

BOGOTA BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Bogota, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Bogota Board of Education

Bogota, New Jersey

For The Fiscal Year Ended June 30, 2019

Prepared by

Business Office

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INTRODUCTORY SECTION

BOGOTA PUBLIC SCHOOLS

Administrative Offices

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

November 11, 2019

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

Dear Board Members and Citizens of Bogota:

The Comprehensive Annual Financial Report of the Bogota Board of Education for the fiscal year ended June 30, 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the respective changes in financial position of the basic financial statements. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditor's report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements. The basic financial statements also include individual financial statements; notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the U.S. Uniform Guidance and the State of Treasury Circular OMB 15-08. Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2018-2019 fiscal year with an average daily enrollment of students, which is greater than the previous year's enrollment.

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2018-19	1,114	-
2017-18	1,116	1.73%
2016-17	1,097	(4.02)%
2015-16	1,143	4.86%
2014-15	1,090	(1.45)%
2013-14	1,106	(4.49)
2012-13	1,158	(0.43)
2011-12	1,163	(0.43)
2010-11	1,168	1.13
2009-10	1,155	(3.67)

2) **ECONOMIC CONDITION AND OUTLOOK:** The Borough of Bogota is fully developed. The existing number of businesses in the Borough has remained relatively stable. The residential area of the School District has experienced a turnover from homes with few school-aged children to families with two to three students. Due to strong budget controls and best practices, Fund Balance will be available for taxpayer relief in the 2019-2020 and 2020-2021 Budget cycles.

3) **MAJOR INITIATIVES:**

Small class sizes, maintaining special needs students in-district, safety, maintenance and upgrades to our facilities, and technological upgrades are major priorities within the district. A major initiative is to improve the overall security of our school district. Class III Special Law Enforcement Officers (SLEOIII) will be hired in all three buildings. One-button lockdown initiation, alarms, emergency strobe lights, and automated law enforcement notification has been planned. Improved camera access, speaker notification, and have also been implemented to improve security in the buildings and communication between leadership and staff.

The physical and mental/emotional safety and well-being of our staff and students have also been taken into consideration. The district has budgeted and created a Wellness room that is run by Care Plus for students with psychological challenges. The district has also created a Wellness committee and program for the staff that includes yoga, strength and balance classes, and step and weight loss challenges. A full-time athletic trainer has also been added to the staff to assist with the physical safety and rehabilitation of student-athletes.

Several curricular and instructional initiatives have been planned or implemented. A curriculum development team has been planned to systematically and consistently research and update all of the curriculum in the district. The district I&RS will be re-evaluated and updated to meet RTI and NJ Tiered System of Supports requirements. Furthermore, our schools will look to pilot adaptive instructional programs through technology to personalize and differentiate instruction specifically in the areas of math.

3) **MAJOR INITIATIVES:** (Continued)

Our district also remains committed to providing the best possible education for special education students. The child study team continues to budget and hire the appropriate number of aides and special education teachers based on student needs. New general education preschool classes have facilitated the inclusion of preschool students with special needs into the least restrictive environment.

All schools continue to maintain or improve the integration of technology in all areas. All schools have access to Google Chromebooks and will continue to add to the number of Chromebooks and charging carts. Smartboards are also planned so that all rooms have access to large touchscreen capability. More digital textbooks are being utilized in various classrooms as well as Google Classroom, Google Docs, and Gmail since the entire district switched over from Microsoft Office to Google Education Suite. Network firewalls and Wi-Fi access points were recently upgraded while network servers and switches are being upgraded to ensure strong network continuity, and technological safety and security have been budgeted through Speak-up and Gaggle.

Capital Improvements

Several safety and security upgrades were completed. Informational technology infrastructure and security camera systems were upgraded for all school buildings. New door access systems were installed all school buildings and Board office. Lintel replacements project was completed at E. Roy Bixby Elementary School. Media center renovations were completed both at Lillian M Steen Elementary School and E. Roy Bixby Elementary School. The majority of the site improvement project at Bogota Jr./Sr. High School which includes additional parking spaces, new fencing, paving, retaining walls stairs and plantings with placing all utility wires underground was completed.

Summer projects will be upgrading the informational technology infrastructure (final phase) district-wide, completion of site improvement at Bogota Jr./Sr. High School and the windows replacement at E. Roy Bixby Elementary School.

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

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

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

5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated Budget approved by the voters of the municipality. Annual appropriated Budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. The final Budget amount as amended for the fiscal year is reflected in the budgetary comparison schedules of the required supplementary information.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of Fund Balance in the subsequent year. Those amounts to be reappropriated are reported as committed or assigned fund balance at June 30, 2019.

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

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

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

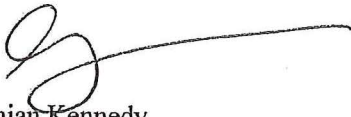
9) **OTHER INFORMATION: Independent Audit** - State Statutes require an annual audit by independent Certified Public Accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Higgins, LLP, CPAs was selected by the Board, approved at the Board's annual reorganization meeting. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the Single Audit are included in the Single Audit Section of this Report.

10) **AWARDS:** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This was the first year that the District received the award. This Certificate of Excellence is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Excellence, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

Respectfully submitted,



Damian Kennedy
Superintendent of Schools



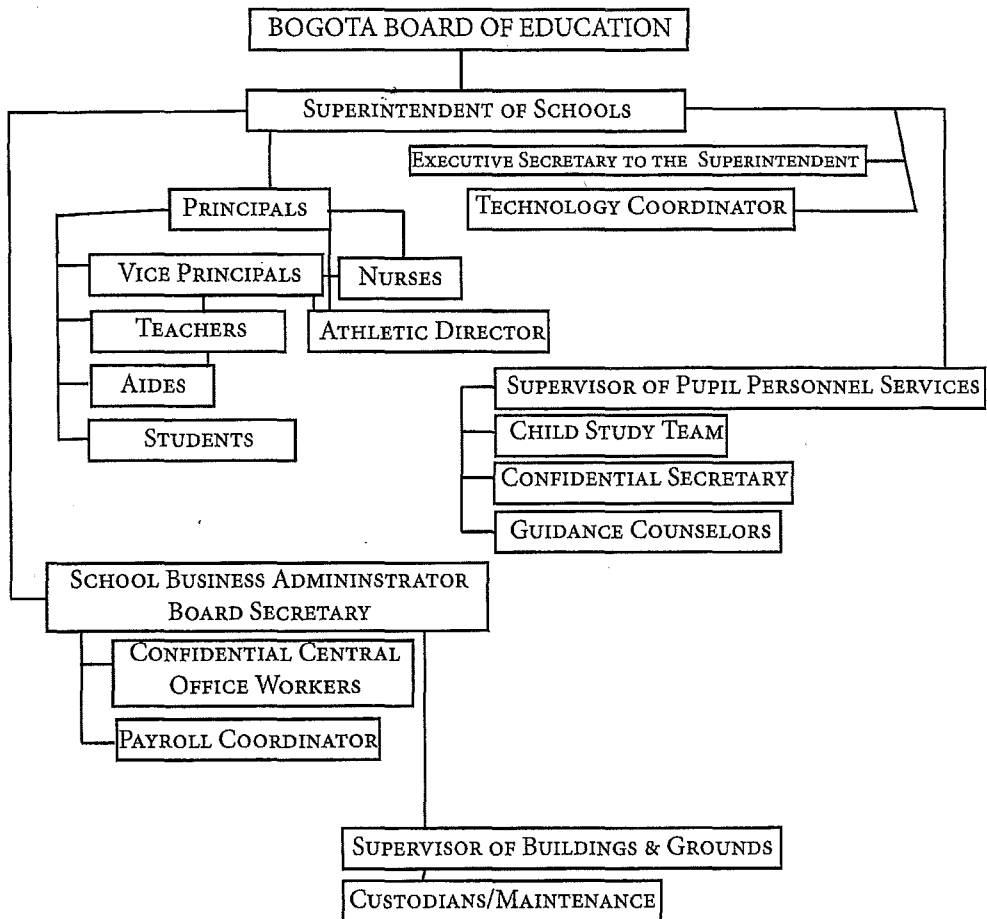
Irfan Evcil
Business Administrator/Board Secretary

POLICY

BOGOTA BOARD OF EDUCATION – BOROUGH OF BOGOTA

ADMINISTRATION
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Organizational Chart
December 2017

1110 ORGANIZATIONAL CHART



Approved: December 19, 2017

**BOGOTA BOARD OF EDUCATION
ROSTER OF OFFICIALS
AS OF JUNE 30, 2019**

Members of the Board of Education

Lisa Kohles, President

Amanda Montgomery, Vice President

Michael Connors

Eileen Lewis

Patrick McHale

Maureen Miller

James Moore

Charles Severino

Katherine Van Buren

Other Officials

Damian Kennedy, Superintendent of Schools

Irfan Evcil, School Business Administrator/Board Secretary

**BOGOTA BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

BOARD AUDITOR

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

BOARD ATTORNEY

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

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

OFFICIAL DEPOSITORY

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



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Bogota Board of Education

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

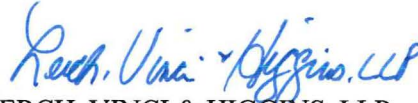
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bogota Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section,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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2019 on our consideration of the Bogota Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bogota Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bogota Board of Education's internal control over financial reporting and compliance.



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



Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 11, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Bogota Board of Education's financial performance provides an overall review of its financial activities for the fiscal year ended June 30, 2019. The intent of this is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

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

Financial Highlights

Key financial highlights for 2018/19 are as follows:

- The assets and deferred outflows of resources of the Bogota Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$12,608,877. (Net Position)
- The District's total net position increased by \$530,362.
- Overall District revenues were \$29,148,916. General revenues accounted for \$20,686,898 or 71% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8,462,018 or 29% of total revenues.
- The school district had \$28,107,332 in expenses for governmental activities; only \$7,927,498 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$20,685,364 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$3,623,570.
- The General Fund fund balance at June 30, 2019 was \$3,419,389, an increase of \$404,785 compared to the ending fund balance at June 30, 2018 of \$3,014,604.
- The General Fund unassigned budgetary fund balance at June 30, 2019 was \$531,920, which represents a decrease of \$50,514 compared to the ending unassigned budgetary fund balance at June 30, 2018 of \$582,434.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the entire District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what remains for future spending. The fund financial statements present significant funds with all other non-major funds presented in one total column. The General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document reports on all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2018/19?" The Statement of Net Position and the Statement of Activities answer that question. These statements include all assets (and deferred outflows of resources) and liabilities (and deferred inflows of resources) using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change is important because it tells the reader that, for the school district as a whole, its financial position improved or diminished. The causes of this change may be the result of many factors. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

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

BOGOTA BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

The District's activities are reported in governmental funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental Fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund used the same basis of accounting as business-type activities; therefore, these statements are essentially the same as the District-wide statements.

The District as a Whole

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

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

A summary of the District's net position as of June 30, 2019 and 2018 is as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
ASSETS						
Current and Other Assets	\$ 4,555,722	\$ 4,574,421	\$ 111,063	\$ 123,331	\$ 4,666,785	\$ 4,697,752
Capital Assets	<u>13,571,854</u>	<u>12,927,735</u>	<u>27,487</u>	<u>21,039</u>	<u>13,599,341</u>	<u>12,948,774</u>
Total Assets	<u>18,127,576</u>	<u>17,502,156</u>	<u>138,550</u>	<u>144,370</u>	<u>18,266,126</u>	<u>17,646,526</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts on Refunding of Debt	70,907	93,724			70,907	93,724
Deferred Amounts on Net Pension Liability	<u>1,759,954</u>	<u>637,238</u>	<u>-</u>	<u>-</u>	<u>1,759,954</u>	<u>637,238</u>
Total Deferred Outflows of Resources	<u>1,830,861</u>	<u>730,962</u>	<u>-</u>	<u>-</u>	<u>1,830,861</u>	<u>730,962</u>
Total Assets and Deferred Outflows of Resources	<u>19,958,437</u>	<u>18,233,118</u>	<u>138,550</u>	<u>144,370</u>	<u>20,096,987</u>	<u>18,377,488</u>
LIABILITIES						
Long-Term Liabilities	5,357,489	4,951,555			5,357,489	4,951,555
Other Liabilities	<u>978,535</u>	<u>607,687</u>	<u>12,937</u>	<u>43,589</u>	<u>991,472</u>	<u>651,276</u>
Total Liabilities	<u>6,336,024</u>	<u>5,559,242</u>	<u>12,937</u>	<u>43,589</u>	<u>6,348,961</u>	<u>5,602,831</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Amounts on Net Pension Liability	<u>1,139,149</u>	<u>696,142</u>	<u>-</u>	<u>-</u>	<u>1,139,149</u>	<u>696,142</u>
Total Deferred Inflows of Resources	<u>1,139,149</u>	<u>696,142</u>	<u>-</u>	<u>-</u>	<u>1,139,149</u>	<u>696,142</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,475,173</u>	<u>6,255,384</u>	<u>12,937</u>	<u>43,589</u>	<u>7,488,110</u>	<u>6,298,973</u>
NET POSITION						
Net Investment in Capital Assets	10,968,650	9,798,605	27,487	21,039	10,996,137	9,819,644
Restricted	2,458,577	2,311,853			2,458,577	2,311,853
Unrestricted	<u>(943,963)</u>	<u>(132,724)</u>	<u>98,126</u>	<u>79,742</u>	<u>(845,837)</u>	<u>(52,982)</u>
Total Net Position	<u>\$ 12,483,264</u>	<u>\$ 11,977,734</u>	<u>\$ 125,613</u>	<u>\$ 100,781</u>	<u>\$ 12,608,877</u>	<u>\$ 12,078,515</u>

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The changes in net position for fiscal years ended June 30, 2019 and 2018 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues						
Charges for Services	\$ 65,857	\$ 79,483	\$ 247,657	\$ 206,287	\$ 313,514	\$ 285,770
Operating Grants and Contributions	7,823,735	8,057,872	286,863	289,779	8,110,598	8,347,651
Capital Grants and Contributions	37,906	14,365			37,906	14,365
General Revenues						
Property Taxes	15,591,248	15,097,761			15,591,248	15,097,761
State and Federal Aid- Unrestricted/Restricted	4,783,497	4,899,186			4,783,497	4,899,186
Other	310,619	142,936	1,534	2,023	312,153	144,959
Total Revenues	<u>28,612,862</u>	<u>28,291,603</u>	<u>536,054</u>	<u>498,089</u>	<u>29,148,916</u>	<u>28,789,692</u>
PROGRAM EXPENSES						
Instruction	18,189,462	18,558,780			18,189,462	18,558,780
Support Services						
Students and Instructional Staff	3,690,134	3,082,469			3,690,134	3,082,469
General Administration, School Administration	1,938,175	2,071,238			1,938,175	2,071,238
Business Operations and Maintenance of Facilities	3,341,073	2,994,936			3,341,073	2,994,936
Pupil Transportation	872,381	977,671			872,381	977,671
Interest on Debt and Other Charges	76,107	90,630			76,107	90,630
Food Services			480,533	451,152	480,533	451,152
Summer Recovery	-	-	30,689	23,960	30,689	23,960
Total Expenses	<u>28,107,332</u>	<u>27,775,724</u>	<u>511,222</u>	<u>475,112</u>	<u>28,618,554</u>	<u>28,250,836</u>
Transfers	-	-	-	-	-	-
Increase in Net Position	505,530	515,879	24,832	22,977	530,362	538,856
Net Position, Beginning of Year	<u>11,977,734</u>	<u>11,461,855</u>	<u>100,781</u>	<u>77,804</u>	<u>12,078,515</u>	<u>11,539,659</u>
Net Position, End of Year	<u>\$ 12,483,264</u>	<u>\$ 11,977,734</u>	<u>\$ 125,613</u>	<u>\$ 100,781</u>	<u>\$ 12,608,877</u>	<u>\$ 12,078,515</u>

District as a Whole

The funding of schools are primarily through property taxes in New Jersey. Property taxes made up 53 percent of revenues for the Bogota Board of Education in fiscal year 2018/19. The District's total revenues were \$29,148,916 for the fiscal year ended June 30, 2019. Federal, state, and local grants for programs accounted for another 44 percent of revenue. The total cost of all programs and services was \$28,618,554. Instruction comprises 64 percent of District expenses.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-Type Activities

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

Food Service Program

- Food service revenues exceeded expenses by \$24,832.
- Charges for services or \$247,657 represent 46 percent of revenue.
- Revenues include lunches and ala carte meals paid for by the students and partial or total reimbursement provided by the district's participation in the National School Lunch Program.

The Board also maintains a Summer Recovery Program. The revenues from this Fund exceeded program expenses by \$5,886.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The schedule below summarizes the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

	<u>Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Instruction	\$ 18,189,462	\$ 18,558,780	\$ 12,337,557	\$ 11,983,312
Support Services				
Students and Instructional Staff	3,690,134	3,082,469	2,584,467	2,212,845
General Administration, School Administration	1,938,175	2,071,238	1,628,351	1,685,194
Business Operations and Maintenance of Facilities	3,341,073	2,994,936	2,875,462	2,737,070
Pupil Transportation	872,381	977,671	677,890	914,953
Interest and Fiscal Charges	<u>76,107</u>	<u>90,630</u>	<u>76,107</u>	<u>90,630</u>
Total Governmental Activities	<u>\$ 28,107,332</u>	<u>\$ 27,775,724</u>	<u>\$ 20,179,834</u>	<u>\$ 19,624,004</u>

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

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

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

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

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the District.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund) are accounted for using the modified accrual basis of accounting. Total revenues and other financing sources amounted to \$26,839,829 and expenditures and other financing uses were \$27,238,543 for the fiscal year ended June 30, 2019.

The following schedule presents a summary of the governmental fund revenues for the fiscal years ended June 30, 2019 and 2018.

	<u>Amount</u>		<u>Amount of</u>	<u>Percent</u>
	<u>2019</u>	<u>2018</u>	<u>Increase</u>	<u>Increase</u>
			<u>(Decrease)</u>	<u>(Decrease)</u>
Local Sources	\$ 16,009,724	\$ 15,339,808	\$ 669,916	4.4%
State Sources	9,949,042	8,718,427	1,230,615	14.1%
Federal Sources	<u>767,275</u>	<u>755,299</u>	<u>11,976</u>	1.6%
 Total Revenues	 <u>\$ 26,726,041</u>	 <u>\$ 24,813,534</u>	 <u>\$ 1,912,507</u>	 7.7%

The following schedule represents a summary of the governmental fund expenditures for the fiscal year ended June 30, 2019 and 2018.

<u>Expenditures</u>	<u>Amount</u>		<u>Amount of</u>	<u>Percent</u>
	<u>2019</u>	<u>2018</u>	<u>Increase</u>	<u>Increase</u>
			<u>(Decrease)</u>	<u>(Decrease)</u>
Current:				
Instruction	\$ 16,538,397	\$ 15,828,732	\$ 709,665	4.5%
Support Services	8,704,932	7,792,433	912,499	11.7%
Capital Outlay	1,270,226	1,412,820	(142,594)	-10.1%
Debt Service:				
Principal	500,000	505,000	(5,000)	-1.0%
Interest and Other Charges	<u>111,200</u>	<u>128,775</u>	<u>(17,575)</u>	-13.6%
 Total Expenditures	 <u>\$ 27,124,755</u>	 <u>\$ 25,667,760</u>	 <u>\$ 1,456,995</u>	 5.7%

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgeting Highlights

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

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

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

Capital Assets – Governmental Activities

At the end of fiscal years 2019 and 2018, the District had \$13,571,854 and \$12,927,735, respectively, invested in land, buildings, furniture, equipment and vehicles used for governmental activities. A comparison of the year end balances is as follows:

Capital Assets (Net of Depreciation) at June 30

	<u>2019</u>	<u>2018</u>
Land	\$ 69,852	\$ 69,852
Construction in Progress	1,362,213	947,432
Building and Building Improvements	11,880,746	11,684,823
Improvements Other than Buildings	1,718	1,905
Machinery and Equipment	<u>257,325</u>	<u>223,723</u>
Total	<u>\$ 13,571,854</u>	<u>\$ 12,927,735</u>

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets – Governmental Activities (Continued)

Overall capital assets increased by \$644,119 from fiscal year 2018 to fiscal year 2019 due to this year's capital asset additions of \$1,270,226 exceeding depreciation expense of \$626,107.

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

Debt Administration

At June 30, 2019 and 2018, the District had \$5,357,489 and \$4,951,555, respectively of outstanding debt, which consists of serial bonds issued for school construction, compensated absences and net pension liability.

Outstanding Debt at June 30

	<u>2019</u>	<u>2018</u>
General Obligation Bonds (Net)	\$ 2,674,111	\$ 3,222,854
Compensated Absences	145,715	125,962
Net Pension Liability	<u>2,537,663</u>	<u>1,602,739</u>
	<u>\$ 5,357,489</u>	<u>\$ 4,951,555</u>

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

For the Future

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

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

Contacting the District's Financial Management

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

DISTRICT-WIDE FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 4,230,368	\$ 71,336	\$ 4,301,704
Receivables, net:			
Receivables from Other Governments	274,274	13,476	287,750
Other	51,080	21,433	72,513
Inventory		4,818	4,818
Capital Assets:			
Not Being Depreciated	1,432,065		1,432,065
Being Depreciated, Net	<u>12,139,789</u>	<u>27,487</u>	<u>12,167,276</u>
Total Assets	<u>18,127,576</u>	<u>138,550</u>	<u>18,266,126</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	70,907		70,907
Deferred Amounts on Net Pension Liability	<u>1,759,954</u>	-	<u>1,759,954</u>
Total Deferred Outflows of Resources	<u>1,830,861</u>	-	<u>1,830,861</u>
Total Assets and Deferred Outflows of Resources	<u>19,958,437</u>	<u>138,550</u>	<u>20,096,987</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	814,362	5,865	820,227
Intergovernmental Payables	30,238		30,238
Accrued Interest Payable	46,383		46,383
Unearned Revenue	87,552	7,072	94,624
Noncurrent Liabilities :			
Due Within One Year	490,000		490,000
Due Beyond One Year	<u>4,867,489</u>	-	<u>4,867,489</u>
Total Liabilities	<u>6,336,024</u>	<u>12,937</u>	<u>6,348,961</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>1,139,149</u>	-	<u>1,139,149</u>
Total Deferred Inflows of Resources	<u>1,139,149</u>	-	<u>1,139,149</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,475,173</u>	<u>12,937</u>	<u>7,488,110</u>
NET POSITION			
Net Investment in Capital Assets	10,968,650	27,487	10,996,137
Restricted for			
Capital Projects	2,456,842		2,456,842
Other Purposes	1,735		1,735
Unrestricted	<u>(943,963)</u>	<u>98,126</u>	<u>(845,837)</u>
Total Net Position	<u>\$ 12,483,264</u>	<u>\$ 125,613</u>	<u>\$ 12,608,877</u>

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

**BOGOTA BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 10,961,116	\$ 65,857	\$ 3,331,754		\$ (7,563,505)		\$ (7,563,505)
Special Education	6,055,181		2,302,156		(3,753,025)		(3,753,025)
Other Instruction	423,830		129,522		(294,308)		(294,308)
School Sponsored Activities and Athletics	749,335		22,616		(726,719)		(726,719)
Support Services							
Student and Instruction Related Services	3,690,134		1,105,667		(2,584,467)		(2,584,467)
General Administrative Services	713,911		84,914		(628,997)		(628,997)
School Administrative Services	1,224,264		224,910		(999,354)		(999,354)
Plant Operations and Maintenance	2,529,275		342,825	\$ 37,906	(2,148,544)		(2,148,544)
Pupil Transportation	872,381		194,491		(677,890)		(677,890)
Central Services	811,798		84,880		(726,918)		(726,918)
Interest on Long-Term Debt and Other Charges	76,107	-	-	-	(76,107)	-	(76,107)
Total Governmental Activities	<u>28,107,332</u>	<u>65,857</u>	<u>7,823,735</u>	<u>37,906</u>	<u>(20,179,834)</u>	<u>-</u>	<u>(20,179,834)</u>
Business-Type Activities							
Food Service	480,533	211,082	286,863			\$ 17,412	17,412
Other Nonmajor Program - Summer Recovery	30,689	36,575	-	-	-	5,886	5,886
Total Business-Type Activities	<u>511,222</u>	<u>247,657</u>	<u>286,863</u>	<u>-</u>	<u>-</u>	<u>23,298</u>	<u>23,298</u>
Total Primary Government	<u>\$ 28,618,554</u>	<u>\$ 313,514</u>	<u>\$ 8,110,598</u>	<u>\$ 37,906</u>	<u>(20,179,834)</u>	<u>23,298</u>	<u>(20,156,536)</u>
General Revenues							
Property Taxes, General					15,025,266		15,025,266
Property Taxes, Debt Service					565,982		565,982
State - Unrestricted					4,783,497		4,783,497
Miscellaneous Income					310,619	1,534	312,153
Total General Revenues					<u>20,685,364</u>	<u>1,534</u>	<u>20,686,898</u>
Change in Net Position					505,530	24,832	530,362
Net Position, Beginning of Year					<u>11,977,734</u>	<u>100,781</u>	<u>12,078,515</u>
Net Position, End of Year					<u>\$ 12,483,264</u>	<u>\$ 125,613</u>	<u>\$ 12,608,877</u>

FUND FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
ASSETS					
Cash	\$ 3,979,027	\$ 36,637	\$ 214,704		\$ 4,230,368
Receivables from Other Governments	124,419	149,855			274,274
Receivables- Other	<u>1,685</u>	<u>49,395</u>	<u>-</u>	<u>-</u>	<u>51,080</u>
Total Assets	<u>\$ 4,105,131</u>	<u>\$ 235,887</u>	<u>\$ 214,704</u>	<u>\$ -</u>	<u>\$ 4,555,722</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 685,742	\$ 118,097	\$ 10,523		\$ 814,362
Payable to State Government		30,238			30,238
Unearned Revenue	<u>-</u>	<u>87,552</u>	<u>-</u>	<u>-</u>	<u>87,552</u>
Total Liabilities	<u>685,742</u>	<u>235,887</u>	<u>10,523</u>	<u>-</u>	<u>932,152</u>
Fund Balances					
Restricted					
Capital Reserve	1,567,661				1,567,661
Capital Reserve-Designated for Subsequent Year's Budget	685,000				685,000
Maintenance Reserve-Designated for Subsequent Year's Budget	1,735				1,735
Excess Surplus Designated for Subsequent Year's Budget	800,000				800,000
Excess Surplus	700,000				700,000
Capital Projects Unassigned			204,181		204,181
General Fund	<u>(335,007)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(335,007)</u>
Total Fund Balances	<u>3,419,389</u>	<u>-</u>	<u>204,181</u>	<u>-</u>	<u>3,623,570</u>
Total Liabilities and Fund Balances	<u>\$ 4,105,131</u>	<u>\$ 235,887</u>	<u>\$ 214,704</u>	<u>\$ -</u>	

Total Fund Balances (Exhibit B-1) \$ 3,623,570

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$21,946,199 and the accumulated depreciation is \$8,374,345. 13,571,854

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (46,383)

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 70,907

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

Deferred Outflows of Resources	\$ 1,759,954	
Deferred Inflows of Resources	<u>(1,139,149)</u>	
		620,805

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

Bonds Payable (net)	(2,674,111)	
Compensated Absences	(145,715)	
Net Pension Liability	<u>(2,537,663)</u>	
		<u>(5,357,489)</u>

Net Position of Governmental Activities (Exhibit A-1) \$ 12,483,264

BOGOTA BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 15,025,266			\$ 565,982	\$ 15,591,248
Miscellaneous	376,476	\$ 42,000	-	-	418,476
Total - Local Sources	15,401,742	42,000	-	565,982	16,009,724
State Sources	9,218,611	730,431			9,949,042
Federal Sources	72,932	694,343	-	-	767,275
Total Revenues	<u>24,693,285</u>	<u>1,466,774</u>	<u>-</u>	<u>565,982</u>	<u>26,726,041</u>
EXPENDITURES					
Current					
Regular Instruction	9,378,860	414,901			9,793,761
Special Education Instruction	5,266,138	418,052			5,684,190
Other Instruction	375,199				375,199
School-Sponsored Activities and Athletics	685,247				685,247
Support Services					
Student and Instruction Related Services	2,863,704	595,915			3,459,619
General Administrative Services	663,149				663,149
School Administrative Services	1,125,096				1,125,096
Plant Operations and Maintenance	1,859,492				1,859,492
Pupil Transportation	857,490				857,490
Central Services	740,086				740,086
Debt Service					
Principal				500,000	500,000
Interest and Other Charges				111,200	111,200
Capital Outlay	360,251	37,906	\$ 872,069	-	1,270,226
Total Expenditures	<u>24,174,712</u>	<u>1,466,774</u>	<u>872,069</u>	<u>611,200</u>	<u>27,124,755</u>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	518,573	-	(872,069)	(45,218)	(398,714)
OTHER FINANCING SOURCES (USES)					
Transfers In			113,788		113,788
Transfers Out	(113,788)	-	-	-	(113,788)
Total Other Financing Sources (Uses)	<u>(113,788)</u>	<u>-</u>	<u>113,788</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	404,785	-	(758,281)	(45,218)	(398,714)
Fund Balance, Beginning of Year	3,014,604	-	962,462	45,218	4,022,284
Fund Balance, End of Year	<u>\$ 3,419,389</u>	<u>\$ -</u>	<u>\$ 204,181</u>	<u>\$ -</u>	<u>\$ 3,623,570</u>

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

**BOGOTA BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (398,714)**

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

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

Capital Outlay	\$ 1,270,226	
Depreciation Expense	<u>(626,107)</u>	644,119

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

Increase in Compensated Absences	(19,753)	
Increase in Pension Expense	<u>(255,215)</u>	(274,968)

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

Bond Principal Repayments		500,000
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Governmental Funds report the effect of issuance costs, premiums, discount and deferred amounts on refundings in the statement of activities.

Amortization of Bond Premiums	48,743	
Amortization of Deferred Amount on Refunding	<u>(22,817)</u>	25,926

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

Decrease in Accrued Interest		<u>9,167</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 505,530**

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019**

	Business-Type Activities		
	Major Program Food Service	Other Nonmajor Program Summer Recovery	Total Enterprise Funds
ASSETS			
Current Assets			
Cash	\$ 55,411	\$ 15,925	\$ 71,336
Intergovernmental Receivable:			
State	258		258
Federal	13,218		13,218
Other Accounts Receivable	21,433		21,433
Inventories	4,818	-	4,818
	<u>95,138</u>	<u>15,925</u>	<u>111,063</u>
Total Current Assets			
Capital Assets			
Equipment	82,963		82,963
Less: Accumulated Depreciation	<u>(55,476)</u>	<u>-</u>	<u>(55,476)</u>
Total Capital Assets, Net	<u>27,487</u>	<u>-</u>	<u>27,487</u>
Total Assets	<u>122,625</u>	<u>15,925</u>	<u>138,550</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	5,865		5,865
Unearned Revenue	4,952	2,120	7,072
	<u>10,817</u>	<u>2,120</u>	<u>12,937</u>
Total Current Liabilities			
NET POSITION			
Investment in Capital Assets	27,487		27,487
Unrestricted	84,321	13,805	98,126
	<u>111,808</u>	<u>13,805</u>	<u>125,613</u>
Total Net Position	<u>\$ 111,808</u>	<u>\$ 13,805</u>	<u>\$ 125,613</u>

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Business-Type Activities		Total Enterprise Funds
	Major Program Food Service	Other Nonmajor Program Summer Recovery	
OPERATING REVENUES			
Charges for Services			
Daily Sales -			
Reimbursable Programs	\$ 115,806		\$ 115,806
Non-Reimbursable Programs	95,276		95,276
Charges and Fees	-	\$ 36,575	36,575
Total Operating Revenues	211,082	36,575	247,657
OPERATING EXPENSES			
Cost of Sales			
Reimbursable Programs	199,620		199,620
Non-Reimbursable Programs	14,208		14,208
Salaries and Employee Benefits	196,179	29,604	225,783
Supplies and Materials	20,063		20,063
Insurance	9,615		9,615
Depreciation	4,162		4,162
Purchased Property Services	10,545		10,545
Management Fee	15,977		15,977
Other Purchased Services	9,336	1,085	10,421
Miscellaneous	79	-	79
Total Operating Expenses	479,784	30,689	510,473
Operating Income (Loss)	(268,702)	5,886	(262,816)
NONOPERATING REVENUES (EXPENSES)			
Interest Earnings	1,190	344	1,534
State Sources			
School Lunch Program	5,224		5,224
Federal Sources			
National School Lunch Program	217,769		217,769
National School Breakfast Program	33,798		33,798
USDA Commodities- Non Cash Assistance	30,072		30,072
Loss on Disposal of Assets	(749)	-	(749)
Total Nonoperating Revenues	287,304	344	287,648
Change in Net Position	18,602	6,230	24,832
Net Position, Beginning of Year	93,206	7,575	100,781
Net Position, End of Year	\$ 111,808	\$ 13,805	\$ 125,613

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

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Business-Type Activities		
	Major Program	Other Nonmajor	Total
	Food	Program	Enterprise
	Service	Summer	Funds
		Recovery	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 213,437	\$ 25,500	\$ 238,937
Cash Payments for Employees' Salaries and Benefits	(196,179)	(29,604)	(225,783)
Cash Payments to Suppliers for Goods and Services	(266,671)	(1,085)	(267,756)
Net Cash Provided by (Used for) Operating Activities	(249,413)	(5,189)	(254,602)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Received from State and Federal Subsidy Reimbursements	258,547	-	258,547
Net Cash Provided by (Used for) Noncapital Financing Activities	258,547	-	258,547
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Equipment	(11,359)	-	(11,359)
Net Cash (Used for) Capital and Related Financing Activities	(11,359)	-	(11,359)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Earnings	1,190	344	1,534
Net Cash Provided by Investing Activities	1,190	344	1,534
Net Change in Cash	(1,035)	(4,845)	(5,880)
Cash, Beginning of Year	56,446	20,770	77,216
Cash, End of Year	\$ 55,411	\$ 15,925	\$ 71,336
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (268,702)	\$ 5,886	\$ (262,816)
Adjustments to Reconcile Operating Income (Loss) to Provided by Net Cash Used for Operating Activities			
Depreciation	4,162		4,162
USDA Commodities- Non Cash Assistance	30,072		30,072
Change in Assets and Liabilities			
Increase/(Decrease) in Accounts Payable	(20,466)		(20,466)
Increase/(Decrease) in Unearned Revenue	889	(11,075)	(10,186)
(Increase)/Decrease in Other Accounts Receivable	1,466	-	1,466
(Increase)/Decrease in Inventory	3,166	-	3,166
Total Adjustments	19,289	(11,075)	8,214
Net Cash Provided by (Used for) Operating Activities	\$ (249,413)	\$ (5,189)	\$ (254,602)
Non-Cash Financing Activities			
Fair Value of Food Distribution Program - National School Lunch	\$ 30,072		\$ 30,072

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

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2019**

	Unemployment Insurance Compensation Trust	Agency Fund
ASSETS		
Cash	\$ 292,761	\$ 241,440
Total Assets	<u>292,761</u>	<u>\$ 241,440</u>
LIABILITIES		
Payroll Deductions and Withholdings		\$ 115,399
Accrued Salaries and Wages		5,000
Intergovernmental Payable	6,719	
Due to Other Funds		389
Due to Student Groups	<u>-</u>	<u>120,652</u>
Total Liabilities	<u>6,719</u>	<u>\$ 241,440</u>
NET POSITION		
Held in Trust for Unemployment Claims	<u>\$ 286,042</u>	

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

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Unemployment Insurance Compensation <u>Trust</u>
ADDITIONS	
Contributions	
Employees	\$ 31,257
Interest Earned	<u>7,578</u>
Total Additions	<u>38,835</u>
 DEDUCTIONS	
Unemployment Claims and Contributions	<u>55,793</u>
Total Deductions	<u>55,793</u>
Change in Net Position	(16,958)
Net Position, Beginning of Year	<u>303,000</u>
Net Position, End of Year	<u>\$ 286,042</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. New Accounting Standards

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

- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the fiscal year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

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

Additionally, the government reports the following fund types:

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

4. *Capital Assets*

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

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

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. *Deferred Outflows/Inflows of Resources*

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

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

6. *Compensated Absences*

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

7. *Pensions*

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

7. *Pensions (Continued)*

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

8. *Long-Term Obligations*

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

Capital Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Maintenance Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the adopted 2019/2020 District budget certified for taxes

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2019 audited excess surplus that is required to be appropriated in the 2020/2021 original budget certified for taxes.

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

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

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

10. *Fund Balance Policies*

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District has no committed fund balances at year end.

Amounts in the assigned fund balance classification are intended to be used by the Board for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment. The District has no assigned fund balances at year end.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 2017-2018 and 2018-2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

Budget adoptions and amendments are recorded in the Board’s official minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2018/2019. Also, during 2018/2019 the Board increased the original General Fund budget by \$250,562 and the original Special Revenue Fund budget by \$919,294. The increase was funded by additional state aid appropriated, transfer of capital reserve funds, prior year extraordinary aid and grant awards.

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$335,007 in the General Fund as of June 30, 2019 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2018/2019 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The deficit in the GAAP (fund) financial statements of \$335,007 in the General Fund is less than the delayed state aid payments at June 30, 2019.

C. Capital Reserve

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

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

Balance, July 1, 2018		\$ 1,226,938
Increased by		
Interest Earnings	\$ 500	
Deposits Approved by Board Resolution	<u>1,356,604</u>	
Total Increases		<u>1,357,104</u>
		2,584,042
Withdrawals		
Approved in District Budget	217,593	
Approved by Board Resolution	<u>113,788</u>	
Total Withdrawals		<u>331,381</u>
Balance, June 30, 2019		<u>\$ 2,252,661</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$685,000 of the capital reserve balance at June 30, 2019 was designated and appropriated for use in the 2019/2020 original budget certified for taxes.

D. Maintenance Reserve

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

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

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

Balance, July 1, 2018		\$ 77,235
Increased by		
Interest Earnings	<u>500</u>	
		77,735
Withdrawals		
Approved in District Budget	<u>76,000</u>	
Balance, June 30, 2019		<u>\$ 1,735</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

The June 30, 2019 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$995,480. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities. \$1,735 of the maintenance reserve balance at June 30, 2019 was designated and appropriated for use in the 2019/2020 original budget certified for taxes.

E. Transfers to Capital Outlay

During the 2018/2019 school year, the district transferred \$68,139 to the non-equipment capital outlay accounts. The transfer of \$53,139 was made to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to N.J.A.C. 6A:23-8.4. The transfer of \$15,000 was approved by the County Superintendent to support an emergent circumstance pursuant to N.J.A.C. 6A:23A-13.3(h).

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2019 is \$1,500,000. Of this amount, \$800,000 was designated and appropriated in the 2019/2020 original budget certified for taxes and the remaining amount of \$700,000 will be appropriated in the 2020/2021 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2019, the book value of the Board's deposits were \$4,835,905 and bank and brokerage firm balances of the Board's deposits amounted to \$5,159,971. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	<u>\$ 5,159,971</u>
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**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2019 none of the Board’s bank balances were exposed to custodial credit risk.

Investments

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

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

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental -				
Federal		\$ 149,855	\$ 13,218	\$ 163,073
State	\$ 85,847		258	86,105
Local	38,572			38,572
Other	<u>1,685</u>	<u>49,395</u>	<u>21,433</u>	<u>72,513</u>
Gross Receivables	126,104	199,250	34,909	360,263
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 126,104</u>	<u>\$ 199,250</u>	<u>\$ 34,909</u>	<u>\$ 360,263</u>

C. Unearned Revenue

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>\$ 87,552</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 87,552</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2018	Increases	Decreases	Transfers	Balance, June 30, 2019
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 69,852				\$ 69,852
Construction in Progress	947,432	\$ 669,201	-	\$ (254,420)	1,362,213
Total Capital Assets, Not Being Depreciated	1,017,284	669,201	-	(254,420)	1,432,065
Capital Assets, Being Depreciated:					
Buildings	18,143,131	490,913		254,420	18,888,464
Improvements Other Than Buildings	87,706				87,706
Machinery and Equipment	1,463,228	110,112	\$ (35,376)	-	1,537,964
Total Capital Assets Being Depreciated	19,694,065	601,025	(35,376)	254,420	20,514,134
Less Accumulated Depreciation for:					
Buildings	(6,458,308)	(549,410)			(7,007,718)
Improvements Other Than Buildings	(85,801)	(187)			(85,988)
Machinery and Equipment	(1,239,505)	(76,510)	35,376	-	(1,280,639)
Total Accumulated Depreciation	(7,783,614)	(626,107)	35,376	-	(8,374,345)
Total Capital Assets, Being Depreciated, Net	11,910,451	(25,082)	-	254,420	12,139,789
Governmental Activities Capital Assets, Net	\$ 12,927,735	\$ 644,119	\$ -	\$ -	\$ 13,571,854

	Balance, July 1, 2018	Increases	Decreases	Balance, June 30, 2019
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 79,304	\$ 11,359	\$ (7,700)	\$ 82,963
Total Capital Assets Being Depreciated	79,304	11,359	(7,700)	82,963
Less Accumulated Depreciation for:				
Machinery and Equipment	(58,265)	(4,162)	6,951	(55,476)
Total Accumulated Depreciation	(58,265)	(4,162)	6,951	(55,476)
Total Capital Assets, Being Depreciated, Net	21,039	7,197	(749)	27,487
Business-Type Activities Capital Assets, Net	\$ 21,039	\$ 7,197	\$ (749)	\$ 27,487

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction		
Regular		\$ 44,048
Total Instruction		<u>44,048</u>
Support Services		
Student and Instruction Related Services		16,504
General Administration		600
School Administration		4,705
Plant Operations and Maintenance		<u>560,250</u>
Total Support Services		<u>582,059</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 626,107</u>

Business-Type Activities:

Food Service Fund		\$ 4,162
Total Depreciation Expense-Business-Type Activities		<u>\$ 4,162</u>

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Bogota High School Site Improvements - Parking Lot	\$ 1,121,096	\$ 97,904
Installation/Configuration/Integration of District-Wide Emergency Notification System	<u>-</u>	<u>58,528</u>
	<u>\$ 1,121,096</u>	<u>\$ 156,432</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

Interfund transfers

	Transfer In:	
	<u>Capital Projects</u>	<u>Total</u>
<u>Transfer Out:</u>		
General Fund	\$ 113,788	\$ 113,788
	\$ 113,788	\$ 113,788

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

F. Leases

Operating Leases

The District leases copiers under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2019 were \$37,188. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2020	\$ 37,184
2021	37,184
2022	34,085
Present value of minimum lease payments	\$ 108,453

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2019 are comprised of the following issues:

\$4,025,000, 2015 Refunding School Bonds, due in annual installments of \$490,000 to \$520,000 through July 15, 2023, interest at 4.00%	<u>\$2,530,000</u>
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**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2020	\$ 490,000	\$ 91,400	\$ 581,400
2021	505,000	71,500	576,500
2022	500,000	51,400	551,400
2023	520,000	31,000	551,000
2024	<u>515,000</u>	<u>10,300</u>	<u>525,300</u>
	<u>\$ 2,530,000</u>	<u>\$ 255,600</u>	<u>\$ 2,785,600</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2019 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 29,827,635
Less: Net Debt	<u>2,530,000</u>
Remaining Borrowing Power	<u>\$ 27,297,635</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, July 1, 2018	Additions	Reductions	Balance, June 30, 2019	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 3,030,000		\$ 500,000	\$ 2,530,000	\$ 490,000
Add: Unamortized Premium	192,854	-	48,743	144,111	-
Sub-total Bonds Payable	3,222,854	-	548,743	2,674,111	490,000
Compensated Absences	125,962	\$ 23,062	3,309	145,715	
Net Pension Liability	1,602,739	1,063,122	128,198	2,537,663	-
Governmental Activity Long-Term Liabilities	<u>\$ 4,951,555</u>	<u>\$ 1,086,184</u>	<u>\$ 680,250</u>	<u>\$ 5,357,489</u>	<u>\$ 490,000</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

Fiscal Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2019	\$ 31,257	\$ 55,793	\$ 286,042
2018	29,804	72,223	303,000
2017	17,190	37,171	341,450

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2019, the District has not estimated its arbitrage earnings due to the IRS, if any.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

Public Employees’ Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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

The following represents the membership tiers for PERS:

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

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

Teachers’ Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division’s) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

The following represent the membership tiers for TPAF:

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

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

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

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

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

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

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

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

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Investment Valuation

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

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

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2019.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2019 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than this actuarial determined amount.. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2019, 2018 and 2017 were equal to the required contributions.

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

Year Ended June 30,	<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2019	\$ 128,198	\$ 1,560,803	\$ 21,195
2018	63,783	1,143,501	15,299
2017	79,829	823,435	4,625

In addition for fiscal years 2019, 2018 and 2017 the District contributed \$1,979, \$2,861 and \$2,006, respectively for PERS and the State contributed \$1,975, \$1,984 and \$2,004, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$636,226 during the fiscal year ended June 30, 2019 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2017 through June 30, 2018. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2018 are based on the ratio of each employer’s contribution to total employer contributions of the group for the fiscal year ended June 30, 2018.

At June 30, 2019, the District reported in the statement of net position (accrual basis) a liability of \$2,537,663 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportionate share of the net pension liability was based on the District’s share of contributions to the pension plan relative to the contributions of all participating governmental entities, actuarially determined. At June 30, 2018, the District’s proportionate share was .01288 percent, which was an increase of .006 percent from its proportionate share measured as of June 30, 2017 of .00688 percent.

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$383,413 for PERS. The pension contribution made by the District during the current 2018/2019 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2019 with a measurement date of the prior fiscal year end of June 30, 2018. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2019 for contributions made subsequent to the measurement date. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 48,394	\$ 13,085
Changes of Assumptions	418,165	811,410
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		23,803
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,293,395</u>	<u>290,851</u>
Total	<u>\$ 1,759,954</u>	<u>\$ 1,139,149</u>

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

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

Year Ending June 30,	<u>Total</u>
2020	\$ 224,171
2021	184,450
2022	37,369
2023	70,894
2024	103,921
Thereafter	<u>-</u>
	<u>\$ 620,805</u>

Actuarial Assumptions

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

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

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 are summarized in the following table:

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

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	5.66%
2018	June 30, 2017	5.00%

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2018. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2018, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,811,511 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the net pension liability attributable to the District is \$48,228,475. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer adjusted for unpaid early retirement to total contributions to TPAF during the year ended June 30, 2018. At June 30, 2018, the State's share of the net pension liability attributable to the District was .07580 percent, which was an increase of .0026 percent from its proportionate share measured as of June 30, 2017 of .07320 percent.

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 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%
Mortality Rate Table	RP-2006

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 are summarized in the following table:

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

Fiscal Year	Measurement Date	Discount Rate
2019	June 30, 2018	4.86%
2018	June 30, 2017	4.25%

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

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.86%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.86 percent) or 1-percentage-point higher (5.86 percent) than the current rate:

	1% Decrease (3.86%)	Current Discount Rate (4.86%)	1% Increase (5.86%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 57,296,941</u>	<u>\$ 48,228,475</u>	<u>\$ 40,757,833</u>

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

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

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Collective Net OPEB Liability

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

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2019, 2018 and 2017 were \$707,978, \$738,563 and \$686,108, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2017 through June 30, 2018. Nonemployer allocation percentages have been rounded for presentation purposes.

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,344,051. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the OPEB liability attributable to the District is \$27,541,026. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2018. At June 30, 2018, the state's share of the OPEB liability attributable to the District was .05973 percent, which was an increase of .00181 percent from its proportionate share measured as of June 30, 2017 of .05792 percent.

Actuarial Assumptions

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

Inflation Rate	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disable Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.
Long-Term Rate of Return	1.00%

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

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For prescription drug benefits, the initial trend rate is 8.0 percent and decreases to a 5.0 percent long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2018.

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	3.87%
2018	June 30, 2017	3.58%

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

	<u>Total OPEB Liability (State Share 100%)</u>
Balance, June 30, 2017 Measurement Date	\$ 31,068,005
Changes Recognized for the Fiscal Year:	
Service Cost	1,150,914
Interest on the Total OPEB Liability	1,140,823
Differences Between Expected and Actual Experience	(1,947,260)
Changes of Assumptions	(3,160,471)
Gross Benefit Payments	(736,437)
Contributions from the Member	25,452
Net Changes	<u>\$ (3,526,979)</u>
Balance, June 30, 2018 Measurement Date	<u>\$ 27,541,026</u>

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

**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability (Continued)

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 was not provided by the pension system.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.87%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease <u>(2.87%)</u>	Current Discount Rate <u>(3.87%)</u>	1% Increase <u>(4.87%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>32,559,099</u>	\$ <u>27,541,026</u>	\$ <u>23,552,176</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ <u>22,764,262</u>	\$ <u>27,541,026</u>	\$ <u>33,858,479</u>

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

**BOGOTA BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements

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

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISONS

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 15,025,266		\$ 15,025,266	\$ 15,025,266	
Interest Earned on Capital Reserve Funds	500		500	500	
Interest Earned on Maintenance Reserve Funds	500		500	500	
Interest Income				114,490	\$ 114,490
Tuition	73,997		73,997	65,857	(8,140)
Miscellaneous	155,000	-	155,000	195,129	40,129
Total Local Sources	15,255,263	-	15,255,263	15,401,742	146,479
State Sources					
Special Education Aid	764,979		764,979	764,979	
Equalization Aid	4,803,287		4,803,287	4,803,287	
Transportation Aid	203,338		203,338	203,338	
Security Aid	328,102		328,102	328,102	
Extraordinary Aid	200,000	\$ 1,054	201,054	305,344	104,290
On-Behalf TPAF (Non-Budget)					
Normal Cost				1,528,801	1,528,801
NCGI Premium				32,002	32,002
Long-Term Disability Insurance Contributions				1,975	1,975
Post Retirement Medical Contributions				707,978	707,978
Social Security Contributions	-	-	-	636,226	636,226
Total State Sources	6,299,706	1,054	6,300,760	9,312,032	3,011,272
Federal Sources					
Medicaid Reimbursement	35,770	-	35,770	72,932	37,162
Total Federal Sources	35,770	-	35,770	72,932	37,162
Total Revenues	21,590,739	1,054	21,591,793	24,786,706	3,194,913
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	226,500	5,529	232,029	230,390	1,639
Grades 1-5	2,319,025	(185,000)	2,134,025	2,083,694	50,331
Grades 6-8	875,302		875,302	843,884	31,418
Grades 9-12	2,077,299	174,819	2,252,118	2,200,458	51,660
Regular Programs - Home Instruction					
Salaries of Teachers	10,000	7,300	17,300	17,300	
Purchased Professional -Educational Services	10,000	(8,150)	1,850	1,793	57
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		56,948	56,948	56,948	
Purchased Professional -Educational Services	11,000	67,450	78,450	51,319	27,131
Other Purchased Services	11,625		11,625	3,658	7,967
General Supplies	337,600	1,467	339,067	300,893	38,174
Textbooks	105,000	18,011	123,011	122,902	109
Other Objects	140,462	(134,717)	5,745	5,215	530
Total Regular Programs	6,123,813	3,657	6,127,470	5,918,454	209,016
Learning and Language Disabilities					
Salaries of Teachers	298,000	37,000	335,000	334,669	331
Other Salaries for Instruction	150,000	41,805	191,805	191,805	
Purchased Professional -Educational Services	100,000	(98,497)	1,503		1,503
General Supplies	13,000	1,863	14,863	14,112	751
Textbooks	-	3,325	3,325	3,325	-
Total Learning and Language Disabilities	561,000	(14,504)	546,496	543,911	2,585

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Actual	Variance Final To Actual
	Original	Adjustments	Final		
EXPENDITURES					
CURRENT (Continued)					
Special Education (Continued)					
Multiple Disabilities					
Purchased Professional -Educational Services	\$ 375,000	-	\$ 375,000	\$ 348,802	\$ 26,198
Total Multiple Disabilities - Instruction	375,000	-	375,000	348,802	26,198
Resource Room/Resource Center					
Salaries of Teachers	735,000	\$ 105,000	840,000	830,141	9,859
Other Salaries for Instruction	340,000	(90,000)	250,000	203,349	46,651
General Supplies	11,500	(3,121)	8,379	7,140	1,239
Total Resource Room/Resource Center	1,086,500	11,879	1,098,379	1,040,630	57,749
Preschool Disabilities - Full Time					
Salaries of Teachers	140,000	72,709	212,709	212,709	
Other Salaries for Instruction	100,000	58,618	158,618	158,618	
General Supplies	1,500	23,508	25,008	24,923	85
Total Preschool Disabilities - Full Time	241,500	154,835	396,335	396,250	85
Total Special Education	2,264,000	152,210	2,416,210	2,329,593	86,617
Bilingual Education					
Salaries of Teachers	238,500	5,000	243,500	239,054	4,446
General Supplies	1,000	-	1,000	-	1,000
Total Bilingual Education	239,500	5,000	244,500	239,054	5,446
School Sponsored Co-Curricular Activities					
Salaries	80,000	24,852	104,852	104,851	1
Purchased Services	6,000		6,000	3,187	2,813
Supplies and Materials	10,000	(3,000)	7,000	4,495	2,505
Other Objects	3,000	(2,095)	905	-	905
Total School Sponsored Co-Curricular Activities	99,000	19,757	118,757	112,533	6,224
School Sponsored Athletics - Instruction					
Salaries	315,000	(24,728)	290,272	286,170	4,102
Purchased Services	79,220	(9,633)	69,587	55,830	13,757
Supplies and Materials	28,050	33,182	61,232	61,231	1
Other Objects	61,425	(34,863)	26,562	26,562	-
Total School Sponsored Athletics - Instruction	483,695	(36,042)	447,653	429,793	17,860
Total - Instruction	9,210,008	144,582	9,354,590	9,029,427	325,163
Instruction					
Tuition to Other LEAs Within the State - Regular		14,239	14,239	14,239	
Tuition to Other LEAs Within the State - Special	800,000	(17,218)	782,782	661,350	121,432
Tuition to County Vocational Schools- Regular	200,000	28,752	228,752	209,234	19,518
Tuition to County Vocational Schools- Special	250,000		250,000	198,216	51,784
Tuition to CSSD and Regional Day Schools	800,000		800,000	645,766	154,234
Tuition Private School for the Disabled Within State	1,228,861	(322,713)	906,148	444,285	461,863
Total Undistributed Expenditures - Instruction	3,278,861	(296,940)	2,981,921	2,173,090	808,831

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures					
Health Services					
Salaries	\$ 211,225	\$ (49,000)	\$ 162,225	\$ 161,631	\$ 594
Purchased Professional - Technical Services	15,000	55,000	70,000	69,505	495
Supplies and Materials	5,000	200	5,200	4,083	1,117
Total Health Services	231,225	6,200	237,425	235,219	2,206
Speech/Occupational Therapy/Physical Therapy and Related Svcs.					
Purchased Professional - Educational Services	575,000	72,824	647,824	643,287	4,537
Supplies and Materials	4,500		4,500	711	3,789
Other Objects	3,000	-	3,000	1,145	1,855
Total Speech/Occup. Therapy/Physical Therapy and Related	582,500	72,824	655,324	645,143	10,181
Other Supp. Serv. STD-Extra Serv.					
Purchased Professional - Educational Services	280,000	-	280,000	270,291	9,709
Total Other Supp. Serv. STD-Extra Serv.	280,000	-	280,000	270,291	9,709
Guidance Services					
Salaries of Other Professional Staff	260,000	(5,055)	254,945	253,855	1,090
Other Salaries	1,000		1,000		1,000
Purchased Professional - Educational Services	5,000	6,866	11,866	11,865	1
Other Purchased Prof. And Tech. Services	13,250	(200)	13,050	9,285	3,765
Other Purchased Services	65,000	(1,890)	63,110	62,176	934
Supplies and Materials	13,500	(5,125)	8,375	6,256	2,119
Other Objects	-	325	325	325	-
Total Guidance Services	357,750	(5,079)	352,671	343,762	8,909
Child Study Team					
Salaries of Other Professional Staff	431,000	15,681	446,681	446,681	
Other Purchased Prof. And Tech. Services	34,100	(28,081)	6,019	5,704	315
Other Purchased Services	60,000	(176)	59,824	59,585	239
Miscellaneous Purchased Services	5,000		5,000	2,236	2,764
Supplies and Materials	16,575	(1,500)	15,075	13,474	1,601
Other Objects	3,000	(1,500)	1,500	-	1,500
Total Child Study Team	549,675	(15,576)	534,099	527,680	6,419
Improvement of Instructional Services					
Salaries of Supervisor of Instruction	80,000		80,000	77,917	2,083
Supplies and Materials		530	530	526	4
Other Objects	-	820	820	820	-
Total Improvement of Instructional Services	80,000	1,350	81,350	79,263	2,087
Educational Media Services/School Library					
Salaries	134,286	9,055	143,341	143,341	
Purchased Professional and Technical Services		6,250	6,250	6,250	
Other Purchased Services	22,150	334	22,484	22,269	215
Supplies and Materials	13,000	(4,334)	8,666	6,432	2,234
Other Objects	7,000	(6,250)	750	-	750
Total Educational Media Services/School Library	176,436	5,055	181,491	178,292	3,199

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Support Services General Administration					
Salaries	\$ 273,600		\$ 273,600	\$ 271,562	\$ 2,038
Legal Services	150,000	\$ 50,000	200,000	75,084	124,916
Audit Fees	45,000		45,000	43,220	1,780
Architectural/Engineering Services	25,000		25,000	11,604	13,396
Other Purchased Professional Services	5,000	5,500	10,500	9,821	679
Purchased Technical Services	45,000	(45,000)			
Communications/Telephone	60,000	2,628	62,628	54,670	7,958
BOE Other Purchased Services	5,300	(1,000)	4,300	4,158	142
Misc. Purchased Services		6,351	6,351	5,972	379
General Supplies	3,000	7,233	10,233	7,109	3,124
Miscellaneous Expenditures	12,000	(4,800)	7,200	7,200	
BOE Membership Dues and Fees	12,000	(3,275)	8,725	8,725	-
Total Support Services General Administration	635,900	17,637	653,537	499,125	154,412
Support Services School Administration					
Salaries of Principals/Assistant Principals	450,000	(4,186)	445,814	405,107	40,707
Salaries of Other Professional Staff	94,000		94,000	93,730	270
Other Purchased Services	305,600	6,638	312,238	305,995	6,243
Supplies and Materials	52,000	(148)	51,852	47,465	4,387
Other Objects	6,800	2,277	9,077	7,825	1,252
Total Support Services School Administration	908,400	4,581	912,981	860,122	52,859
Central Services					
Salaries	340,000	(17,098)	322,902	303,806	19,096
Unused Vacation Payment to Terminated/Retired Staff		5,098	5,098	5,098	
Purchased Professional Services	3,000	1,250	4,250	4,250	
Purchased Technical Services	60,000	(8,152)	51,848	49,941	1,907
Miscellaneous Purchased Services	5,500		5,500	3,916	1,584
Supplies and Materials	12,000	(4,676)	7,324	6,164	1,160
Miscellaneous Expenditures	4,500	(2,000)	2,500	1,826	674
Total Central Services	425,000	(25,578)	399,422	375,001	24,421
Admin. Information Technology					
Salaries	82,400	12,000	94,400	86,421	7,979
Purchased Technical Services	60,000	45,000	105,000	95,451	9,549
Supplies and Materials		10,515	10,515	10,511	4
Other Objects	10,000	(6,155)	3,845	3,805	40
Total Admin. Information Technology	152,400	61,360	213,760	196,188	17,572
Required Maintenance for School Facilities					
Salaries	200,000		200,000	179,331	20,669
Cleaning, Repair, and Maintenance Services	200,000	135,674	335,674	324,020	11,654
General Supplies	90,000	(15,000)	75,000	68,410	6,590
Other Objects	6,000	-	6,000	5,997	3
Total Required Maintenance for School Facilities	496,000	120,674	616,674	577,758	38,916

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Custodial Services					
Salaries	\$ 480,000	\$ 929	\$ 480,929	\$ 471,913	\$ 9,016
Salaries of Non-Instructional Aides	10,000	10,000	20,000	17,040	2,960
Cleaning, Repair, and Maintenance Services	50,000	(37,000)	13,000	10,460	2,540
Other Purchased Property Services	35,000	10,000	45,000	43,028	1,972
Insurance	178,135	(8,777)	169,358	168,768	590
General Supplies	60,000	2,500	62,500	62,018	482
Energy (Natural Gas)	80,000	3,591	83,591	81,807	1,784
Energy (Electricity)	190,000	(36,243)	153,757	153,757	-
Other Objects	5,000	-	5,000	764	4,236
Total Custodial Services	<u>1,088,135</u>	<u>(55,000)</u>	<u>1,033,135</u>	<u>1,009,555</u>	<u>23,580</u>
Security					
Salaries	250,000	(142,565)	107,435	-	107,435
Cleaning, Repair, and Maintenance Services	-	25,000	25,000	24,281	719
General Supplies	-	5,000	5,000	3,637	1,363
Total Security	<u>250,000</u>	<u>(112,565)</u>	<u>137,435</u>	<u>27,918</u>	<u>109,517</u>
Student Transportation Services					
Sal. For Pupil Trans(Bet Home & Sch) - Reg.	50,000	45,000	95,000	90,852	4,148
Cleaning, Repair & Maint. Services	5,000	11,500	16,500	16,232	268
Contracted Services - Aid in Lieu Payments - Charter School	-	6,000	6,000	6,000	-
Contracted Services - Aid in Lieu Payments - Choice School	-	1,000	1,000	981	19
Contracted Services (Between Home and School) - Vendors	10,000	(10,000)	-	-	-
Contracted Services (Other than Between Home and School) - Vendors	86,200	(8,500)	77,700	54,629	23,071
Contracted Services (Between Home and School) Joint Agreements	200,000	-	200,000	147,612	52,388
Contracted Serv. (Spec.Ed Stud) - Joint Agreement	600,000	-	600,000	500,452	99,548
Transportation Supplies	5,000	5,000	10,000	7,525	2,475
Total Student Transportation Services	<u>956,200</u>	<u>50,000</u>	<u>1,006,200</u>	<u>824,283</u>	<u>181,917</u>
Unallocated Benefits- Employee Benefits					
Social Security Contributions	200,000	-	200,000	193,148	6,852
Other Retirement Contributions - PERS	155,384	(21,417)	133,967	130,177	3,790
Other Retirement Contributions - Regular	-	21,757	21,757	21,195	562
Unemployment Compensation	30,000	(26,023)	3,977	-	3,977
Worker's Compensation	88,368	9,419	97,787	97,787	-
Health Benefits	2,300,000	145,000	2,445,000	2,406,648	38,352
Other Employee Benefits	160,000	(143,737)	16,263	16,263	-
Total Unallocated Benefits	<u>2,933,752</u>	<u>(15,001)</u>	<u>2,918,751</u>	<u>2,865,218</u>	<u>53,533</u>
Interest Earned on Maintenance Reserve	500	-	500	-	500
On-Behalf TPAF (Non-Budget)					
Normal Costs	-	-	-	1,528,801	(1,528,801)
NCGI Premium	-	-	-	32,002	(32,002)
Long-Term Disability Insurance Contributions	-	-	-	1,975	(1,975)
Post Retirement Medical Contributions	-	-	-	707,978	(707,978)
Social Security Contributions	-	-	-	636,226	(636,226)
Total On-Behalf TPAF	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,906,982</u>	<u>(2,906,982)</u>
Total Undistributed Expenditures	<u>13,382,734</u>	<u>(186,058)</u>	<u>13,196,676</u>	<u>14,594,890</u>	<u>(1,398,214)</u>
Total Current Expenditures	<u>22,592,742</u>	<u>(41,476)</u>	<u>22,551,266</u>	<u>23,624,317</u>	<u>(1,073,051)</u>

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Regular Programs - Undistributed Instruction		\$ 9,975	\$ 9,975	\$ 9,975	
Learning and Language Disabilities		3,325	3,325	3,325	
School Sponsored Athletics - Instruction		16,285	16,285	16,285	
Undistributed Expenditures - Administrative Info. Tech.		39,578	39,578	39,578	
Undistributed Expenditures - Required Maint for School Fac.		4,895	4,895	4,895	
Undistributed Expenditures - Care and Upkeep of Grounds	-	36,053	36,053	36,053	-
Total Equipment	-	110,111	110,111	110,111	-
Facilities Acquisition and Construction Services					
Other Purchased Prof. and Tech. Services		3,226	3,226	3,226	
Construction Services	\$ 182,000	64,913	246,913	246,913	
Assessment for Debt Service on SDA Funding	35,593	-	35,593	35,593	-
Total Facilities Acquisition and Construction Services	217,593	68,139	285,732	285,732	-
Interest Deposit to Capital Reserve	500	-	500	-	\$ 500
Total Capital Outlay	218,093	178,250	396,343	395,843	500
Transfer of Funds to Charter Schools	175,000	-	175,000	154,552	20,448
Total Expenditures	22,985,835	136,774	23,122,609	24,174,712	(1,052,103)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,395,096)	(135,720)	(1,530,816)	611,994	2,142,810
OTHER FINANCING SOURCES (USES)					
Other Financing Sources(Uses)					
Transfer Out - Capital Projects	-	(113,788)	(113,788)	(113,788)	-
Total Other Financing Sources(Uses)	-	(113,788)	(113,788)	(113,788)	-
Excess/(Deficiency)of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,395,096)	(249,508)	(1,644,604)	498,206	2,142,810
Fund Balances, Beginning of Year	3,788,110	-	3,788,110	3,788,110	-
Fund Balances, End of Year	\$ 2,393,014	\$ (249,508)	\$ 2,143,506	\$ 4,286,316	\$ 2,142,810
Recapitulation of Fund Balances:					
Restricted					
Capital Reserve				\$ 1,567,661	
Capital Reserve - Designated for Subsequent Year's Budget				685,000	
Maintenance Reserve - Designated for Subsequent Year's Budget				1,735	
Excess Surplus - Designated for Subsequent Year's Budget				800,000	
Excess Surplus				700,000	
Unassigned Fund Balance				531,920	
				4,286,316	
Reconciliation to Governmental Fund Statements (GAAP)					
Less:					
State Aid Payments not Recognized on GAAP Basis				(866,927)	
Fund Balance per Governmental Funds (GAAP)				\$ 3,419,389	

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 181,147	\$ 734,528	\$ 915,675	\$ 730,431	\$ (185,244)
Federal	547,704	156,766	704,470	694,343	(10,127)
Local Sources					
Miscellaneous	<u>15,000</u>	<u>28,000</u>	<u>43,000</u>	<u>42,000</u>	<u>(1,000)</u>
Total Revenues	<u>743,851</u>	<u>919,294</u>	<u>1,663,145</u>	<u>1,466,774</u>	<u>(196,371)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	266,113	17,952	284,065	284,065	
Other Salaries for Instruction		22,620	22,620	18,739	3,881
Purchased Professional & Technical Svcs.	8,000	7,237	15,237	15,237	
Purchased Professional & Educational Svc		10,000	10,000	3,992	6,008
Tuition	248,469	26,803	275,272	275,272	
Other Purchased Services	150,860	42,082	192,942	161,747	31,195
General Supplies	21,719	28,214	49,933	48,844	1,089
Textbooks	<u>9,948</u>	<u>625</u>	<u>10,573</u>	<u>10,573</u>	<u>-</u>
Total Instruction	<u>705,109</u>	<u>155,533</u>	<u>860,642</u>	<u>818,469</u>	<u>42,173</u>
Support Services					
Salaries of Family/Parent Liason		5,560	5,560	5,560	
Salaries of Facilitators/Master Teachers		36,579	36,579	33,115	3,464
Personal Services - Employee Benefits		92,178	92,178	82,202	9,976
Purchased Professional & Technical Svc.		65,347	65,347	58,250	7,097
Purchased Ed Services - Contracted Pre-K		469,692	469,692	351,069	118,623
Other Purchased Prof. - Ed. Services		15,000	15,000	7,425	7,575
Purchased Property Services		10,000	10,000	10,000	
Other Purchased Services	25,122	(16,505)	8,617	8,617	
Contracted Services (Field Trips)		3,000	3,000	709	2,291
Travel		1,000	1,000		1,000
Supplies and Materials	<u>13,620</u>	<u>29,374</u>	<u>42,994</u>	<u>38,968</u>	<u>4,026</u>
Total Support Services	<u>38,742</u>	<u>711,225</u>	<u>749,967</u>	<u>595,915</u>	<u>154,052</u>
Equipment					
Instructional Equipment		14,630	14,630	14,484	146
Non-Instructional Equipment	-	37,906	37,906	37,906	-
Total Equipment	<u>-</u>	<u>52,536</u>	<u>52,536</u>	<u>52,390</u>	<u>146</u>
Total Expenditures	<u>743,851</u>	<u>919,294</u>	<u>1,663,145</u>	<u>1,466,774</u>	<u>196,371</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOGOTA BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Revenues Budgetary Basis (Exhibits C-1 and C-2)	\$ 24,786,706	\$ 1,466,774
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purpose, not recognized for budgetary statements (2017/2018 State Aid)	773,506	
State Aid payments recognized for budgetary purpose, not recognized for GAAP statements (2018/2019 State Aid)	<u>(866,927)</u>	<u>-</u>
Total Revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 24,693,285</u>	<u>\$ 1,466,774</u>
Uses/outflows of resources		
Expenditures Budgetary Basis (Exhibits C-1 and C-2)	\$ 24,174,712	\$ 1,466,774
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 24,174,712</u>	<u>\$ 1,466,774</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**PENSION INFORMATION
AND
POST EMPLOYMENT BENEFIT INFORMATION**

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

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Last Six Fiscal Years *

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.01288 %	0.00688 %	0.00899 %	0.00777 %	0.00697 %	0.00644
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,537,663	\$ 1,602,739	\$ 2,661,351	\$ 1,745,798	\$ 1,305,164	\$ 1,231,951
District's Covered-Employee Payroll	\$ 991,974	\$ 569,530	\$ 506,402	\$ 446,689	\$ 360,784	\$ 419,103
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	256%	281%	526%	391%	362%	294%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

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

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

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Six Fiscal Years**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 128,198	\$ 63,783	\$ 79,829	\$ 66,862	\$ 55,225	\$ 48,569
Contributions in Relation to the Contractually Required Contributions	<u>128,198</u>	<u>63,783</u>	<u>79,829</u>	<u>66,862</u>	<u>55,225</u>	<u>48,569</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered- Employee Payroll	\$ 1,045,904	\$ 991,974	\$ 569,530	\$ 506,402	\$ 446,689	\$ 360,784
Contributions as a Percentage of Covered-Employee Payroll	12.26%	6.43%	14.02%	13.20%	12.36%	13.46%

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

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

TEACHERS PENSION AND ANNUITY FUND
Last Six Fiscal Years *

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	- %	- %	- %	- %	- %	- %
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 48,228,475</u>	<u>\$ 49,358,834</u>	<u>\$ 60,056,703</u>	<u>\$ 45,647,790</u>	<u>\$ 40,887,852</u>	<u>\$ 39,258,327</u>
District's Covered-Employee Payroll	\$ 8,163,279	\$ 7,871,204	\$ 7,337,447	\$ 7,212,185	\$ 7,098,027	\$ 7,081,819
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Change of Benefit Terms: None.

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

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

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Two Fiscal Years*

	<u>2019</u>	<u>2018</u>
Service Cost	\$ 1,150,914	\$ 1,384,345
Interest on Total OPEB Liability	1,140,823	986,703
Differences Between Expected and Actual Experience	(1,947,260)	-
Changes of Assumptions	(3,160,471)	(4,104,533)
Gross Benefit Payments	(736,437)	(805,543)
Contribution from the Member	<u>25,452</u>	<u>29,662</u>
Net Change in Total OPEB Liability	(3,526,979)	(2,509,366)
Total OPEB Liability - Beginning of Year	<u>31,068,005</u>	<u>33,577,371</u>
Total OPEB Liability - End of Year	<u>27,541,026</u>	<u>31,068,005</u>
District's Proportionate Share of OPEB Liability	\$ 0	\$ 0
State's Proportionate Share of OPEB Liability	<u>27,541,026</u>	<u>31,068,005</u>
Total OPEB Liability - Ending	<u>\$ 27,541,026</u>	<u>\$ 31,068,005</u>
District's Covered Payroll	<u>\$ 9,155,253</u>	<u>\$ 8,440,734</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%

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

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

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Miscellaneous	Nonpublic Nursing	Nonpublic Technology	Nonpublic Textbooks	Nonpublic Security	Chapter 192			Chapter 193			Exhibit E-1a Totals	Grand Totals	
						Comp. Ed.	Transportation	ESL	Exam. and Class	Corrective Speech	Suppl. Inst.			
REVENUES														
Intergovernmental														
State		\$ 19,206	\$ 7,056	\$ 10,573	\$ 29,699	\$ 61,335	\$ 15,810	\$ 777	\$ 18,203	\$ 20,713	\$ 17,525	\$ 529,534	\$ 730,431	
Federal												694,343	694,343	
Local Sources														
Miscellaneous	\$ 42,000	-	-	-	-	-	-	-	-	-	-	-	42,000	
Total Revenues	\$ 42,000	\$ 19,206	\$ 7,056	\$ 10,573	\$ 29,699	\$ 61,335	\$ 15,810	\$ 777	\$ 18,203	\$ 20,713	\$ 17,525	\$ 1,223,877	\$ 1,466,774	
EXPENDITURES														
Instruction														
Salaries of Teachers												\$ 284,065	\$ 284,065	
Other Salaries for Instruction												18,739	18,739	
Purchased Professional & Technical Svcs.												15,237	15,237	
Purchased Professional & Educational Svc												3,992	3,992	
Tuition												275,272	275,272	
Other Purchased Services		\$ 19,206				\$ 61,335	\$ 15,810	\$ 777	\$ 18,203	\$ 20,713	\$ 17,525	8,178	161,747	
General Supplies	\$ 30,000		\$ 7,056									11,788	48,844	
Textbooks	-	-	-	\$ 10,573	-	-	-	-	-	-	-	-	10,573	
Total Instruction	30,000	19,206	7,056	10,573	-	61,335	15,810	777	18,203	20,713	17,525	617,271	818,469	
Support Services														
Salaries of Family/Parent Liason												5,560	5,560	
Salaries of Facilitators/Master Teachers												33,115	33,115	
Personal Services - Employee Benefits												82,202	82,202	
Purchased Professional & Technical Svc.												58,250	58,250	
Purchased Ed Services - Contracted Pre-K												351,069	351,069	
Other Purchased Prof. - Ed. Services												7,425	7,425	
Purchased Property Services	10,000											-	10,000	
Other Purchased Services												8,617	8,617	
Contracted Services (Field Trips)												709	709	
Supplies and Materials	2,000	-	-	-	\$ 29,699	-	-	-	-	-	-	7,269	38,968	
Total Support Services	12,000	-	-	-	29,699	-	-	-	-	-	-	554,216	595,915	
Equipment														
Instructional Equipment												14,484	14,484	
Non-Instructional Equipment												37,906	37,906	
Total Facilities Acq. & Construction	-	-	-	-	-	-	-	-	-	-	-	52,390	52,390	
Total Expenditures	\$ 42,000	\$ 19,206	\$ 7,056	\$ 10,573	\$ 29,699	\$ 61,335	\$ 15,810	\$ 777	\$ 18,203	\$ 20,713	\$ 17,525	\$ 1,223,877	\$ 1,466,774	

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ESEA				Individuals with Disabilities Education Act		Preschool Education Expansion Aid	Total Exhibit E-1a
	Title I	Title IIA	Title III	Title IV	Part B, Basic	Part B, Preschool		
REVENUES								
Intergovernmental								
State							\$ 529,534	\$ 529,534
Federal	\$ 314,040	\$ 34,997	\$ 11,049	\$ 17,826	\$ 308,014	\$ 8,417	-	694,343
Total Revenues	\$ 314,040	\$ 34,997	\$ 11,049	\$ 17,826	\$ 308,014	\$ 8,417	\$ 529,534	\$ 1,223,877
EXPENDITURES								
Instruction								
Salaries of Teachers	\$ 243,327		\$ 5,225				\$ 35,513	\$ 284,065
Other Salaries for Instruction	-						18,739	18,739
Purchased Professional & Technical Svs.				\$ 6,820		\$ 8,417	-	15,237
Purchased Professional & Educational Svc							3,992	3,992
Tuition					\$ 275,272			275,272
Other Purchased Services				8,178				8,178
General Supplies	3,195	-	3,610	-	-	-	4,983	11,788
Total Instruction	246,522	-	8,835	14,998	275,272	8,417	63,227	617,271
Support Services								
Salaries of Family/Parent Liason							5,560	5,560
Salaries of Facilitators/Master Teachers							33,115	33,115
Personal Services - Employee Benefits	67,518		1,620				13,064	82,202
Purchased Professional & Technical Svc.		\$ 26,380		2,828	29,042			58,250
Purchased Ed Services - Contracted Pre-K							351,069	351,069
Other Purchased Prof. - Ed. Services							7,425	7,425
Other Purchased Services		8,617	-					8,617
Contracted Services (Field Trips)							709	709
Supplies and Materials	-	-	594	-	3,700	-	2,975	7,269
Total Support Services	67,518	34,997	2,214	2,828	32,742	-	413,917	554,216
Equipment								
Instructional Equipment							14,484	14,484
Non-Instructional Equipment	-	-	-	-	-	-	37,906	37,906
Total Facilities Acq. & Construction	-	-	-	-	-	-	52,390	52,390
Total Expenditures	\$ 314,040	\$ 34,997	\$ 11,049	\$ 17,826	\$ 308,014	\$ 8,417	\$ 529,534	\$ 1,223,877

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION EXPANSION AID SCHEDULE OF EXPENDITURES
PRESCHOOL - ALL PROGRAMS
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXPENDITURES	Original Budget	Adjustments	Final Budget	Actual	Final To Actual Variance
Instruction					
Salaries of Teachers		\$ 35,513	\$ 35,513	\$ 35,513	
Other Salaries for Instruction		22,620	22,620	18,739	\$ 3,881
Purchased Professional and Educational Services		10,000	10,000	3,992	6,008
General Supplies	-	5,000	5,000	4,983	17
Total Instruction	<u>-</u>	<u>73,133</u>	<u>73,133</u>	<u>63,227</u>	<u>9,906</u>
Support Services					
Salaries of Family/Parent Liason		5,560	5,560	5,560	-
Salaries of Facilitators/Master Teachers		36,579	36,579	33,115	3,464
Personal Services - Employee Benefits		23,040	23,040	13,064	9,976
Purchased Ed. Services - Contracted Pre-K		469,692	469,692	351,069	118,623
Other Purchased Prof. - Ed. Services		15,000	15,000	7,425	7,575
Contracted Services (Field Trips)		3,000	3,000	709	2,291
Travel		1,000	1,000		1,000
Supplies and Materials	-	5,000	5,000	2,975	2,025
Total Support Services	<u>-</u>	<u>558,871</u>	<u>558,871</u>	<u>413,917</u>	<u>144,954</u>
Facilities Acquisition and Construction Services					
Instructional Equipment		14,630	14,630	14,484	146
Noninstructional Equipment	-	37,906	37,906	37,906	-
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>52,536</u>	<u>52,536</u>	<u>52,390</u>	<u>146</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 684,540</u>	<u>\$ 684,540</u>	<u>\$ 529,534</u>	<u>\$ 155,006</u>

Calculation of Budget Carryover

Total revised 2018-2019 Preschool Education Aid Allocation	\$ 684,540
Total Preschool Ed. Aid Funds Available for 2018-2019 Budget	684,540
Add: June 30, 2019 Unexpended Preschool Education Aid	155,006
2018-2019 C/O - Preschool Education Aid Programs	<u>\$ 155,006</u>
2018-19 Preschool Education Aid Carryover Budgeted in 2019-20	<u>\$ -</u>

CAPITAL PROJECTS FUND

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Issue/ Project Title</u>	<u>Original Appropriation</u>	<u>Additional Appropriation</u>	<u>Total Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2019</u>
				<u>Prior Years</u>	<u>Current Year</u>	
Bogota High School Parking Lot Upgrades	\$ 350,000	\$ 1,079,400	\$ 1,429,400	\$ 622,015	\$ 661,732	\$ 145,653
Bixby School Lintel Replacements and Associated Masonry and Roof Work	343,500	113,788	457,288	254,420	202,868	
Steen Elementary School, Bixby Elementary School and Bogota Jr./Sr. High School Critical Communications and Security Systems Upgrades	136,994		136,994	70,997	7,469	58,528
Total				<u>\$ 947,432</u>	<u>\$ 872,069</u>	<u>\$ 204,181</u>

Recapitulation of Fund Balance

Restricted	
Year End Encumbrances	\$ 199,668
Available for Capital Projects	<u>4,513</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 204,181</u>

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Revenues and Other Financing Sources	
Transfer from Capital Reserve	\$ 113,788
Total Revenues and Other Financing Sources	<u>113,788</u>
Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	16,942
Construction Services	844,373
Other Objects	<u>10,754</u>
Total Expenditures and Other Financing Uses	<u>872,069</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(758,281)
Fund Balance, Beginning of Year	<u>962,462</u>
Fund Balance, End of Year	<u>\$ 204,181</u>
<u>Reconciliation to GAAP Fund Balance</u>	
Fund Balance, Budgetary Basis	\$ <u>204,181</u>
Fund Balance, GAAP Basis	<u>\$ 204,181</u>

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL PARKING LOT UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 1,429,400	-	\$ 1,429,400	\$ 1,429,400
 Total Revenues	 1,429,400	 -	 1,429,400	 1,429,400
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	55,092	\$ 16,942	72,034	94,050
Construction Services	487,060	634,036	1,121,096	1,219,000
Other Objects	79,863	10,754	90,617	116,350
 Total Expenditures	 622,015	 661,732	 1,283,747	 1,429,400
 Excess of Revenues Over Expenditures	 \$ 807,385	 \$ (661,732)	 \$ 145,653	 \$ -

Additional Project Information:

Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 350,000			
Additional Authorized Cost	1,079,400			
Revised Authorized Cost	1,429,400			
Percentage Increase Over Original Authorized Cost	308.40%			
Percentage Completion	90%			
Original Target Completion Date	September 30, 2018			
Revised Target Completion Date	September 30, 2019			

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BIXBY SCHOOL LINTEL REPLACEMENTS AND ASSOCIATED MASONRY AND ROOF WORK
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 343,500	\$ 113,788	\$ 457,288	\$ 457,288
 Total Revenues	 343,500	 113,788	 457,288	 457,288
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	19,500		19,500	19,500
Construction Services	234,920	202,868	437,788	437,788
 Total Expenditures	 254,420	 202,868	 457,288	 457,288
 Excess of Revenues Over Expenditures	 \$ 89,080	 \$ (89,080)	 \$ -	 \$ -

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 343,500
Additional Authorized Cost	113,788
Revised Authorized Cost	457,288

Percentage Increase Over Original

Authorized Cost	33.13%
Percentage Completion	100%
Original Target Completion Date	June 30, 2018
Revised Target Completion Date	June 30, 2019

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
STEEN ELEMENTARY SCHOOL, BIXBY ELEMENTARY SCHOOL AND BOGOTA JR./SR. HIGH SCHOOL
CRITICAL COMMUNICATIONS AND SECURITY SYSTEMS UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 136,994	-	\$ 136,994	\$ 136,994
Total Revenues	<u>136,994</u>	<u>-</u>	<u>136,994</u>	<u>136,994</u>
Expenditures and Other Financing Uses				
Construction Services	<u>70,997</u>	\$ 7,469	<u>78,466</u>	<u>136,994</u>
Total Expenditures	<u>70,997</u>	<u>7,469</u>	<u>78,466</u>	<u>136,994</u>
Excess of Revenues Over Expenditures	<u>\$ 65,997</u>	<u>\$ (7,469)</u>	<u>\$ 58,528</u>	<u>\$ -</u>

Additional Project Information:

Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 136,994
Additional Authorized Cost	-
Revised Authorized Cost	136,994

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	57%
Original Target Completion Date	June 30, 2019
Revised Target Completion Date	September 30, 2019

PROPRIETARY FUNDS

SCHEDULE G-1

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

SCHEDULE G-2

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

SCHEDULE G-3

**COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING SCHEDULE OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2019**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 120,652	\$ 120,788	\$ 241,440
Total Assets	<u>\$ 120,652</u>	<u>\$ 120,788</u>	<u>\$ 241,440</u>
LIABILITIES			
Payroll Deductions and Withholdings		\$ 115,399	\$ 115,399
Accrued Salaries and Wages		5,000	5,000
Accounts Payable		389	389
Due to Student Groups	\$ 120,652	-	120,652
Total Liabilities	<u>\$ 120,652</u>	<u>\$ 120,788</u>	<u>\$ 241,440</u>

**BOGOTA BOARD OF EDUCATION
FIDUCIARY FUNDS
SCHEDULE OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance, July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2019</u>
ELEMENTARY SCHOOLS				
Bixby	\$ 2,165	\$ 17,554	\$ 15,189	\$ 4,530
Steen	<u>4</u>	<u>15,768</u>	<u>11,945</u>	<u>3,827</u>
Total Elementary Schools	<u>2,169</u>	<u>33,322</u>	<u>27,134</u>	<u>8,357</u>
HIGH SCHOOL				
Student Activities	66,251	135,884	116,986	85,149
Athletic Account	<u>20,042</u>	<u>56,375</u>	<u>49,271</u>	<u>27,146</u>
Total High School	<u>86,293</u>	<u>192,259</u>	<u>166,257</u>	<u>112,295</u>
Total All Schools	<u>\$ 88,462</u>	<u>\$ 225,581</u>	<u>\$ 193,391</u>	<u>\$ 120,652</u>

**BOGOTA BOARD OF EDUCATION
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance, July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2019</u>
Payroll Deductions and Withholdings	\$ 117,109	\$ 5,306,268	\$ 5,307,978	\$ 115,399
Accounts Payable	227	25,231	25,069	389
Accrued Salaries and Wages	<u>15,053</u>	<u>7,178,229</u>	<u>7,188,282</u>	<u>5,000</u>
 Total	 <u>\$ 132,389</u>	 <u>\$ 12,509,728</u>	 <u>\$ 12,521,329</u>	 <u>\$ 120,788</u>

LONG-TERM DEBT

**BOGOTA BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2018</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2019</u>
Refunding School Bonds	9/24/2015	\$ 4,025,000	7/15/2019	\$ 490,000	4.00%				
			7/15/2020	505,000	4.00%				
			7/15/2021	500,000	4.00%				
			7/15/2022	520,000	4.00%				
			7/15/2023	515,000	4.00%	\$ 3,030,000	\$ -	\$ 500,000	\$ 2,530,000
						\$ 3,030,000	\$ -	\$ 500,000	\$ 2,530,000

**BOGOTA BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance Final to Actual</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		
REVENUES					
Local Sources					
Property Taxes	\$ 565,982	-	\$ 565,982	\$ 565,982	-
Total Revenues	<u>565,982</u>	<u>-</u>	<u>565,982</u>	<u>565,982</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	500,000		500,000	500,000	\$ -
Interest	<u>111,200</u>	<u>-</u>	<u>111,200</u>	<u>111,200</u>	<u>-</u>
Total Expenditures	<u>611,200</u>	<u>-</u>	<u>611,200</u>	<u>611,200</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(45,218)</u>	<u>-</u>	<u>(45,218)</u>	<u>(45,218)</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>45,218</u>	<u>\$ -</u>	<u>45,218</u>	<u>45,218</u>	<u>\$ -</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

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

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

	Fiscal Year Ended June 30,									
	2010	2011 (1)	2012	2013	2014 (Restated)	2015	2016	2017 (Restated)	2018	2019
Governmental Activities										
Investment in Capital Assets	\$ 5,967,801	\$ 4,365,487	\$ 5,366,100	\$ 5,793,169	\$ 6,879,437	\$ 7,465,274	\$ 7,421,305	\$ 8,400,116	\$ 9,798,605	\$ 10,968,650
Restricted	192,973	292,973	591,234	1,457,205	458,303	2,597,010	3,854,767	3,107,864	2,311,852	2,458,577
Unrestricted	(445,026)	(325,968)	401,885	784,661	732,997	(480,701)	(153,434)	(46,125)	(132,723)	(943,963)
Total Governmental Activities Net Position	\$ 5,715,748	\$ 4,332,492	\$ 6,359,219	\$ 8,035,035	\$ 8,070,737	\$ 9,581,583	\$ 11,122,638	\$ 11,461,855	\$ 11,977,734	\$ 12,483,264
Business-Type Activities										
Investment in Capital Assets	\$ 42,280	\$ 54,762	\$ 48,694	\$ 42,873	\$ 37,290	\$ 31,839	\$ 33,862	\$ 17,343	\$ 21,039	\$ 27,487
Unrestricted	13,314	1,938	7,541	3,468	(26,169)	17,313	34,960	60,461	79,742	98,126
Total Business-Type Activities Net Position	\$ 55,594	\$ 56,700	\$ 56,235	\$ 46,341	\$ 11,121	\$ 49,152	\$ 68,822	\$ 77,804	\$ 100,781	\$ 125,613
District-Wide										
Investment in Capital Assets	\$ 6,010,081	\$ 4,420,249	\$ 5,414,794	\$ 5,836,042	\$ 6,916,727	\$ 7,497,113	\$ 7,455,167	\$ 8,417,459	\$ 9,819,644	\$ 10,996,137
Restricted	192,973	292,973	591,234	1,457,205	458,303	2,597,010	3,854,767	3,107,864	2,311,852	2,458,577
Unrestricted	(431,712)	(324,030)	409,426	788,129	706,828	(463,388)	(118,474)	14,336	(52,981)	(845,837)
Total District Net Position	\$ 5,771,342	\$ 4,389,192	\$ 6,415,454	\$ 8,081,376	\$ 8,081,858	\$ 9,630,735	\$ 11,191,460	\$ 11,539,659	\$ 12,078,515	\$ 12,608,877

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

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 8,225,228	\$ 8,071,997	\$ 8,382,081	\$ 7,798,699	\$ 9,262,246	\$ 8,967,657	\$ 9,477,389	\$ 10,907,301	\$ 11,128,013	\$ 10,961,116
Special Education	4,785,657	5,403,583	5,176,543	5,359,694	4,551,363	5,550,933	5,568,650	5,877,087	6,351,448	6,055,181
Other Instruction	344,556	312,379	297,318	380,752	263,840	375,913	346,096	412,351	419,610	423,830
School Sponsored Activities and Athletics	260,059	270,669	323,814	445,029	474,035	550,991	546,839	595,774	659,709	749,335
Support Services:										
Student & Instruction Related Services	1,795,306	1,873,574	1,988,118	1,985,599	2,271,056	2,678,526	2,708,024	2,749,843	3,082,469	3,690,134
School Administrative Services	1,109,618	942,836	661,409	787,239	736,590	1,224,178	1,196,161	1,312,161	1,246,473	1,224,264
General Administration	683,252	705,920	615,592	614,508	660,251	902,449	1,048,012	1,220,821	824,765	713,911
Plant Operations and Maintenance	1,667,159	1,273,465	1,236,440	1,650,872	1,640,177	1,809,925	2,038,008	2,694,060	2,294,023	2,529,275
Pupil Transportation	1,029,216	829,306	659,078	617,377	722,488	673,795	932,164	892,247	977,671	872,381
Central Services	459,500	428,516	444,735	529,913	578,875	374,285	431,513	466,731	700,913	811,798
Interest on Long-Term Debt	317,564	304,201	277,819	247,796	226,973	206,766	119,418	97,365	90,630	76,107
Total Governmental Activities Expenses	20,677,115	20,416,446	20,062,947	20,417,478	21,387,894	23,315,418	24,412,274	27,225,741	27,775,724	28,107,332
Business-Type Activities:										
Food Service	457,610	463,072	479,444	444,777	417,664	440,391	481,857	477,875	451,152	480,533
Summer Recovery	-	-	-	-	-	-	-	43,742	23,960	30,689
Total business-Type Activities Expense	457,610	463,072	479,444	444,777	417,664	440,391	481,857	521,617	475,112	511,222
Total District Expenses	\$ 21,134,725	\$ 20,879,518	\$ 20,542,391	\$ 20,862,255	\$ 21,805,558	\$ 23,755,809	\$ 24,894,131	\$ 27,747,358	\$ 28,250,836	\$ 28,618,554
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)						\$ 43,191	\$ 140,080	\$ 35,648	\$ 79,483	\$ 65,857
Operating Grants and Contributions	\$ 4,268,598	\$ 3,036,917	\$ 3,361,184	\$ 3,416,358	\$ 3,496,494	5,230,099	6,064,337	7,877,275	8,057,872	7,823,735
Capital Grants and Contributions	418,881		398,532	64,588	20,840	-	26,702	-	14,365	37,906
Total Governmental Activities Program Revenues	4,687,479	3,036,917	3,759,716	3,480,946	3,517,334	5,273,290	6,231,119	7,912,923	8,151,720	7,927,498
Business-Type Activities:										
Charges for Services										
Food Service	209,281	195,360	202,355	178,793	155,639	205,362	208,028	200,050	175,867	211,082
Summer Recovery								30,125	30,420	36,575
Operating Grants and Contributions	250,426	268,543	276,393	255,884	226,559	273,061	293,225	297,283	289,779	286,863
Total Business Type Activities Program Revenues	459,707	463,903	478,748	434,677	382,198	478,423	501,253	527,458	496,066	534,520
Total District Program Revenues	\$ 5,147,186	\$ 3,500,820	\$ 4,238,464	\$ 3,915,623	\$ 3,899,532	\$ 5,751,713	\$ 6,732,372	\$ 8,440,381	\$ 8,647,786	\$ 8,462,018
Net (Expense)/Revenue										
Governmental Activities	\$ (15,989,636)	\$ (17,379,529)	\$ (16,303,231)	\$ (16,936,532)	\$ (17,870,560)	\$ (18,042,128)	\$ (18,181,155)	\$ (19,312,818)	\$ (19,624,004)	\$ (20,179,834)
Business-Type Activities	2,097	831	(696)	(10,100)	(35,466)	38,032	19,396	5,841	20,954	23,298
Total District-Wide Net Expense	\$ (15,987,539)	\$ (17,378,698)	\$ (16,303,927)	\$ (16,946,632)	\$ (17,906,026)	\$ (18,004,096)	\$ (18,161,759)	\$ (19,306,977)	\$ (19,603,050)	\$ (20,156,536)

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 12,294,405	\$ 12,783,703	\$ 12,939,377	\$ 13,198,165	\$ 13,593,934	\$ 14,026,842	\$ 14,180,378	\$ 14,180,378	\$ 14,463,986	\$ 15,025,266
Taxes Levied for Debt Service	720,478	730,059	709,199	709,999	707,772	645,666	644,533	631,250	633,775	565,982
State and Federal Aid - Unrestricted	3,768,363	4,160,485	4,432,253	4,677,324	4,705,827	4,758,551	4,724,773	4,773,016	4,899,186	4,783,497
State Aid - Restricted for Debt Service	14,438	12,912	12,410	11,908	11,406					
Gain (Loss) on Disposal of Capital Assets	(41,968)	(333)								
Miscellaneous Income	59,748	27,751	24,455	14,952	119,274	121,915	172,526	80,489	142,936	310,619
Transfers								(13,098)	-	-
Total Governmental Activities	16,815,464	17,714,577	18,117,694	18,612,348	19,138,213	19,552,974	19,722,210	19,652,035	20,139,883	20,685,364
Business-Type Activities:										
Transfers								13,098	-	-
Investment Earnings	472	275	231	206	246		274	894	2,023	1,534
Total Business-Type Activities	472	275	231	206	246	-	274	13,992	2,023	1,534
Total District-Wide	\$ 16,815,936	\$ 17,714,852	\$ 18,117,925	\$ 18,612,554	\$ 19,138,459	\$ 19,552,974	\$ 19,722,484	\$ 19,666,027	\$ 20,141,906	\$ 20,686,898
Change in Net Position										
Governmental Activities	\$ 825,828	\$ 335,048	\$ 1,814,463	\$ 1,675,816	\$ 1,267,653	\$ 1,510,846	\$ 1,541,055	\$ 339,217	\$ 515,879	\$ 505,530
Business-Type Activities	2,569	1,106	(465)	(9,894)	(35,220)	38,032	19,670	19,833	22,977	24,832
Total District	\$ 828,397	\$ 336,154	\$ 1,813,998	\$ 1,665,922	\$ 1,232,433	\$ 1,548,878	\$ 1,560,725	\$ 359,050	\$ 538,856	\$ 530,362

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Restricted		\$ 307,414	\$ 754,402	\$ 2,366,110	\$ 2,514,715	\$ 3,597,202	\$ 5,097,990	\$ 4,079,026	\$ 2,804,173	\$ 3,754,396
Committed			92,817	43,722	155,832	65,000		56,388		
Assigned		202,124	693,662	444,247	46,662	147,296	424,174	357,809	401,503	-
Unassigned		(173,342)	(217,674)	(285,585)	(241,326)	(268,668)	(300,229)	(221,339)	(191,072)	(335,007)
Reserved	\$ 329,615									
Unreserved	(213,796)									
Total General Fund	\$ 115,819	\$ 336,196	\$ 1,323,207	\$ 2,568,494	\$ 2,475,883	\$ 3,540,830	\$ 5,221,935	\$ 4,271,884	\$ 3,014,604	\$ 3,419,389
All Other Governmental Funds										
Restricted		\$ 4,964	\$ 65,527	\$ 502	\$ 175,948	\$ 53,982	\$ 61,739	\$ 604,626	\$ 1,007,680	\$ 204,181
Unreserved	\$ 4,964									
Total All Other Governmental Funds	\$ 4,964	\$ 4,964	\$ 65,527	\$ 502	\$ 175,948	\$ 53,982	\$ 61,739	\$ 604,626	\$ 1,007,680	\$ 204,181

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

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Property Tax Levy	\$ 13,014,883	\$ 13,513,762	\$ 13,648,576	\$ 13,908,164	\$ 14,301,706	\$ 14,672,508	\$ 14,824,911	\$ 14,811,628	\$ 15,097,761	\$ 15,591,248
Tuition Charges										
Interest Earnings										
Miscellaneous	65,968	94,908	71,174	19,858	130,482	167,009	335,549	119,042	242,047	418,476
State Sources	6,632,806	6,395,370	7,295,392	7,553,692	7,352,689	7,535,389	7,846,798	8,197,104	8,718,427	9,949,042
Federal Sources	1,831,254	747,787	862,268	611,580	870,670	641,670	770,098	761,291	755,299	767,275
Total Revenue	21,544,911	20,751,827	21,877,410	22,093,294	22,655,547	23,016,576	23,777,356	23,889,065	24,813,534	26,726,041
Expenditures										
Instruction										
Regular Instruction	8,055,814	7,884,433	8,078,332	7,836,748	9,307,269	7,829,252	8,097,515	8,468,945	9,073,278	9,793,761
Special Education Instruction	4,744,098	5,344,012	5,167,575	5,378,691	4,550,663	5,324,086	5,210,956	5,267,472	5,805,646	5,684,190
Other Instruction	253,046	261,021	297,318	379,143	263,630	324,088	291,346	312,507	333,982	375,199
School Sponsored Activities and Athletics	337,783	304,446	323,814	445,029	474,035	546,800	532,513	566,947	615,826	685,247
Support Services:										
Student & Inst. Related Services	1,760,899	1,832,053	1,960,523	1,963,459	2,242,814	2,420,824	2,429,882	2,343,957	2,659,516	3,459,619
General Administration	673,650	693,733	608,392	627,671	653,051	858,432	879,590	1,155,139	764,140	663,149
School Administrative Services	1,085,290	918,061	634,077	775,512	711,610	1,076,150	1,076,469	1,093,249	1,068,589	1,125,096
Plant Operations and Maintenance	1,644,824	1,267,234	1,221,466	1,302,351	1,243,550	1,376,147	1,543,147	2,147,412	1,714,787	1,859,492
Pupil Transportation	1,028,386	820,971	651,298	609,475	714,568	664,842	921,921	884,728	967,114	857,490
Central Services	450,881	410,698	444,420	529,476	579,190	347,098	393,566	439,035	618,287	740,086
Capital Outlay	1,000,128	51,817	811,417	344,571	1,081,186	659,209	112,274	972,490	1,412,820	1,270,226
Debt Service:										
Principal	460,000	485,000	480,000	495,000	541,968	455,000	470,000	490,000	505,000	500,000
Interest and Other Charges	274,916	257,971	241,609	225,906	209,178	191,667	129,315	141,250	128,775	111,200
Bond Issuance Costs							100,490			
Total Expenditures	21,769,715	20,531,450	20,920,241	20,913,032	22,572,712	22,073,595	22,188,984	24,283,131	25,667,760	27,124,755
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(224,804)	220,377	957,169	1,180,262	82,835	942,981	1,588,372	(394,066)	(854,226)	(398,714)
Other Financing Sources (Uses)										
Refunding Bonds Issued							4,025,000	-	-	-
Payments to Refunded Bond Escrow Agent							(4,260,962)	-	-	-
Premium on Issuance of Refunding							336,452	-	-	-
Capital Lease Proceeds			90,405							
Transfers In	386,661	1	434,380	69,519	857,606	96,278	-	1,376,195	2,157,368	113,788
Transfers Out	(386,661)	(1)	(434,380)	(69,519)	(857,606)	(96,278)	-	(1,389,293)	(2,157,368)	(113,788)
Total Other Financing Sources (Uses)	-	-	90,405	-	-	-	100,490	(13,098)	-	-
Net Change in Fund Balances	\$ (224,804)	\$ 220,377	\$ 1,047,574	\$ 1,180,262	\$ 82,835	\$ 942,981	\$ 1,688,862	\$ (407,164)	\$ (854,226)	\$ (398,714)
Debt Service as a Percentage of										
Noncapital Expenditures	3.54%	3.63%	3.59%	3.50%	3.50%	3.02%	3.17%	2.71%	2.61%	2.36%

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

Fiscal Year Ended June 30,	<u>Tuition</u>	Interest on <u>Investments</u>	Cancel Prior Year Accounts <u>Payable</u>	<u>Miscellaneous</u>	<u>Total</u>
2010		\$ 20,438	\$ 32,990	\$ 6,318	\$ 59,746
2011		7,363	9,129	11,258	27,750
2012		7,971		16,484	24,455
2013		9,081		5,863	14,944
2014	\$ 36,271	11,294		71,709	119,274
2015	43,191	10,357		111,558	165,106
2016	140,080	19,730	74,472	78,324	312,606
2017	35,648	21,525		58,964	116,137
2018	79,483	91,343	16,850	34,743	222,419
2019	65,857	115,490		195,129	376,476

Source: School District's Financial Statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
** 2010	\$ 4,376,300	\$ 689,382,200	\$ 69,997,900	\$ 24,265,200	\$ 44,472,000	\$ 832,493,600	\$ 1,561,663	\$ 834,055,263	\$ 916,167,917	\$ 1.620
2011	4,289,100	688,855,600	69,793,300	24,265,200	43,712,000	830,915,200	1,286,054	832,201,254	859,824,307	1.600
2012	4,174,300	687,218,200	68,483,700	22,919,200	43,456,200	826,251,600	1,266,437	827,518,037	811,078,125	1.668
*** 2013	2,972,900	527,461,700	56,975,200	17,102,700	38,959,800	643,472,300	-	643,472,300	711,789,326	2.160
2014	2,849,900	527,442,600	56,651,500	17,635,200	38,855,500	643,434,700	-	643,434,700	724,748,577	2.252
2015	2,849,900	527,992,200	56,711,800	17,265,100	38,496,800	643,315,800	-	643,315,800	710,932,904	2.303
2016	2,849,900	528,603,200	56,507,300	17,199,200	38,496,800	643,656,400	-	643,656,400	718,635,164	2.302
2017	2,719,200	528,837,500	56,079,300	17,199,200	37,623,200	642,458,400	-	642,458,400	729,342,969	2.319
2018	2,719,200	530,289,900	55,530,800	12,723,900	36,754,800	638,018,600	-	638,018,600	732,984,571	2.405
2019	2,719,200	531,148,100	56,780,800	12,723,900	36,562,700	639,934,700	-	639,934,700	793,633,251	2.462

a Tax rates are per \$100

** - Revaluation of Real Property effective 2009

*** - Reassessment effective 2013

Source: County Abstract of Ratables

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

<u>Calendar Year</u>	<u>Total</u>	<u>Local School District</u>	<u>Municipality (1)</u>	<u>County (2)</u>
2010	\$ 2.549	\$ 1.620	\$ 0.714	\$ 0.215
2011	2.574	1.600	0.759	0.215
2012	2.691	1.668	0.808	0.215
2013	3.531	2.160	1.119	0.252 **
2014	3.630	2.252	1.122	0.256
2015	3.729	2.303	1.161	0.265
2016	3.773	2.302	1.196	0.275
2017	3.800	2.319	1.196	0.285
2018	3.920	2.405	1.234	0.281
2019	4.018	2.462	1.254	0.302

* Revaluation of Real Property Effective 2008.

**Reassessment Effective 2013

(1) Includes Municipal Library

(2) Includes County Open Space tax

Source: Tax Duplicate, Borough of Bogota

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

Taxpayer	2019		2010	
	Taxable Assessed Value	% of Total District Net Assessed Valuation	Taxable Assessed Value	% of Total District Net Assessed Valuation
River Rock Equities	5,351,900	0.84%		
Del-Val Financial Corp	3,720,000	0.58%		
Michael Court Apartments	3,600,000	0.56%	\$ 4,105,800	0.49%
Rega Bogota LLC	3,396,300	0.53%		
BRC Property LLC	3,110,500	0.49%		
Bogota Royale Inv.	2,645,000	0.41%		
Singh Real Estate De & Inv Co	2,616,300	0.41%		
Evergreen Realty	2,605,000	0.41%	3,200,000	0.38%
Del-Val Financial Corp	2,480,000	0.39%		
River Rock Equities	2,390,000	0.37%		
Bogota Golf			10,848,500	1.30%
Stirling Management Corp			10,785,700	1.29%
Hess Oil			4,343,100	0.52%
P. Feiner			4,323,100	0.52%
Landmark Developers			3,845,100	0.46%
BR Holding			2,921,800	0.35%
River Road Associates			2,059,900	0.25%
	<u>\$ 31,915,000</u>	<u>4.99%</u>	<u>46,433,000</u>	<u>5.57%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 13,014,883	\$ 13,014,883	100.00%	
2011	13,513,762	13,513,762	100.00%	
2012	13,648,576	13,648,576	100.00%	
2013	13,908,164	13,908,164	100.00%	
2014	14,301,706	14,301,706	100.00%	
2015	14,672,508	14,672,508	100.00%	
2016	14,824,911	13,384,446	90.28%	\$ 1,440,465
2017	14,811,628	14,811,628	100.00%	
2018	15,097,761	13,673,010	90.56%	1,424,751
2019	15,591,248	15,591,248	100.00%	

Source: District records.

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Estimated Population	Per Capita	Percentage of Personal Income (1)
	General Obligation Bonds	Capital Leases				
2010	\$ 7,100,000		\$ 7,100,000	8,202	\$ 866	0.01%
2011	6,615,000		6,615,000	8,263	801	0.01%
2012	6,135,000	\$ 62,066	6,197,066	8,273	749	0.01%
2013	5,640,000	31,968	5,671,968	8,318	682	0.01%
2014	5,130,000		5,130,000	8,357	614	0.01%
2015	4,675,000		4,675,000	8,400	557	0.01%
2016	4,025,000		4,025,000	8,507	473	0.01%
2017	3,535,000		3,535,000	8,567	413	0.00%
2018	3,030,000		3,030,000	8,413	360	N/A
2019	2,530,000		2,530,000	8,413 *	301	N/A

Source: District records

*Estimated

N/A - Not Available

(1) Total Personal Income for Bergen County is presented on Exhibit J-14 ("Demographic Statistics")

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Valuation of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2010	\$ 7,100,000		\$ 7,100,000	0.85%	\$ 866
2011	6,615,000		6,615,000	0.79%	801
2012	6,135,000		6,135,000	0.74%	742
2013	5,640,000		5,640,000	0.88%	678
2014	5,130,000		5,130,000	0.80%	614
2015	4,675,000		4,675,000	0.73%	557
2016	4,025,000		4,025,000	0.63%	473
2017	3,535,000	\$ 45,218	3,489,782	0.54%	407
2018	3,030,000	45,218	2,984,782	0.47%	355
2019	2,530,000		2,530,000	0.40%	301

Source: District records

BOGOTA BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2018
(UNAUDITED)

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to Board</u>
Municipal Debt: (1)			
Bogota Board of Education	\$ 2,530,000	100.00%	\$ 2,530,000
Borough of Bogota	8,769,130	100.00%	<u>8,769,130</u>
			11,299,130
Overlapping Debt Apportioned to the Municipality:			
Bergen County (2);(A):			
County of Bergen (A)	1,392,086,673	0.43%	5,931,367
Bergen County Utilities Authority - Water Pollution (B)	183,406,807	0.99%	<u>1,823,263</u>
Total Direct and Overlapping Debt			<u>\$ 19,053,760</u>

Sources:

- (1) Borough of Bogota 2018 Annual Debt Statement
(2) Bergen County 2018 Debt Statement

- (A) The debt for this entity was apportioned by dividing the Municipality's 2018 equalized value by the total 2018 equalized value for Bergen County.
(B) Overlapping debt was computed based upon municipal flow to the Authority.

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 37,299,367	\$ 36,086,094	\$ 34,090,368	\$ 32,248,624	\$ 30,484,239	\$ 29,138,530	\$ 28,405,140	\$ 28,489,483	\$ 28,852,972	\$ 29,827,635
Total Net Debt Applicable to Limit	<u>7,100,000</u>	<u>6,615,000</u>	<u>6,135,000</u>	<u>5,640,000</u>	<u>5,130,000</u>	<u>4,675,000</u>	<u>4,025,000</u>	<u>3,535,000</u>	<u>3,030,000</u>	<u>2,530,000</u>
Legal Debt Margin	<u>\$ 30,199,367</u>	<u>\$ 29,471,094</u>	<u>\$ 27,955,368</u>	<u>\$ 26,608,624</u>	<u>\$ 25,354,239</u>	<u>\$ 24,463,530</u>	<u>\$ 24,380,140</u>	<u>\$ 24,954,483</u>	<u>\$ 25,822,972</u>	<u>\$ 27,297,635</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.04%	18.33%	18.00%	17.49%	16.83%	16.04%	14.17%	12.41%	10.50%	8.48%

Legal Debt Margin Calculation for Fiscal Year 2019

Equalized Valuation Basis	
2016	\$ 723,046,956
2017	730,315,335
2018	<u>783,710,355</u>
	<u>\$ 2,237,072,646</u>
Average Equalized Valuation of Taxable Property	<u>\$ 745,690,882</u>
Debt Limit (4 % of average equalization value)	\$ 29,827,635
Total Net Debt Applicable to Limit	<u>2,530,000</u>
Legal Debt Margin	<u>\$ 27,297,635</u>

Source: Department of Treasury, Division of Taxation

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

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Total Personal Income - County (A)</u>
2010	8,202	\$ 65,275	14.2%	\$ 59,847,025
2011	8,263	68,244	14.0%	62,958,467
2012	8,273	71,380	14.2%	66,119,775
2013	8,318	70,498	8.0%	65,924,420
2014	8,357	73,536	5.8%	62,728,654
2015	8,400	75,849	5.0%	72,078,116
2016	8,507	77,187	4.7%	73,412,467
2017	8,567	81,203	4.0%	77,013,135
2018	8,413	N/A	4.3%	N/A
2019	8,413	* N/A	4.3%	* N/A

(A) In thousands of dollars

N/A - Not Available

*Estimated

Source: New Jersey Department of Education

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

	<u>2019</u>		<u>2010</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Instruction										
Regular	102	100	101	101	101	103	107	99	90	84
Special Education	15	14	15	15	15	15	16	18	18	18
Other Special Education	3	3	3	3	6	6	7	11	18	18
Support Services:										
Student & Instruction Related Services	18	15	15	15	15	16	22	18	15	14
General Administration	2	3	3	3	3	3	5	3	3	3
School Administrative Services	4	-	-	-	-	-	-	4	4	4
Other Administrative Services	4	2	2	2	2	2	2	2	1	1
Central Services	3	3	3	3	3	3	4	4	5	5
Plant Operations and Maintenance	12	1	1	1	3	13	13	15	16	16
Total	<u>163</u>	<u>141</u>	<u>143</u>	<u>143</u>	<u>148</u>	<u>161</u>	<u>176</u>	<u>174</u>	<u>170</u>	<u>163</u>

Source: Annual School Budget Statement

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Senior High School				
2010	1,201	\$ 20,034,671	\$ 16,682	13.34%	108	11:01	11:01	1155	1096	-3.67%	94.89%
2011	1,223	19,736,662	16,138	-3.26%	117	9:01	9:01	1168	1146	1.13%	98.12%
2012	1,194	19,387,215	16,237	0.62%	103	9:01	9:01	1163	1141	-0.43%	98.11%
2013	1,171	19,847,555	16,949	4.39%	108	9:01	9:01	1158	1136	-0.43%	98.10%
2014	1,166	20,740,380	17,788	4.95%	108	9:01	9:01	1106	1043	-4.49%	94.30%
2015	1,130	20,767,719	18,379	3.32%	104	9:01	9:01	1090	1043	-1.45%	95.69%
2016	1,144	21,376,905	18,686	1.67%	107	9:01	9:01	1143	1069	4.86%	93.53%
2017	1,118	22,679,391	20,286	8.56%	107	9:01	9:01	1097	1047	-4.02%	95.44%
2018	1,155	23,621,165	20,451	0.82%	107	9:01	9:01	1116	1065	1.73%	95.43%
2019	1,109	25,243,329	22,762	11.50%	108	9:01	9:01	1114	1063	-0.18%	95.42%

Sources: District records

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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>District Building</u>										
<u>E. Roy Bixby</u>										
Square Feet	40,475	40,475	40,475	40,475	40,475	40,475	40,475	40,475	40,475	40,475
Capacity (students)	300	292	292	292	292	292	292	292	292	292
Enrollment			294	294	294	308	294	280	284	290
<u>Lillian M. Steen</u>										
Square Feet	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456
Capacity (students)	321	296	296	296	296	296	296	296	296	296
Enrollment			302	302	302	294	308	302	305	301
<u>Jr./Sr. High School</u>										
Square Feet	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104
Capacity (students)	580	575	575	575	575	575	575	575	575	575
Enrollment			554	554	554	493	503	515	527	524
<u>Other</u>										
<u>Board of Education Offices</u>										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<u>Feigel Field House</u>										
Square Feet	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640
Number of Schools at June 30, 2017										
Elementary =	2	2	2	2	2	2	2	2	2	2
Junior/Senior High School =	1	1	1	1	1	1	1	1	1	1

Source: Long Range Facilities Plan 2007-2016

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
School Facilities										
Bixby Elementary School	\$ 107,720	\$ 72,190	\$ 66,979	\$ 73,287	\$ 57,440	\$ 88,388	\$ 106,601	\$ 233,465	\$ 122,274	\$ 132,884
Steen Elementary School	121,186	57,550	85,247	85,927	67,371	103,663	125,140	273,732	143,364	155,995
Bogota High School	<u>219,930</u>	<u>175,164</u>	<u>152,227</u>	<u>155,906</u>	<u>122,242</u>	<u>188,111</u>	<u>231,742</u>	<u>496,659</u>	<u>260,119</u>	<u>288,879</u>
Grand Total	<u>\$ 448,836</u>	<u>\$ 304,904</u>	<u>\$ 304,453</u>	<u>\$ 315,120</u>	<u>\$ 247,053</u>	<u>\$ 380,162</u>	<u>\$ 463,483</u>	<u>\$ 1,003,856</u>	<u>\$ 525,757</u>	<u>\$ 577,758</u>

Source: School District's Financial Statements

BOGOTA BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2019
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Commercial Property Coverage - NJSIG		
Property - Blanket Building & Contents	\$ 47,281,450	\$ 5,000
Electronic Data Processing	500,000	
Equipment Breakdown	100,000,000	
General Liability - NJSIG		
General Aggregate	11,000,000	
Public Official Bonds - NJSIG		
School Business Administrator	430,000	1,000
Treasurer	430,000	1,000
Boiler and Machinery - NJSBAIG		
Direct Damage	100,000,000	1,000
Commercial Automobile - NJSIG		
Liability	11,000,000	1,000
School Board Legal Liability	11,000,000	15,000
Excess/Umbrella Liability - NJSIG	11,000,000	
Firemen's Fund	50,000,000	
Workers Compensation - NJSIG		
Employer Liability - Each Accident/Each Employee/Limit	2,000,000	
Student/Athletic Accident - United States	5,000,000	10,000

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bogota Board of Education as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Bogota Board of Education's basic financial statements and have issued our report thereon dated November 11, 2019.

Internal Control Over Financial Reporting

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

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

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


Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bogota Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated November 11, 2019.

Purpose of this Report

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


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 11, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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ROBERT LERCH, CPA
CHRIS SOHN, CPA

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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


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

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

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

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

We have audited the financial statements of the Bogota Board of Education, as of and for the fiscal year ended June 30, 2019 and have issued our report thereon dated November 11, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 11, 2019

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2018					Balance June 30, 2019					MEMO GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	A/R Carryover Amount	Def. Rev Carryover Amount	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education															
Medicaid Assistance Program (Semi)	93.778	1905NJ5MAP	7/1/18-6/30/19	\$ 72,932	-	-	-	-	-	\$ 72,932	\$ 72,932	-	-	-	*
Total U.S. Department of Education - General Fund					-	-	-	-	-	72,932	72,932	-	-	-	*
U.S. Department of Agriculture Passed-Through State Department of Education															
Food Distribution Program- Non Cash Assistance	10.555	191NJ304N1099	7/1/18-6/30/19	30,072						30,072	30,072				*
National School Breakfast Program	10.553	181NJ304N1099	7/1/17-6/30/18	33,990	\$ (2,513)					2,513					*
National School Breakfast Program	10.553	191NJ304N1099	7/1/18-6/30/19	33,798						31,387	33,798	\$ (2,411)			\$ (2,411)
National School Lunch Program	10.555	181NJ304N1099	7/1/17-6/30/18	219,462	(12,422)					12,422					*
National School Lunch Program	10.555	191NJ304N1099	7/1/18-6/30/19	217,769	-	-	-	-	-	206,962	217,769	(10,807)	-	-	(10,807)
Total Child Nutrition Cluster/U.S. Department of Agriculture					(14,935)	-	-	-	-	283,356	281,639	(13,218)	-	-	(13,218)
U.S. Department of Education Passed-Through State Department of Education															
Title III	84.365	S365A180030	7/1/18-6/30/19	11,049	-	-	-	-	-	3,377	11,049	(7,672)	-	-	(7,672)
Total Title III Cluster					-	-	-	-	-	3,377	11,049	(7,672)	-	-	(7,672)
I.D.E.A. Part B	84.027	H027A170100	7/1/17-6/30/18	302,021	(12,109)	\$ 5,207		\$ 5,207	\$ (5,207)	6,902					*
I.D.E.A. Part B	84.027	H027A180100	7/1/18-6/30/19	308,337				(5,207)	5,207	281,412	308,014	(32,132)	\$ 5,530		(26,602)
I.D.E.A. Preschool	84.173	H173A180114	7/1/18-6/30/19	8,417	-	-	-	-	-	8,417	8,417	-	-	-	-
Total IDEA Cluster					(12,109)	5,207	-	-	-	296,731	316,431	(32,132)	5,530	-	(26,602)
Title I	84.010	S010A180030	7/1/18-6/30/19	314,040	-	-	-	-	-	224,203	314,040	(89,837)	-	-	(89,837)
Total Title I Cluster					-	-	-	-	-	224,203	314,040	(89,837)	-	-	(89,837)
Title II Part A	84.367A	S367A180029	7/1/18-6/30/19	38,564						21,365	34,997	(17,199)	3,567		(13,632)
Title II Part A	84.367A	S367A170029	7/1/17-6/30/18	31,403	(3,336)	-	-	-	-	3,336	-	-	-	-	-
Total Title II Cluster					(3,336)	-	-	-	-	24,701	34,997	(17,199)	3,567	-	(13,632)
Title IV Part A	84.424	S424A180031	7/1/18-6/30/19	18,856	-	-	-	-	-	5,714	17,826	(13,142)	1,030	-	(12,112)
Total Title IV Cluster					-	-	-	-	-	5,714	17,826	(13,142)	1,030	-	(12,112)
Total U.S. Department of Education - Special Revenue Fund					(15,445)	5,207	-	-	-	554,726	694,343	(159,982)	10,127	\$ -	(149,855)
Total					\$ (30,380)	\$ 5,207	\$ -	\$ -	\$ -	\$ 911,014	\$ 1,048,914	\$ (173,200)	\$ 10,127	\$ -	\$ (163,073)

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2018		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2019			MEMO		
				(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Expenditures	
State Department of Education														
General Fund														
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	\$ 4,803,287			\$ 4,360,232	\$ 4,803,287							\$ 4,803,287
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	4,803,287	(415,346)		415,346				(443,055)				
Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	764,979			694,417	764,979			(70,562)				764,979
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	764,979	(66,149)		66,149								
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	328,102			297,838	328,102			(30,264)				328,102
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	73,248	(6,334)		6,334								
Additional Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	80,476	(6,959)		6,959								
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	11,230	(970)		970								
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	11,100	(960)		960								
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	11,100	(960)		960								
Total State Aid - Public Cluster				(497,678)	-	5,850,165	5,896,368	-	(543,881)	-	-	-	-	5,896,368
Extraordinary Aid	19-495-034-5120-044	7/1/18-6/30/19	305,344			1,054	305,344			(304,290)				305,344
Extraordinary Aid	18-495-034-5120-044	7/1/17-6/30/18	271,174	(271,174)		271,174								
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	203,338			184,582	203,338			(18,756)				203,338
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	53,824	(4,654)		4,654								
On-Behalf TPAF Payments														
Normal Costs	19-495-034-5094-002	7/1/18-6/30/19	1,528,801			1,528,801	1,528,801							1,528,801
NCGI Premium	19-495-034-5094-004	7/1/18-6/30/19	32,002			32,002	32,002							32,002
Long-Term Disability Insurance Contributions	19-495-034-5094-004	7/1/18-6/30/19	1,975			1,975	1,975							1,975
Post Retirement Medical Contribution	19-495-034-5094-001	7/1/18-6/30/19	707,978			707,978	707,978							707,978
Social Security Aid-Non-Budget	19-495-034-5094-003	7/1/18-6/30/19	636,226			604,958	636,226			(31,268)			\$ (31,268)	636,226
Social Security Aid-Non-Budget	18-495-034-5094-003	7/1/17-6/30/18	594,797	(30,188)		30,188								
Total General Fund				(803,694)	-	9,217,531	9,312,032	-	(898,195)	-	-	-	(31,268)	9,312,032
Special Revenue Fund														
Preschool Education Expansion Aid (PEEA)	19-495-034-5120-086	7/1/18-6/30/19	684,540			616,086	529,534			(68,454)	\$ 155,006			529,534
New Jersey Nonpublic Aid:														
Auxiliary Services:														
Compensatory Education	19-100-034-5120-067	7/1/18-6/30/19	72,758			72,758	61,335				\$ 11,423			61,335
Compensatory Education	18-100-034-5120-067	7/1/17-6/30/18	78,840		\$ 20,817			\$ 20,817						
English as a Second Language	19-100-034-5120-067	7/1/18-6/30/19	2,329			2,329	777					1,552		777
English as a Second Language	18-100-034-5120-067	7/1/17-6/30/18	2,710		2,710			2,710						
Transportation	19-100-034-5120-067	7/1/18-6/30/19	15,810			15,810	15,810							15,810
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster				-	23,527	90,897	77,922	23,527	-	-	12,975	-	-	77,922
Handicapped Services:														
Examination & Classification	19-100-034-5120-066	7/1/18-6/30/19	22,753			22,753	18,203				4,550			18,203
Examination & Classification	18-100-034-5120-066	7/1/17-6/30/18	27,487		5,100			5,100						
Supplemental Instruction	19-100-034-5120-066	7/1/18-6/30/19	27,754			27,754	17,525					10,229		17,525
Supplemental Instruction	18-100-034-5120-066	7/1/17-6/30/18	21,410		2,062			2,062						
Corrective Speech	19-100-034-5120-066	7/1/18-6/30/19	23,124			23,124	20,713					2,411		20,713
Corrective Speech	18-100-034-5120-066	7/1/17-6/30/18	20,534		3,392			3,392						
Total Nonpublic Handicapped Aid (Chapter 193) Cluster				-	10,554	73,631	56,441	10,554	-	-	17,190	-	-	56,441
Textbook Aid	19-100-034-5120-064	7/1/18-6/30/19	10,573			10,573	10,573							10,573
Nursing Services	19-100-034-5120-070	7/1/18-6/30/19	19,206			19,206	19,206							19,206
Technology Aid	19-100-034-5120-373	7/1/18-6/30/19	7,128			7,128	7,056					72		7,056
Security Aid	19-100-034-5120-509	7/1/18-6/30/19	29,700			29,700	29,699					1		29,699
Total Special Revenue Fund				-	34,081	847,221	730,431	34,081	(68,454)	155,006	30,238	-	-	730,431

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**BOGOTA BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2018		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2019			MEMO		
				(Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Expenditures	
State Department of Agriculture													*	
Enterprise Fund													*	
State School Lunch Program	19-100-010-3350-023	7/1/18-6/30/19	\$ 5,224			\$ 4,966	\$ 5,224		\$ (258)			\$ (258)	\$ 5,224	
State School Lunch Program	18-100-010-3350-023	7/1/17-6/30/18	5,312	\$ (297)	-	297	-	-	-	-	-	-	-	
Total Food Service Fund				(297)	-	5,263	5,224	-	(258)	-	-	(258)	5,224	
Total State Financial Assistance Subject to Single Audit Determination				(803,991)	\$ 34,081	10,070,015	10,047,687	\$ 34,081	(966,907)	\$ 155,006	\$ 30,238	(31,526)	10,047,687	
Less On-Behalf TPAF Pension and Annuity Aid													*	
Normal Costs						(1,528,801)	(1,528,801)						(1,528,801)	
NCGI Premium						(32,002)	(32,002)						(32,002)	
Long-Term Disability Insurance Contributions						(1,975)	(1,975)						(1,975)	
Post Retirement Medical Contribution						(707,978)	(707,978)						(707,978)	
						-	-		-	-	-	-	(2,270,756)	
Total State Financial Assistance Subject to Major Program Determination				\$ (803,991)	\$ 34,081	\$ 7,799,259	\$ 7,776,931	\$ 34,081	\$ (966,907)	\$ 155,006	\$ 30,238	\$ (31,526)	\$ 7,776,931	

**BOGOTA BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$93,421 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 72,932	\$ 9,218,611	\$ 9,291,543
Special Revenue Fund	694,343	730,431	1,424,774
Food Service Fund	<u>281,639</u>	<u>5,224</u>	<u>286,863</u>
Total Financial Assistance	<u>\$ 1,048,914</u>	<u>\$ 9,954,266</u>	<u>\$ 11,003,180</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$636,226 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2019. The amount reported as TPAF Pension System Contributions in the amount of \$1,560,803, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$707,978 and TPAF Long-Term Disability Insurance in the amount of \$1,975 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2019.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified? _____ yes X none reported

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

Federal Awards Section

Internal Control over major programs:

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

2) Significant deficiencies identified? _____ yes X none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.553 & 10.555</u>	<u>191NJ304N1099</u>	<u>Child Nutrition Cluster</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

Auditee qualified as low-risk auditee? X yes _____ no

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part I – Summary of Auditor's Results

State Awards Section

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

\$750,000

Auditee qualified as low-risk auditee?

X yes no

Internal control over major programs:

1) Material weaknesses identified?

yes X none reported

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

yes X no

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

Unmodified

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

yes X no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
<u>19-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>19-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>19-495-034-5120-084</u>	<u>Security Aid</u>
<u>19-495-034-5120-086</u>	<u>Preschool Education Expansion Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part 2 – Schedule of Financial Statement Findings

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

There are none.

**BOGOTA BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.

**BOGOTA BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2018-001:

Our audit of expenditure revealed the following:

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

Current Status

Corrective action was taken.