, 2019.

NOTE 7. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2019. Revenue and expenditures reported under the Federal Food Distribution Program represent current year value received and current year distributions, respectively.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District has active grants awarded in the amount of \$536,780 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act as of June 30, 2019. As of June 30, 2019 \$534,037 has been expended and submitted for reimbursement and \$534,037 has been drawn down and received. The District realizes grant revenue in the Capital Projects Fund on the GAAP basis as it is expended and submitted for reimbursement.

BOROUGH OF BLOOMINGDALE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on all major state programs.
- The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2019 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Uniform Guidance.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major state programs for the current fiscal year consisted of the following state aid:

<u>State:</u>	<u>State</u>		<u>Award</u>	<u>Budgetary</u>
	<u>Grant Number</u>	<u>Grant Period</u>	<u>Amount</u>	<u>Expenditures</u>
Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	\$ 557,300	\$ 557,300
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	16,458	16,458
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	1,258,651	1,258,651

- The threshold used for distinguishing between State Type A and Type B programs was \$750,000.
- The District was determined to be a "low-risk" auditee for state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

BLOOMINGDALE BOROUGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Status of Prior Year Findings:

There were no prior year audit findings.