

BERGENFIELD BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Bergenfield, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Bergenfield Board of Education

Bergenfield, New Jersey

For The Fiscal Year Ended June 30, 2020

Prepared by

Business Office

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INTRODUCTORY SECTION

Board of Education
BERGENFIELD, NEW JERSEY

Christopher M. Tully, EdD
Superintendent of Schools

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

February 5, 2021

Honorable President and
Members of the Board of Education
Bergenfield Public Schools
Bergenfield, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Bergenfield Public Schools (District) for the fiscal year ended June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (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 results of operations of the various funds of the District. 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. Bergenfield Public School's MD&A can be found immediately following the "Independent Auditors' 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 auditors' report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund 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 provisions of Title II U.S. Code of Federal Regulation (LFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance)", and the State Treasury Circular 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: Bergenfield Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and account groups of the District are included in this report. The Bergenfield Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and vocational as well as special education for handicapped youngsters. The District completed the 2019-2020 fiscal year with an enrollment of 3,682 students, which is 89 students more than the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Bergenfield has continued to experience a period of economic difficulty which reflects the national trend of recent years. The availability of "affordable" housing is the major cause of an upturn in real estate sales. This trend is expected to continue. This suggests that school enrollments will increase and that the Bergenfield area will experience an economic recovery. The September 2020 opening day K-12 enrollment was 3701. This represents an increase of 19 pupils as compared to the opening enrollment in September of 2019. By adopting programs and services to meet the needs of its newest residents and working those changes into the fabric of currently existing programs, all residents can be served in a manner which is fair, equitable and affordable.

3. MAJOR INITIATIVES: The Bergenfield School District continued to make noteworthy advances in the delivery of educational programs, facility upgrades, and academic achievement through sound fiscal management and innovative financial planning. Significant accomplishments for 2019-2020 School Year include science room 232 renovation, woodshop air filtration replacement at Bergenfield High School, and classroom 32 renovation at Roy W. Brown Middle School; Tri Valley Academy for Autism continues to grow thus reducing out of district tuition cost and increasing revenue.

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

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

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

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 and Special Revenue Funds. Project length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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. FINANCIAL INFORMATION AT FISCAL YEAR -END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

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


9. 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.

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10. 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 & Higgins, LLP was selected by the Board. 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 Uniform Guidance and State Treasury Circular OMB 15-08. The auditors' report on the basic financial statements are included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Bergenfield 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,



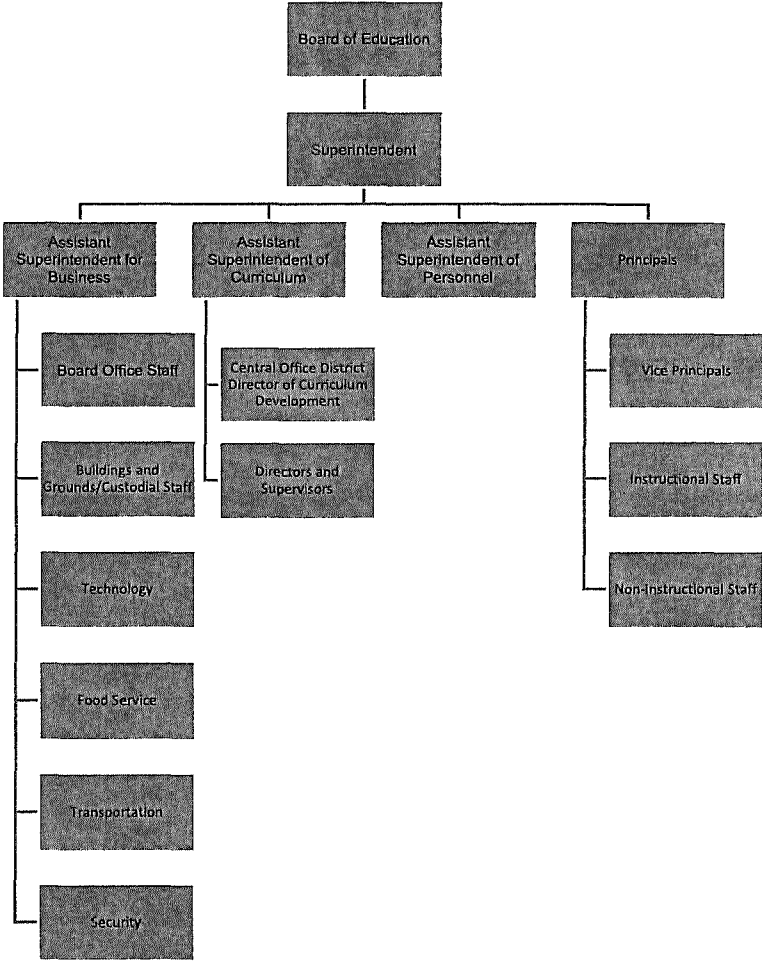
Christopher M. Tully, EDD
Superintendent



Christopher M. Tully, EDD
Acting Business Administrator/Board Secretary

BERGENFIELD BOARD OF EDUCATION

Organization Chart



**BERGENFIELD BOARD OF EDUCATION
ROSTER OF OFFICIALS
June 30, 2020**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Joseph Amara, President	2022
Eileen Ryder, Vice President	2020
Nelson Reynoso, Trustee	2021
Guadalupe Ruiz-Catala, Trustee	2021
Debra Podwin, Trustee	2022

Other Officials

Christopher M. Tully, EDD, Superintendent

Christopher M. Tully, EDD, Interim Business Administrator/Board Secretary (May 1, 2020 to June 30, 2020)

David DiPisa, Business Administrator/Board Secretary (July 1, 2019 to April 29, 2020)

Sean Gately, Treasurer of School Monies

**BERGENFIELD BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

Architect

Solutions Architecture
96 Pompton Avenue
2nd Floor, Suite 200
Verona, NJ 07044

Audit Firm

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

Attorneys

Fogarty & Hara
16-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

TD Bank
126 North Washington Avenue
Bergenfield, New Jersey 07621

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
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRIS SOHN, CPA
CHRISTOPHER M. VINCI, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Bergenfield Board of Education
Bergenfield, 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 Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2020 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 Bergenfield Board of Education as of June 30, 2020, 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 Bergenfield Board of Education's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Bergenfield Board of Education.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 5, 2021 on our consideration of the Bergenfield 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergenfield 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 Bergenfield Board of Education’s internal control over financial reporting and compliance.

Lerch, Vinci & Higgins, LLP
LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 5, 2021

REQUIRED SUPPLEMENTARY INFORMATION – PART I
MANAGEMENT’S DISCUSSION AND ANALYSIS

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

This section of the Bergenfield Board of Education's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the District's financial statements and notes to the financial statements which immediately follows this discussion and analysis.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-2020 fiscal year include the following:

- The assets and deferred outflow of resources of the Bergenfield Board of Education exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$17,752,500 (net position).
- The District's overall net position decreased \$1,208,688 or 6%.
- Overall district revenues were \$81,788,177. General revenues accounted for \$59,751,872 or 73% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$22,026,305 or 27% of total revenues.
- The school district had \$81,559,614 in expenses for governmental activities; only \$20,740,964 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$59,751,872 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 \$8,607,637 an increase of \$139,939 from the previous year.
- The General Fund unassigned fund balance (GAAP Basis) at June 30, 2020 was \$107,195 compared to the ending unassigned fund balance at June 30, 2019 of \$331,975.
- The General Fund unassigned budgetary fund balance at June 30, 2020 was \$2,371,090 which represents an increase of \$82,972 when compared to the ending unassigned budgetary fund balance at June 30, 2019 of \$2,288,118.
- The District's investment in capital assets decreased \$1,112,852 during the current fiscal year.
- The District's long-term liabilities decreased \$1,473,388 during the current fiscal year.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

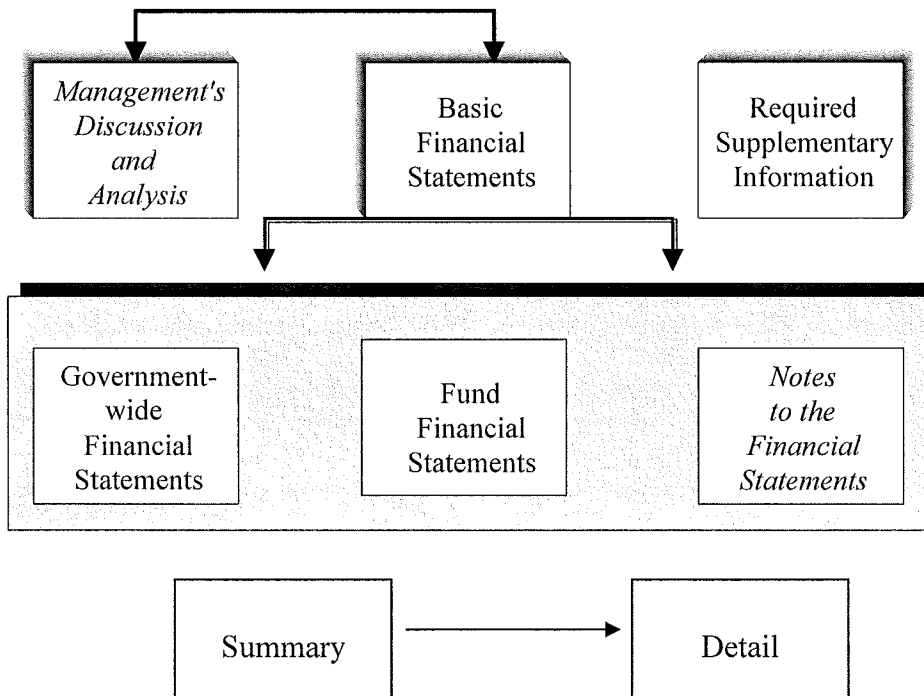
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The basic financial statements also include *notes* that explain the information in the statements and provide more detailed data. The following illustrates how the various parts of this annual report are arranged and related to one another.



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as Regular and Special Education Instruction and Building maintenance	Activities the district operates similar to private businesses: Enterprise Fund	Instances in which the district administers resources held in trust, such as Unemployment, Payroll Agency and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and changes in fund balances	Statement of Net Position Statement of revenue, expenses, and changes in fund net position Statement of cash flows	Statements of Fiduciary net position Statement of changes in fiduciary net position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset, liability, and deferred resources information	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

District-Wide Financial Statements

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

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

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

District-Wide Financial Statements (continued)

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

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes, state and federal aid finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's food service and summer enrichment programs are included under this category.

Fund Financial Statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

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

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

- Food Service (Cafeteria)
- Summer Enrichment Program

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

Notes to the Financial Statements

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budget process, pension plans and other postemployment benefits. The District adopts an annual expenditure budget for the general and special revenue funds. A budgetary comparison statement has been provided for these funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans as well as postemployment paid health benefits has also been provided as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons, pension, and other postemployment benefits information.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$17,752,500 and \$18,961,188 as of June 30, 2020 and 2019, respectively.

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

	Net Position As of June 30, 2020 and 2019					
	Governmental Activities		Business-Type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets						
Current Assets	\$ 9,907,727	\$ 10,742,508	\$ 559,334	\$ 566,676	\$ 10,467,061	\$ 11,309,184
Capital Assets	<u>27,622,682</u>	<u>28,727,102</u>	<u>102,285</u>	<u>110,717</u>	<u>27,724,967</u>	<u>28,837,819</u>
Total Assets	<u>37,530,409</u>	<u>39,469,610</u>	<u>661,619</u>	<u>677,393</u>	<u>38,192,028</u>	<u>40,147,003</u>
Deferred Outflows of Resources	<u>2,135,946</u>	<u>3,602,992</u>	<u>-</u>	<u>-</u>	<u>2,135,946</u>	<u>3,602,992</u>
Total Assets and Deferred Outflow of Resources	<u>39,666,355</u>	<u>43,072,602</u>	<u>661,619</u>	<u>677,393</u>	<u>40,327,974</u>	<u>43,749,995</u>
Liabilities						
Long-Term Liabilities	15,665,041	17,138,429			15,665,041	17,138,429
Other Liabilities	<u>1,300,090</u>	<u>2,274,810</u>	<u>209,966</u>	<u>83,830</u>	<u>1,510,056</u>	<u>2,358,640</u>
Total Liabilities	<u>16,965,131</u>	<u>19,413,239</u>	<u>209,966</u>	<u>83,830</u>	<u>17,175,097</u>	<u>19,497,069</u>
Deferred Inflow of Resources	<u>5,400,377</u>	<u>5,291,738</u>	<u>-</u>	<u>-</u>	<u>5,400,377</u>	<u>5,291,738</u>
Total Liabilities and Deferred Inflow of Resources	<u>22,365,508</u>	<u>24,704,977</u>	<u>209,966</u>	<u>83,830</u>	<u>22,575,474</u>	<u>24,788,807</u>
Net Position						
Investment in Capital Assets	27,622,682	28,727,102	102,285	110,717	27,724,967	28,837,819
Restricted	4,547,246	4,389,690			4,547,246	4,389,690
Unrestricted	<u>(14,869,081)</u>	<u>(14,749,167)</u>	<u>349,368</u>	<u>482,846</u>	<u>(14,519,713)</u>	<u>(14,266,321)</u>
Total Net Position	<u>\$ 17,300,847</u>	<u>\$ 18,367,625</u>	<u>\$ 451,653</u>	<u>\$ 593,563</u>	<u>\$ 17,752,500</u>	<u>\$ 18,961,188</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

The District's total net position of \$17,752,500 at June 30, 2020 represents a decrease of \$1,208,688 or 6% from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2020 and 2019.

**Changes in Net Position
For the Fiscal Years Ended June 30, 2020 and 2019**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program Revenues						
Charges for Services	\$ 1,873,320	\$ 1,615,709	\$ 541,044	\$ 700,132	\$ 2,414,364	\$ 2,315,841
Operating Grants and Contributions	18,470,860	21,146,614	744,297	720,067	19,215,157	21,866,681
Capital Grants and Contributions	396,784	46,732			396,784	46,732
General Revenues						
Property Taxes	49,523,856	49,523,856			49,523,856	49,523,856
Unrestricted State Aid	9,754,938	8,951,490			9,754,938	8,951,490
Other	473,078	341,122	-	-	473,078	341,122
Total Revenues	<u>80,492,836</u>	<u>81,625,523</u>	<u>1,285,341</u>	<u>1,420,199</u>	<u>81,778,177</u>	<u>83,045,722</u>
Expenses						
Instruction						
Regular	36,531,780	36,929,584			36,531,780	36,929,584
Special Education	14,934,306	15,661,228			14,934,306	15,661,228
Other Instruction	2,308,534	2,344,901			2,308,534	2,344,901
School Sponsored Activities and Athletics	1,245,627	1,462,542			1,245,627	1,462,542
Support Services						
Student and Instruction Related Services	8,765,472	9,106,779			8,765,472	9,106,779
General Administrative Services	1,659,985	1,724,881			1,659,985	1,724,881
School Administrative Services	5,115,814	5,140,698			5,115,814	5,140,698
Central Administrative Services	1,167,210	913,184			1,167,210	913,184
Plant Operations and Maintenance	7,054,618	8,308,017			7,054,618	8,308,017
Student Transportation	2,776,268	2,833,294			2,776,268	2,833,294
SDA Grants Cancelled					-	
Food Services			1,347,031	1,360,546	1,347,031	1,360,546
Summer Enrichment Program	-	-	80,220	80,695	80,220	80,695
Total Expenses	<u>81,559,614</u>	<u>84,425,108</u>	<u>1,427,251</u>	<u>1,441,241</u>	<u>82,986,865</u>	<u>85,866,349</u>
Change in Net Position	(1,066,778)	(2,799,585)	(141,910)	(21,042)	(1,208,688)	(2,820,627)
Net Position, Beginning of Year	<u>18,367,625</u>	<u>21,167,210</u>	<u>593,563</u>	<u>614,605</u>	<u>18,961,188</u>	<u>21,781,815</u>
Net Position, End of Year	<u>\$ 17,300,847</u>	<u>\$ 18,367,625</u>	<u>\$ 451,653</u>	<u>\$ 593,563</u>	<u>\$ 17,752,500</u>	<u>\$ 18,961,188</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

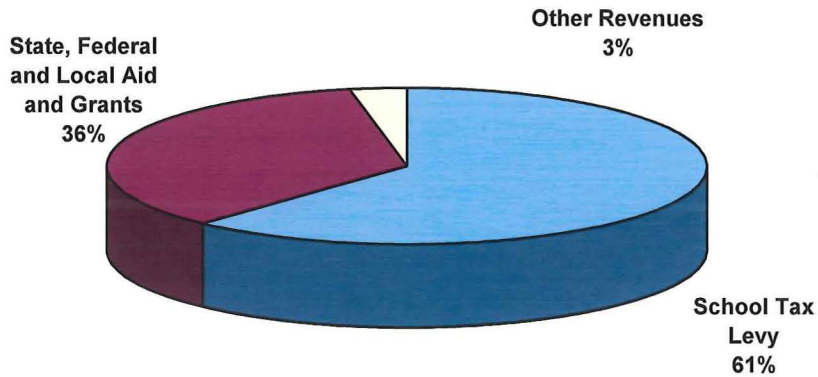
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$80,492,836 and \$81,625,523 for the fiscal years ended June 30, 2020 and 2019. Property taxes of \$49,523,856 and \$49,523,856 represented 61% and 61% of revenues for the fiscal years ended June 30, 2020 and 2019. Another significant portion of revenues came from State and Federal aid; total State, Federal and Local aid and grants of \$28,622,582 and \$30,144,836 represented 36% and 37% of revenues for the fiscal years ended June 30, 2020 and 2019. In addition, tuition, transportation fees and other miscellaneous income is earned which includes items such as interest, prior year refunds and other miscellaneous items of revenues.

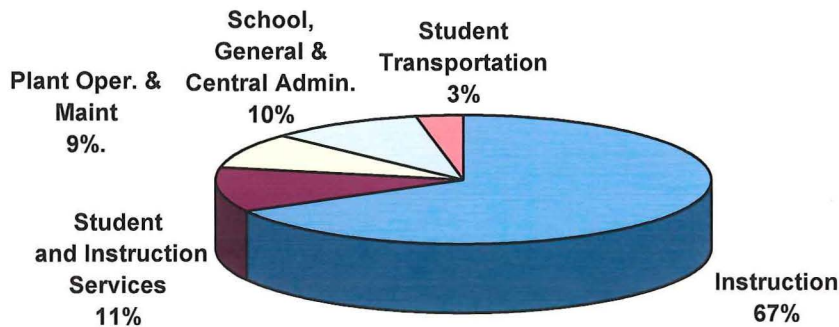
The total cost of all governmental activities programs and services were \$81,559,614 and \$84,425,108 for the fiscal years ended June 30, 2020 and 2019. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$55,020,247 (67%) and \$56,398,255 (67%) of total expenses for the fiscal years ended June 30, 2020 and 2019. Support services, totaled \$26,539,367 (33%) and \$28,026,853 (33%) of total expenses for the fiscal years ended June 30, 2020 and 2019.

Total governmental activities expenses exceeded revenues decreasing net position at June 30, 2020 and 2019 by \$1,066,778 and \$2,799,585, respectively from the previous year.

**Revenues by Source- Governmental Activities
For Fiscal Year 2020**



**Expenses by Type- Governmental Activities
For Fiscal Year 2020**



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Total and Net Cost of Governmental Activities. The District's total cost of services were \$81,559,614 and \$84,425,108 for fiscal years 2020 and 2019. After applying program revenues, derived from charges for services of \$1,873,320 and \$1,615,709, operating grants and contributions of \$18,470,860 and \$21,146,614 and capital grants and contributions of \$396,784 and \$46,732, the net cost of services of the District is \$60,818,650 and \$61,616,053 for fiscal years 2020 and 2019, respectively.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Instruction				
Regular	\$ 36,531,780	\$ 36,929,584	\$ 27,536,820	\$ 26,564,145
Special Education	14,934,306	15,661,228	8,025,142	8,556,195
Other Instruction	2,308,534	2,344,901	1,433,933	1,271,022
School Sponsored Activities and Athletics	1,245,627	1,462,542	1,245,627	1,417,845
Support Services				
Student and Instruction Related Services	8,765,472	9,106,779	7,278,299	7,380,572
General Administrative Services	1,659,985	1,724,881	1,659,985	1,693,754
School Administrative Services	5,115,814	5,140,698	4,025,515	3,908,372
Central Administrative Services	1,167,210	913,184	1,167,210	885,160
Plant Operations and Maintenance	7,054,618	8,308,017	6,294,062	7,770,663
Pupil Transportation	2,776,268	2,833,294	2,152,057	2,168,325
Total	<u>\$ 81,559,614</u>	<u>\$ 84,425,108</u>	<u>\$ 60,818,650</u>	<u>\$ 61,616,053</u>

Business-Type Activities – The District's total business-type activities revenues were \$1,285,341 and \$1,420,199 for the years ended June 30, 2020 and 2019. Charges for services accounted for \$541,044 (42%) and \$700,132 (49%) of total revenues for fiscal years 2020 and 2019. Operating grants and contributions accounted for \$744,297 (58%) and \$720,067 (51%) of total revenue for fiscal years 2020 and 2019.

The total cost of all business-type activities programs and services were \$1,427,251 and \$1,441,241 for the fiscal years ended June 30, 2020 and 2019. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District of \$1,347,031 (94%) and \$1,360,546 (94%) and the Summer Enrichment Programs offered to students of \$80,220 (6%) and \$80,695 (6%) for fiscal years 2020 and 2019, respectively.

For business-type activities expenses exceeded revenues, decreasing net position by \$141,910 at June 30, 2020 from the previous year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$8,607,637 an increase of \$139,939 compared to the previous years combined fund balance of \$8,467,698.

Revenues for the District's governmental funds for fiscal years 2020 and 2019 were \$77,193,619 and \$75,488,702, while total expenditures were \$77,053,680 and \$78,180,216, respectively.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation, co-curricular and athletic activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues for the fiscal years ended June 30, 2020 and 2019.

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Tax Levy	\$ 49,523,856	\$ 49,523,856	\$ -	0%
Tuition and Fees	1,873,320	1,615,709	257,611	16%
Miscellaneous	473,078	341,122	131,956	39%
State Sources	23,415,178	21,515,344	1,899,834	9%
Federal Sources	42,752	63,319	(20,567)	-32%
Total General Fund Revenues	\$ 75,328,184	\$ 73,059,350	\$ 2,268,834	3%

Total General Fund Revenues increased by \$2,268,834 from the previous year. Property tax levy remained unchanged from the previous year. Tuition and fees increased \$257,611 or 16% due to increases in special education tuition revenue earned in the current year. State aid revenues increased \$1,899,834 or 9% as a result of increases in equalization aid, on-behalf teachers' pension contributions paid by the State for the District's teaching professionals as well as an SDA grant reimbursement for prior year capital project expenditures. Federal revenues decreased \$20,507 entirely attributable to decreased Medicaid reimbursements for special education related costs.

The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2020 and 2019.

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 48,761,827	\$ 47,937,704	\$ 824,123	2%
Support Services	25,340,294	25,631,391	(291,097)	-1%
Capital Outlay	508,082	1,148,791	(640,709)	-56%
Total Expenditures	\$ 74,610,203	\$ 74,717,886	\$ (107,683)	0%

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

General Fund (Continued)

Total General Fund expenditures decreased \$107,683 or less than 1% from the previous year. Increased regular education instructional costs were offset by decreases in plant operation and maintenance support services costs and capital outlay related costs.

In addition, during the current fiscal year the General Fund transferred \$608,171 to the Capital Projects Fund to provide the funding towards certain District capital projects.

For fiscal year 2020 General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$535,408. As a result, total fund balance increased to \$8,135,519 at June 30, 2020 compared to \$7,600,111 at June 30, 2019.

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

Revenues of the Special Revenue Fund were \$1,865,435 for the year ended June 30, 2020. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented \$1,697,338 or 91% of the total revenue for the year. State sources accounted for \$156,999 or 8% and local sources accounted for \$11,098 or 1%, of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$563,917 or 23% from the previous year. State sources decreased \$188,577 or 55%, local sources decreased \$14,502 or 57% and Federal sources decreased \$360,838 or 18%.

Expenditures of the Special Revenue Fund were \$1,865,435. Instructional expenditures were \$1,517,573 or 81% and expenditures for the support services were \$347,862 or 19% of total expenditures for the fiscal year ended June 30, 2020.

Capital Projects Fund – The Capital Projects Fund revenues and other financing sources were less than expenditures and other financing uses by \$395,469 resulting in a fund balance of \$472,118 at June 30, 2020. The District transferred \$608,171 from the General Fund to provide the funding for certain capital projects. In addition, the District transferred \$425,598 back to the General Fund for the unexpended balances of prior year completed projects.

Proprietary Funds

The District maintains an Enterprise Fund to account for activities which are supported in part through user fees.

Enterprise Fund - The District uses an Enterprise Fund to report activities related to the Food Services and Summer Enrichment Programs. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budgetary fund is the General Fund.

For the fiscal year ended June 30, 2020 General Fund budgetary basis revenues and other financing sources were more than expenditures and other financing uses by \$843,160. Therefore, total fund balance increased to \$10,399,414 at June 30, 2020 from \$9,556,254 at June 30, 2019. After deducting restricted and assigned fund balances, the unassigned budgetary fund balance increased from \$2,288,118 at June 30, 2019 to \$2,371,090 at June 30, 2020. The District's reserved excess surplus resulting from the current year budgetary operations was \$1,100,486 compared to \$1,100,486 from the previous year. In addition, at June 30, 2020, the district had restricted fund balances for capital reserves of \$3,269,636, maintenance reserve of \$85,492, emergency reserve of \$488,000 and tuition adjustment reserves of \$720,000.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2020 amounts to \$27,724,967 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2019-2020 amounted to \$2,184,661 for governmental activities and \$12,991 for business-type activities. During fiscal year 2019-2020 the District decreased its governmental activities capital assets, net by \$1,104,420 and decreased its business-type activities capital assets, net by \$8,432.

**Capital Assets at June 30, 2020 and 2019
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 1,780,323	\$ 1,780,323			\$ 1,780,323	\$ 1,780,323
Construction in Progress		1,452,322			-	1,452,322
Buildings	22,377,881	22,118,150			22,377,881	22,118,150
Land Improvements	1,758,198	1,897,663			1,758,198	1,897,663
Machinery and Equipment	<u>1,706,280</u>	<u>1,478,644</u>	<u>\$ 102,285</u>	<u>\$ 110,717</u>	<u>1,808,565</u>	<u>1,589,361</u>
Total Capital Assets, Net	<u>\$ 27,622,682</u>	<u>\$ 28,727,102</u>	<u>\$ 102,285</u>	<u>\$ 110,717</u>	<u>\$ 27,724,967</u>	<u>\$ 28,837,819</u>

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

LONG TERM LIABILITIES

At year end, the District's long-term liabilities amounted to \$15,665,041 and consisted of \$1,697,970 of compensated absences payable compared to \$1,629,128 at the end of the previous year as well as net pension liability of \$13,967,071 compared to \$15,509,301 at the end of the previous year. Total long-term liabilities decreased \$1,473,388 during the current fiscal year.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2020-2021 budget. The primary factors were the District's projected student population, anticipated state and federal aid, special education costs, facility improvements, as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2020-2021. Total budgeted expenditures increased 3 percent to \$72,204,897 in fiscal year 2020-2021.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Interim School Business Administrator, Bergenfield Board of Education, 10 Prospect Avenue, Bergenfield, NJ 07621.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BERGENFIELD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 8,029,627	\$ 373,042	\$ 8,402,669
Receivables, Net			
Receivables From Other Governments	1,877,731	174,489	2,052,220
Accounts Receivable	369		369
Inventory		11,803	11,803
Capital Assets, Not Being Depreciated	1,780,323		1,780,323
Capital Assets, Being Depreciated, Net	<u>25,842,359</u>	<u>102,285</u>	<u>25,944,644</u>
Total Assets	<u>37,530,409</u>	<u>661,619</u>	<u>38,192,028</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,135,946</u>	<u>-</u>	<u>2,135,946</u>
Total Assets and Deferred Outflow of Resources	<u>39,666,355</u>	<u>661,619</u>	<u>40,327,974</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	750,853	174,368	925,221
Payable to Other Governments	8,955		8,955
Unearned Revenue	540,282	35,598	575,880
Noncurrent Liabilities			
Due within one year	100,000		100,000
Due beyond one year	<u>15,565,041</u>	<u>-</u>	<u>15,565,041</u>
Total Liabilities	<u>16,965,131</u>	<u>209,966</u>	<u>17,175,097</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>5,400,377</u>	<u>-</u>	<u>5,400,377</u>
Total Deferred Inflows of Resources	<u>5,400,377</u>	<u>-</u>	<u>5,400,377</u>
Total Liabilities and Deferred Inflows of Resources	<u>22,365,508</u>	<u>209,966</u>	<u>22,575,474</u>
NET POSITION			
Investment in Capital Assets	27,622,682	102,285	27,724,967
Restricted for:			
Capital Projects	3,741,754		3,741,754
Plant Maintenance	85,492		85,492
Tuition Adjustments	720,000		720,000
Unrestricted	<u>(14,869,081)</u>	<u>349,368</u>	<u>(14,519,713)</u>
Total Net Position	<u>\$ 17,300,847</u>	<u>\$ 451,653</u>	<u>\$ 17,752,500</u>

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

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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	\$ 36,531,780	\$ 45,218	\$ 8,949,742		\$ (27,536,820)		\$ (27,536,820)
Special Education	14,934,306	1,773,292	5,135,872		(8,025,142)		(8,025,142)
Other Instruction	2,308,534		874,601		(1,433,933)		(1,433,933)
School Sponsored Activities and Athletics	1,245,627		-		(1,245,627)		(1,245,627)
Support Services:							
Student & Instruction Related Services	8,765,472		1,487,173		(7,278,299)		(7,278,299)
General Administrative Services	1,659,985		-		(1,659,985)		(1,659,985)
School Administrative Services	5,115,814		1,090,299		(4,025,515)		(4,025,515)
Central Administrative Services	1,167,210		-		(1,167,210)		(1,167,210)
Plant Operations and Maintenance	7,054,618		363,772	396,784	(6,294,062)		(6,294,062)
Student Transportation	2,776,268	54,810	569,401	-	(2,152,057)	-	(2,152,057)
Total Governmental Activities	81,559,614	1,873,320	18,470,860	396,784	(60,818,650)	-	(60,818,650)
Business-Type Activities:							
Food Services	1,347,031	463,974	744,297			\$ (138,760)	(138,760)
Summer Enrichment Program	80,220	77,070	-	-		(3,150)	(3,150)
Total Business-Type Activities	1,427,251	541,044	744,297	-		(141,910)	(141,910)
Total Primary Government	\$ 82,986,865	\$ 2,414,364	\$ 19,215,157	\$ 396,784	(60,818,650)	(141,910)	(60,960,560)

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General Revenues:			
Taxes:			
Property Taxes, levied for general purposes	\$ 49,523,856		\$ 49,523,856
State Aid - Unrestricted	9,754,938		9,754,938
Miscellaneous Income	473,078	-	473,078
Total General Revenues	59,751,872	-	59,751,872
Change in Net Position	(1,066,778)	\$ (141,910)	(1,208,688)
Net Position, Beginning of Year	18,367,625	593,563	18,961,188
Net Position, End of Year	\$ 17,300,847	\$ 451,653	\$ 17,752,500

FUND FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2020**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 8,029,627			\$ 8,029,627
Intergovernmental Receivables	490,964	\$ 764,298	\$ 622,469	1,877,731
Accounts Receivable		369		369
Due from Other Funds	<u>301,340</u>	<u>-</u>	<u>-</u>	<u>301,340</u>
Total Assets	<u>\$ 8,821,931</u>	<u>\$ 764,667</u>	<u>\$ 622,469</u>	<u>\$ 10,209,067</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 590,284	\$ 79,821		\$ 670,105
Compensated Absences Payable	80,748			80,748
Payable to State Government		8,955		8,955
Due to Other Funds		242,099	\$ 59,241	301,340
Unearned Revenue	<u>15,380</u>	<u>433,792</u>	<u>91,110</u>	<u>540,282</u>
Total Liabilities	<u>686,412</u>	<u>764,667</u>	<u>150,351</u>	<u>1,601,430</u>
Fund Balances:				
Restricted				
Capital Reserve	2,282,636			2,282,636
Capital Reserve - Designated for Subsequent Year's Expenditures	987,000			987,000
Maintenance Reserve	85,492			85,492
Emergency Reserve	488,000			488,000
Tuition Adjustments	360,000			360,000
Tuition Adjustments - Designated for Subsequent Year's Expenditures	360,000			360,000
Excess Surplus	1,100,486			1,100,486
Excess Surplus - Designated for Subsequent Year's Expenditures	1,100,486			1,100,486
Capital Projects			472,118	472,118
Assigned				
Year End Encumbrances	667,378			667,378
Designated for Subsequent Year's Expenditures	596,846			596,846
Unassigned	<u>107,195</u>	<u>-</u>	<u>-</u>	<u>107,195</u>
Total Fund Balances	<u>8,135,519</u>	<u>-</u>	<u>472,118</u>	<u>8,607,637</u>
Total Liabilities and Fund Balances	<u>\$ 8,821,931</u>	<u>\$ 764,667</u>	<u>\$ 622,469</u>	<u>\$ 10,209,067</u>

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

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2020**

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

Total Fund Balances - Governmental Funds (B-1) \$ 8,607,637

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$53,351,939 and the accumulated depreciation is \$25,729,257.

27,622,682

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 amortized over future years.

Deferred Outflows of Resources	\$	2,135,946
Deferred Inflows of Resources		<u>(5,400,377)</u>

(3,264,431)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Net Pension Liability		(13,967,071)
Compensated Absences		<u>(1,697,970)</u>

(15,665,041)

Net Position of Governmental Activities (Exhibit A-1) **\$ 17,300,847**

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local sources:				
Property Tax Levy	\$ 49,523,856			\$ 49,523,856
Tuition	1,818,510			1,818,510
Transportation Fees	54,810			54,810
Miscellaneous	473,078	\$ 11,098	-	484,176
	<hr/>	<hr/>	<hr/>	<hr/>
Total - Local Sources	51,870,254	11,098	-	51,881,352
State Sources	23,415,178	156,999	\$ -	23,572,177
Federal Sources	42,752	1,697,338	-	1,740,090
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	75,328,184	1,865,435	-	77,193,619
EXPENDITURES				
Current				
Instruction				
Regular	32,878,967	233,954		33,112,921
Special Education	12,866,966	871,881		13,738,847
Other Instruction	1,771,884	411,738		2,183,622
School Sponsored Activities and Athletics	1,244,010			1,244,010
Support Services				
Student and Instruction Related Services	8,048,826	347,862		8,396,688
General Administrative Services	1,649,292		\$ 5,883	1,655,175
School Administrative Services	4,791,846			4,791,846
Central Administrative Services	1,164,429			1,164,429
Plant Operations and Maintenance	6,992,160			6,992,160
Student Transportation	2,693,741			2,693,741
Capital Outlay	508,082	-	572,159	1,080,241
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	74,610,203	1,865,435	578,042	77,053,680
Excess (Deficiency) of Revenues Over (Under) Expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	717,981	-	(578,042)	139,939
OTHER FINANCING SOURCES (USES)				
Transfers In	425,598		608,171	1,033,769
Transfers Out	(608,171)	-	(425,598)	(1,033,769)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(182,573)	-	182,573	-
Net Change in Fund Balance	535,408	-	(395,469)	139,939
Fund Balance, Beginning of Year	7,600,111	-	867,587	8,467,698
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, End of Year	\$ 8,135,519	\$ -	\$ 472,118	\$ 8,607,637

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

**BERGENFIELD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 139,939

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

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

Capital outlays	\$	1,080,241	
Depreciation expense		<u>(2,184,661)</u>	(1,104,420)

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

Increase in Pension Expenses		(33,455)	
Increase in Compensated Absences		<u>(68,842)</u>	<u>(102,297)</u>

Change in Net Position of Governmental Activities (Exhibit A-2) \$ (1,066,778)

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2020**

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 209,015	\$ 164,027	\$ 373,042
Intergovernmental Receivable	174,489		174,489
Inventories	<u>11,803</u>	<u>-</u>	<u>11,803</u>
Total Current Assets	<u>395,307</u>	<u>164,027</u>	<u>559,334</u>
Capital Assets			
Equipment	266,699		266,699
Accumulated Depreciation	<u>(164,414)</u>	<u>-</u>	<u>(164,414)</u>
Total Capital Assets, Net	<u>102,285</u>	<u>-</u>	<u>102,285</u>
Total Assets	<u>497,592</u>	<u>164,027</u>	<u>661,619</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	174,368		174,368
Unearned Revenue	<u>12,158</u>	<u>23,440</u>	<u>35,598</u>
Total Current Liabilities	<u>186,526</u>	<u>23,440</u>	<u>209,966</u>
NET POSITION			
Investment in Capital Assets	102,285		102,285
Unrestricted	<u>208,781</u>	<u>140,587</u>	<u>349,368</u>
Total Net Position	<u>\$ 311,066</u>	<u>\$ 140,587</u>	<u>\$ 451,653</u>

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

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Enterprise Funds		
	Food Service	Summer Enrichment Program	Total
OPERATING REVENUES			
Local Sources			
Daily Sales-Reimbursable Programs	\$ 237,205		\$ 237,205
Daily Sales Non-Reimbursable Programs	226,769		226,769
Program Fees	-	\$ 77,070	77,070
Total Operating Revenues	<u>463,974</u>	<u>77,070</u>	<u>541,044</u>
OPERATING EXPENSES			
Salaries and Benefits	634,526	70,952	705,478
Cost of Sales - Reimbursable Programs	413,630		413,630
Cost of Sales - Non-Reimbursable Programs	65,164		65,164
Supplies and Materials	76,426	3,774	80,200
Other Purchased Services	71,147	5,494	76,641
Purchased Management Services	72,597		72,597
Miscellaneous Expense	550		550
Depreciation	12,991	-	12,991
Total Operating Expenses	<u>1,347,031</u>	<u>80,220</u>	<u>1,427,251</u>
Operating Loss	<u>(883,057)</u>	<u>(3,150)</u>	<u>(886,207)</u>
NONOPERATING REVENUES			
State Sources			
State School Lunch Program	13,795		13,795
Federal Sources			
School Breakfast Program	155,691		155,691
National School Lunch Program	489,679		489,679
Food Distribution Program	85,132	-	85,132
Total Nonoperating Revenues	<u>744,297</u>	<u>-</u>	<u>744,297</u>
Changes in Net Position	(138,760)	(3,150)	(141,910)
Total Net Position, Beginning of Year	<u>449,826</u>	<u>143,737</u>	<u>593,563</u>
Total Net Position, End of Year	<u>\$ 311,066</u>	<u>\$ 140,587</u>	<u>\$ 451,653</u>

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

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Summer Enrichment Program	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 466,547	\$ 26,265	\$ 492,812
Cash Payments for Employees Salaries & Benefits	(634,526)	(70,952)	(705,478)
Cash Payments to Suppliers for Goods and Services	(450,952)	(9,268)	(460,220)
Net Cash (Used for) Operating Activities	(618,931)	(53,955)	(672,886)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursements	515,095	-	515,095
Net Cash Provided by Noncapital Financing Activities	515,095	-	515,095
Cash Flows from Capital Financing Activities			
Acquisition of Capital Assets	(4,559)	-	(4,559)
Net Cash (Used for) Capital Financing Activities	(4,559)	-	(4,559)
Net (Decrease) in Cash and Cash Equivalents	(108,395)	(53,955)	(162,350)
Cash and Cash Equivalents, Beginning of Year	317,410	217,982	535,392
Cash and Cash Equivalents, End of Year	\$ 209,015	\$ 164,027	\$ 373,042
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities			
Operating (Loss)	\$ (883,057)	\$ (3,150)	\$ (886,207)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities			
Depreciation	12,991		12,991
Non-Cash Federal Assistance-Food Distribution Program	85,132		85,132
Change in Assets, Liabilities and Deferred Inflows (Increase)/Decrease in Inventory	(10,938)		(10,938)
Increase/(Decrease) in Accounts Payable	174,368	-	174,368
Increase/(Decrease) in Unearned Revenue	2,573	(50,805)	(48,232)
Total Adjustments	264,126	(50,805)	213,321
Net Cash (Used for) Operating Activities	\$ (618,931)	\$ (53,955)	\$ (672,886)
Non-Cash Investing, Capital and Financing Activities: Value Received - Food Distribution Program	\$ 85,132		

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

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2020**

	Unemployment Compensation Trust Fund	Scholarship Trust Fund	Agency Fund
ASSETS			
Cash and Cash Equivalents	\$ 299,231	\$ 67,575	\$ 82,424
Due from Other Funds	<u>27,355</u>	<u>-</u>	<u>-</u>
Total Assets	<u>326,586</u>	<u>67,575</u>	<u>\$ 82,424</u>
LIABILITIES			
Intergovernmental Accounts Payable	53,571		
Payroll Deductions and Withholdings			(21,983)
Due to Student Groups			77,052
Due to Other Funds	<u>-</u>	<u>-</u>	<u>27,355</u>
Total Liabilities	<u>53,571</u>	<u>-</u>	<u>\$ 82,424</u>
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 273,015</u>	<u>\$ 67,575</u>	

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

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Unemployment Compensation <u>Trust Fund</u>	Scholarship <u>Trust Fund</u>
ADDITIONS		
Contributions		
Donations		\$ 9,171
Employees	\$ 80,388	-
	<u>80,388</u>	<u>9,171</u>
Total Contributions		
	<u>80,388</u>	<u>9,171</u>
DEDUCTIONS		
Scholarship Awards		13,500
Unemployment Claims	98,308	-
	<u>98,308</u>	<u>13,500</u>
Total Deductions		
	<u>98,308</u>	<u>13,500</u>
Change in Net Position	(17,920)	(4,329)
Net Position, Beginning of year	<u>290,935</u>	<u>71,904</u>
Net Position, End of Year	<u>\$ 273,015</u>	<u>\$ 67,575</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Bergenfield 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 five elected officials and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. A Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions 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 currently operates a Pre-Kindergarten through grade twelve (12) school district.

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 Superintendent is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

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 Bergenfield Board of Education this includes general operations, food service, before and after school child care 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

For fiscal year 2020, there were no GASB statements required to be adopted and implemented by the District.

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

- GASB No. 84, *Fiduciary Activities*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2021. 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 87, *Leases*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. 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*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB No. 92, *Omnibus 2020*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022 except requirements related to GASB No. 87 and Implementation Guide No. 2019-3 are effective upon issuance. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*, the section that maybe applicable to the District will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Fund Financial Statements

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

The District reports the following major governmental funds:

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

The *summer enrichment program fund* accounts for the activities of the District's summer enrichment program which provides additional courses and activities for student during the summer recess.

Additionally, the District reports the following fund types:

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

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

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

Reclassifications

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Inventories

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

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

4. Capital Assets

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

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

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
Building Improvements	5-40
Land Improvements	15-30
Machinery and Equipment	5-10
Computer Equipment	5

5. Deferred Outflows/Inflows of Resources

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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 (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category 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 sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. Pensions

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

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

8. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

Restricted Fund Balance – 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 2B).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2020/2021 District budget certified for taxes.

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

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2D).

Tuition Adjustments – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2019/2020 contract year and is required to be liquidated in the second year following the contract year with any remaining balance related to that contract year to be reserved and budgeted for property tax relief.

Tuition Adjustment – Designated for Subsequent Year's Expenditures – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2018/2019 contract year that is appropriated in the 2020/2021 original budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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)

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2020 audited excess surplus that is required to be appropriated in the 2021/2022 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2019 audited excess surplus that was 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.

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

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

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2020/2021 District budget certified for taxes.

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

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

10. *Fund Balance Policies*

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

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Fund Balance Policies (Continued)

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all 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 2018-2019 and 2019-2020 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 and summer enrichment program enterprise funds 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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 and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. 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. 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 District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2019/2020. Also, during 2019/2020 the Board increased the original budget by \$1,062,628. The increase was funded by additional grant awards and the reappropriation of prior year general fund encumbrances.

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

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2020 is as follows:

Balance, July 1, 2019		\$ 2,419,103
Increased by:		
Return of Unexpended Budget Withdrawals	\$ 191,093	
Transferred from Capital Projects Fund	425,598	
Deposit per Board Resolution	<u>901,197</u>	
		<u>1,517,888</u>
		3,936,991
Decreased by:		
Withdrawals Approved in District Budget		<u>667,355</u>
Balance, June 30, 2020		<u>\$ 3,269,636</u>

The withdrawals from the capital reserve were for use in department approved facilities projects, consistent with the district’s Long Range Facilities Plan. \$987,000 of the capital reserve balance at June 30, 2020 was designated and appropriated for use in the 2020/2021 original budget certified for taxes.

C. Maintenance Reserve

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

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve (Continued)

The activity of the maintenance reserve for the fiscal year ended June 30, 2020 is as follows:

Balance, July 1, 2019	\$ 400,000
Increased by:	
Deposit per Board Resolution	<u>85,492</u>
	485,492
Decreased by:	
Withdrawals Approved in District Budget	<u>400,000</u>
Balance, June 30, 2020	<u>\$ 85,492</u>

The June 30, 2020 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,893,079. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

D. Emergency Reserve

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

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

The activity of the emergency reserve for the fiscal year ended June 30, 2020 is as follows:

Balance, July 1, 2019	\$ 594,000
Increased by:	
Return of Unexpended Budget Withdrawals	<u>94,000</u>
Decreased by:	688,000
Withdrawals Approved in District Budget	<u>200,000</u>
Balance, June 30, 2020	<u>\$ 488,000</u>

E. 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, 2020 is \$2,200,972. Of this amount, \$1,100,486 was designated and appropriated in the 2020/2021 original budget certified for taxes and the remaining amount of \$1,100,486 will be appropriated in the 2021/2022 original budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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, 2020, the book value of the Board's deposits were \$8,851,899 and bank and brokerage firm balances of the Board's deposits amounted to \$11,095,042. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>11,095,042</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2020 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

As of June 30, 2020, the Board had no outstanding investments.

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

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

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

B. Receivables

Receivables as of June 30, 2020 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>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Intergovernmental					
Federal	-	\$ 756,369	\$ -	\$ 169,763	\$ 926,132
State	\$ 96,144	7,929	622,469	4,726	731,268
Other	304,820	-	-	-	304,820
Accounts Receivable	<u>-</u>	<u>369</u>	<u>-</u>	<u>-</u>	<u>369</u>
Gross Receivables	400,964	764,667	622,469	174,489	1,962,589
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 400,964</u>	<u>\$ 764,667</u>	<u>\$ 622,469</u>	<u>\$ 174,489</u>	<u>\$ 1,962,589</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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:

	<u>Total</u>
General Fund	
Prepaid Tuition Charges	\$ 15,380
Special Revenue Fund	
Unencumbered Grant Draw Downs	234,932
Grant Draw Downs Reserved for Encumbrances	198,860
Capital Projects Fund	
Unrealized School Facilities Grants	<u>91,110</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 540,282</u>

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

	Balance, <u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2020</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,780,323			\$ 1,780,323
Construction in Progress	<u>1,452,322</u>	\$ -	\$ (1,452,322)	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>3,232,645</u>	<u>-</u>	<u>(1,452,322)</u>	<u>1,780,323</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	37,198,236	2,044,383	(183,459)	39,059,160
Land Improvements	4,235,576	17,700		4,253,276
Machinery and Equipment	<u>7,788,700</u>	<u>470,480</u>	\$ -	<u>8,259,180</u>
Total Capital Assets Being Depreciated	<u>49,222,512</u>	<u>2,532,563</u>	<u>(183,459)</u>	<u>51,571,616</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(15,080,086)	(1,601,193)		(16,681,279)
Land Improvements	(2,337,913)	(157,165)		(2,495,078)
Machinery and Equipment	<u>(6,310,056)</u>	<u>(426,303)</u>	<u>183,459</u>	<u>(6,552,900)</u>
Total Accumulated Depreciation	<u>(23,728,055)</u>	<u>(2,184,661)</u>	<u>183,459</u>	<u>(25,729,257)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,494,457</u>	<u>347,902</u>	<u>-</u>	<u>25,842,359</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,727,102</u>	<u>\$ 347,902</u>	<u>\$ (1,452,322)</u>	<u>\$ 27,622,682</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	<u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2020</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 262,140	\$ 4,559	-	\$ 266,699
Total Capital Assets Being Depreciated	<u>262,140</u>	<u>4,559</u>	<u>-</u>	<u>266,699</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(151,423)</u>	<u>(12,991)</u>	<u>-</u>	<u>(164,414)</u>
Total Accumulated Depreciation	<u>(151,423)</u>	<u>(12,991)</u>	<u>-</u>	<u>(164,414)</u>
Total Capital Assets, Being Depreciated, Net	<u>110,717</u>	<u>(8,432)</u>	<u>-</u>	<u>102,285</u>
Business-Type Activities Capital Assets, Net	<u>\$ 110,717</u>	<u>\$ (8,432)</u>	<u>\$ -</u>	<u>\$ 102,285</u>

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

Governmental Activities:

Instruction	
Regular	\$ 1,080,700
Special Education	878,547
Total Instruction	<u>1,959,247</u>
Support Services	
Student and Instruction Related Services	57,101
General Administrative Services	3,440
School Administrative Services	29,209
Plant Operations and Maintenance	55,390
Central Administrative Services	1,145
Student Transportation	79,129
Total Support Services	<u>225,414</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,184,661</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 12,991</u>
Total Depreciation Expense-Business Type Activities	<u>\$ 12,991</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2020:

<u>Project</u>	<u>Remaining Commitment</u>
Door Replacement Project at Middle School	\$ 95,951
Chromebooks	<u>187,857</u>
	<u>\$ 283,808</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2020, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 242,099
General Fund	Capital Projects Fund	59,241
Unemployment Compensation Trust Fund	Payroll Agency Fund	<u>27,355</u>
Total		<u>\$ 328,695</u>

The above balances are the result of expenditures paid by one fund on behalf of another fund or to cover cash balances which were in an overdraft position.

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

Interfund Transfers

	<u>Transfer In:</u>		<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	
Transfer Out:			
Capital Projects Fund	\$ 425,598		\$ 425,598
General Fund	<u>-</u>	<u>\$ 608,171</u>	<u>608,171</u>
Total Transfers	<u>\$ 425,598</u>	<u>\$ 608,171</u>	<u>\$ 1,033,769</u>

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2020 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 120,852,609
Less: Net Debt	<u>-</u>
Remaining Borrowing Power	<u>\$ 120,852,609</u>

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2020, was as follows:

	Balance, July 1, 2019	Additions	Reductions	Balance, June 30, 2020	Due Within One Year
Governmental activities:					
Compensated absences	\$ 1,629,128	\$ 165,057	\$ 96,215	\$ 1,697,970	\$ 100,000
Net Pension Liability	<u>15,509,301</u>	<u>-</u>	<u>1,542,230</u>	<u>13,967,071</u>	<u>-</u>
Governmental activity					
Long-term liabilities	<u>\$ 17,138,429</u>	<u>\$ 165,057</u>	<u>\$ 1,638,445</u>	<u>\$ 15,665,041</u>	<u>\$ 100,000</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 Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the 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 funds, 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.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NESBIG 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 Group 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 June 30,	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2020	\$ -	\$ 80,388	\$ 98,308	\$ 273,015
2019	2,760	75,620	29,763	290,935
2018	2,760	57,073	44,721	242,318

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, 2020, 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. 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.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Public Employees’ Retirement System (PERS) (Continued)

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.

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected 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.

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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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.

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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2019 is \$18.1 billion and the plan fiduciary net position as a percentage of the total pension liability is 56.27%. The collective net pension liability of the State funded TPAF at June 30, 2019 is \$61.5 billion and the plan fiduciary net position as a percentage of total pension liability is 26.95%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2018 which were rolled forward to June 30, 2019.

Actuarial Methods and Assumptions

In the July 1, 2018 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 2020.

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, 2020 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 the 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 2020, 2019 and 2018 were equal to the required contributions.

During the fiscal years ended June 30, 2020, 2019 and 2018 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 unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2020	\$ 753,995	\$ 5,307,520	\$ 75,760
2019	783,501	4,825,641	56,896
2018	715,238	3,609,895	53,739

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2020, 2019 and 2018 the District contributed \$3,898, \$3,489 and \$9,699, respectively for PERS and the State contributed \$3,019, \$3,590 and \$3,676, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,993,754 during the fiscal year ended June 30, 2020 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 both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. 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, 2018 through June 30, 2019. 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, 2019 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2019.

At June 30, 2020, the District reported in the statement of net position (accrual basis) a liability of \$13,967,071 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2019. At June 30, 2019, the District's proportionate share was 0.07752 percent, which was a decrease of 0.00125 percent from its proportionate share measured as of June 30, 2018 of 0.07877 percent.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$787,450 for PERS. The pension contribution made by the District during the current 2019/2020 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, 2020 with a measurement date of the prior fiscal year end of June 30, 2019. 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, 2020 for contributions made subsequent to the measurement date. At June 30, 2020, 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	\$ 250,691	\$ 61,700
Changes of Assumptions	1,394,663	4,847,926
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		220,476
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>490,592</u>	<u>270,275</u>
Total	<u>\$ 2,135,946</u>	<u>\$ 5,400,377</u>

At June 30, 2020, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2021	\$ (246,672)
2022	(1,092,869)
2023	(1,224,350)
2024	(628,445)
2025	<u>(72,095)</u>
	<u>\$ (3,264,431)</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District’s total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00%
	Based on Years of Service
Thereafter	3.00%-7.00%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2019) 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 rates 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 PERS’s target asset allocation as of June 30, 2019 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	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
US Equity	28.00%	8.26%
Non-US Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
High Yield	2.00%	5.37%
Real Assets	2.50%	9.31%
Private Credit	6.00%	7.92%
Real Estate	7.50%	8.33%
Private Equity	12.00%	10.85%

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>
2020	June 30, 2019	6.28%
2019	June 30, 2018	5.66%

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2057
Municipal Bond Rate *	From July 1, 2057 and Thereafter

* The municipal bond return rate used is 3.50% as of the measurement date of June 30, 2019. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the District’s proportionate share of the PERS net pension liability calculated using the discount rate of 6.28%, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.28 percent) or 1-percentage-point higher (7.28 percent) than the current rate:

	1% Decrease <u>5.28%</u>	Current Discount Rate <u>6.28%</u>	1% Increase <u>7.28%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 17,642,680</u>	<u>\$ 13,967,071</u>	<u>\$ 10,869,849</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2019. A sensitivity analysis specific to the District’s net pension liability at June 30, 2019 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2018 through June 30, 2019. 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, 2019, 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, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$8,699,500 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, 2020 the State's proportionate share of the net pension liability attributable to the District is \$147,492,469. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2019. At June 30, 2019, the State's share of the net pension liability attributable to the District was 0.24033 percent, which was an increase of 0.00101 percent from its proportionate share measured as of June 30, 2018 of 0.23932 percent.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55% Based on Years of Service
Thereafter	2.75%-5.65% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2019) 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 TPAF’s target asset allocation as of June 30, 2019 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	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
US Equity	28.00%	8.26%
Non-US Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
High Yield	2.00%	5.37%
Real Assets	2.50%	9.31%
Private Credit	6.00%	7.92%
Real Estate	7.50%	8.33%
Private Equity	12.00%	10.85%

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 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2019	5.60%
2019	June 30, 2018	4.86%

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, 2054
Municipal Bond Rate *	From July 1, 2054 and Thereafter

* The municipal bond return rate used is 3.50% as of the measurement date of June 30, 2019. 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 5.60%, 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 (4.60 percent) or 1-percentage-point higher (6.60 percent) than the current rate:

	1% Decrease (4.60%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 173,926,266</u>	<u>\$ 147,492,469</u>	<u>\$ 125,560,764</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2019. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2019 was not provided by the pension system.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

D. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. 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.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2018:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
Total	<u>364,943</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, 2019 is \$41.7 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, 2018 which were rolled forward to June 30, 2019.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2018 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 \$1.28 billion to the OPEB plan in fiscal year 2019.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution 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. over a period not to exceed thirty years. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2020, 2019 and 2018 were \$1,968,993, \$2,188,903 and \$2,331,554, 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, 2018 through June 30, 2019. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,876,230. 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, 2020 the State's proportionate share of the OPEB liability attributable to the District is \$92,896,788. 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, 2019 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2019. At June 30, 2019, the state's share of the OPEB liability attributable to the District was 0.22262 percent, which was a decrease of 0.00160 percent from its proportionate share measured as of June 30, 2018 of 0.22422 percent.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

The OPEB liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases*	
PERS:	
Initial Fiscal Year Applied Through	2026
Rate	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
TPAF:	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 3.05%
Rate Thereafter	1.55% to 3.05%
Mortality:	
PERS	Pre-retirement and Post-retirement based on Pub-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.
TPAF	Pre-retirement and Post-retirement based on Pub-2010 "Teachers" and "General" classifications respectively, headcount-weighted mortality tables with fully generational mortality improvement projections from the central year using Scale MP-2019.
Long-Term Rate of Return	2.00%

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

For the June 30, 2019 measurement date healthcare cost trend rates for pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the plan upon retirement.

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 2.00% as of June 30, 2019.

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>
2020	June 30, 2019	3.50%
2019	June 30, 2018	3.87%

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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

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, 2020 (measurement date June 30, 2019) is as follows:

	Liability (State Share 100%)
Balance, June 30, 2018 Measurement Date	\$ <u>103,387,729</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,596,009
Interest on the Total OPEB Liability	4,087,235
Differences Between Expected and Actual Experience	(16,792,160)
Changes of Assumptions	1,385,098
Gross Benefit Payments	(2,851,654)
Contributions from the Member	<u>84,531</u>
Net Changes	\$ <u>(10,490,941)</u>
Balance, June 30, 2019 Measurement Date	\$ <u><u>92,896,788</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% percent in 2018 to 3.50% percent in 2019.

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, 2019.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.50%, 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 (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current rate:

	1% Decrease <u>(2.50%)</u>	Current Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 109,747,817	\$ 92,896,788	\$ 79,511,254

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)	\$ 76,542,813	\$ 92,896,788	\$ 114,546,093

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2019. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2019 were not provided by the pension system.

E. 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 the year ended December 31, 2019, the Borough provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the “LTTE Law”), the Five-Year Exemption and Abatement Law (the “FYEA”) and the New Jersey Housing and Mortgage Financing Act (NJHMFA).

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 OTHER INFORMATION (Continued)

E. Tax Abatements (Continued)

Prior to the enactment of the Long Term Tax Exempt Law (NJSA 40A:20 et. seq.) and under the provisions of the Senior Citizens Nonprofit Rental Housing Tax Law (NJSA 55:141-1), which has since been repealed, allows for the clearance, re-planning, development or redevelopment of blighted areas by means of a non-profit rental housing project for the elderly, developed, erected and owed by a non-profit corporations under the Federal Senior Citizens Housing Loan Program, and pursuant to section 202 of the Federal Housing Act of 1959, as amended; authorizing and providing for the exemption in part of such non-profit rental housing projects from taxation under the law. A qualified municipality could abate for up to 50 years the property taxes on newly construction senior housing. The process beings when the municipality passes by ordinance or resolution, as appropriate, that such residential rental senior housing project shall be exempt from property tax provided that an agreement is entered into with the housing sponsor to make a PILOT payment to the municipality in an amount equal to a percentage of the annual gross revenue from each senior housing project. For the year ended December 31, 2019 the Borough abated property taxes totaling \$440,370 under this law of which \$249,480 represents the District's share. The Borough received \$90,906 in PILOT payments under this program for the year ended December 31, 2019.

NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

New Jersey Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of all schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. The Board expects ongoing actions will be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. These negative impacts may reduce or negatively affect property values within the School District. The declaration of a public health emergency remains in effect as of the date of audit. As part of a planned multi-stage approach to restart the State's economy, Governor Murphy has signed a series of Executive Orders permitting the resumption of certain activities.

Because of the evolving nature of the outbreak and federal, state and local responses thereto, the Board cannot predict how the outbreak will impact the financial condition or operations of the School District, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The Board cannot predict costs associated with this or any other potential infectious disease outbreak, including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain it facilities either before or after an outbreak of an infectious disease.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 49,523,856		\$ 49,523,856	\$ 49,523,856	
Tuition	1,631,784		1,631,784	1,818,510	\$ 186,726
Transportation Fees	106,618		106,618	54,810	(51,808)
Miscellaneous	256,622	-	256,622	473,078	216,456
Total Local Revenues	51,518,880	-	51,518,880	51,870,254	351,374
State Sources					
Equalization Aid	9,697,470		9,697,470	9,697,470	-
School Choice Aid	245,556		245,556	245,556	-
Special Education Aid	2,104,440		2,104,440	2,104,440	-
Security Aid	374,729		374,729	374,729	-
Transportation Aid	578,477		578,477	578,477	-
Extraordinary Aid				1,052,188	1,052,188
SDA Grant Reimbursements				396,784	396,784
On Behalf TPAF Contributions (Non Budgeted)					
Pension Benefit Contribution				5,214,064	5,214,064
Pension - NCGI Premium				93,456	93,456
LTDI - Premium				3,019	3,019
Post Retirement Medical Benefit Contribution				1,968,993	1,968,993
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,993,754	1,993,754
Total State Revenues	13,000,672	-	13,000,672	23,722,930	10,722,258
Federal Sources					
Medicaid Reimbursement	37,311	-	37,311	42,752	5,441
Total Federal Sources	37,311	-	37,311	42,752	5,441
Total Revenues	64,556,863	-	64,556,863	75,635,936	11,079,073
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	\$ 1,010,968	\$ (113,725)	\$ 897,243	\$ 897,243	-
Grades 1-5	6,524,119	16,144	6,540,263	6,540,263	-
Grades 6-8	4,197,726	(30,790)	4,166,936	4,166,936	-
Grades 9-12	6,847,181	139,977	6,987,158	6,987,158	-
Regular Programs - Home Instruction					
Salaries of Teachers	8,775	(97)	8,678	8,678	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	848,647	316,944	1,165,591	1,165,591	-
Purchased Professional/Educational Services	208,574	(48,063)	160,511	160,511	\$ -
Purchased Technical Services	39,286	(4,952)	34,334	34,334	-
Other Purchased Services	65,820	(8,668)	57,152	57,152	-
General Supplies	1,078,096	48,150	1,126,246	1,125,371	875
Textbooks	351,582	(178,482)	173,100	173,100	-
Other Objects	56,631	(38,511)	18,120	18,120	-
Total Regular Programs	21,237,405	97,927	21,335,332	21,334,457	875

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 175,352	\$ (90,315)	\$ 85,037	\$ 85,037	-
Other Salaries for Instruction	173,762	(11,771)	161,991	147,331	\$ 14,660
Purchased Professional/Educational Services	10,000	(4,128)	5,872	5,872	-
General Supplies	3,600	(1,517)	2,083	2,083	-
Textbooks	3,500	(2,906)	594	594	-
	<u>366,214</u>	<u>(110,637)</u>	<u>255,577</u>	<u>240,917</u>	<u>14,660</u>
Total Learning / Language Disabilities					
Behavioral Disabilities					
Salaries of Teachers	134,287	(60,375)	73,912	73,912	-
Other Salaries for Instruction	60482	405	60,887	60,887	-
General Supplies	-	56	56	56	-
	<u>194,769</u>	<u>(59,914)</u>	<u>134,855</u>	<u>134,855</u>	<u>-</u>
Total Behavioral Disabilities					
Multiple Disabilities					
Salaries of Teachers	376,680	(80,333)	296,347	296,347	-
Other Salaries for Instruction	46,333	1,706	48,039	47,437	602
Purchased Professional/Educational Services	17,127	(14,177)	2,950	2,950	-
General Supplies	12,850	(7,698)	5,152	5,152	-
Textbooks	3,500	(3,500)	-	-	-
Other Objects	35,347	(5,070)	30,277	30,277	-
	<u>491,837</u>	<u>(109,072)</u>	<u>382,765</u>	<u>382,163</u>	<u>602</u>
Total Multiple Disabilities					
Resource Room / Resource Center					
Salaries of Teachers	1,739,789	29,341	1,769,130	1,769,130	-
Other Salaries for Instruction	143,954	(14,572)	129,382	116,485	12,897
Purchased Professional/Educational Services	12,000	(3,078)	8,922	8,921	1
General Supplies	14,000	(6,880)	7,120	5,651	1,469
Textbooks	11,000	(10,782)	218	218	-
Other Objects	553	(168)	385	70	315
	<u>1,921,296</u>	<u>(6,139)</u>	<u>1,915,157</u>	<u>1,900,475</u>	<u>14,682</u>
Total Resource Room / Resource Center					
Autism					
Salaries of Teachers	-	3,957	3,957	3,957	-
Other Salaries for Instruction	246,372	(12,439)	233,933	233,933	-
Purchased Professional-Educational Services	4,300,000	(118,326)	4,181,674	4,181,674	-
Other Purchased Services	6,696	(1,334)	5,362	4,929	433
General Supplies	33,584	(24,251)	9,333	9,259	74
Other Objects	144	(41)	103	103	-
	<u>4,586,796</u>	<u>(152,434)</u>	<u>4,434,362</u>	<u>4,433,855</u>	<u>507</u>
Total Autism					
Preschool Disabilities - Full - Time					
Salaries of Teachers	277,484	5,789	283,273	282,392	881
Other Salaries for Instruction	146,678	(36,652)	110,026	107,316	2,710
General Supplies	2,000	(1,893)	107	107	-
Other Objects	300	(300)	-	-	-
	<u>426,462</u>	<u>(33,056)</u>	<u>393,406</u>	<u>389,815</u>	<u>3,591</u>
Total Preschool Disabilities - Full - Time					
Total Special Education	<u>7,987,374</u>	<u>(471,252)</u>	<u>7,516,122</u>	<u>7,482,080</u>	<u>34,042</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Basic Skills/Remedial					
Salaries of Teachers	\$ 334,865	\$ 14,625	\$ 349,490	\$ 349,490	\$ -
General Supplies	6,900	(5,580)	1,320	1,320	-
Textbooks	6,440	(5,165)	1,275	1,275	-
Total Basic Skills/Remedial	348,205	3,880	352,085	352,085	-
Bilingual Education					
Salaries of Teachers	645,728	(60,703)	585,025	585,025	-
Other Salaries for Instruction	45,508	(27)	45,481	45,481	-
Purchased Professional-Educational Services	-	375	375	375	-
General Supplies	29,500	(24,318)	5,182	398	4,784
Textbooks	9,500	3,261	12,761	12,761	-
Total Bilingual Education	730,236	(81,412)	648,824	644,040	4,784
School Sponsored Co-Curricular Activities					
Salaries of Teachers	280,000	17,757	297,757	273,512	24,245
Purchased Services	15,026	1,075	16,101	14,682	1,419
Supplies and Materials	65,250	(3,400)	61,850	56,904	4,946
Other Objects	13,508	(1,459)	12,049	9,596	2,453
Total School Sponsored Co-Curricular Activities	373,784	13,973	387,757	354,694	33,063
School Sponsored Athletics - Instruction					
Salaries	433,300	(12,069)	421,231	421,231	-
Purchased Services	68,000	(17,529)	50,471	46,993	3,478
Supplies and Materials	108,000	22,935	130,935	126,655	4,280
Other Objects	21,000	493	21,493	21,005	488
Total School Sponsored Athletics - Instruction	630,300	(6,170)	624,130	615,884	8,246
Summer School - Instruction					
Salaries of Teachers	125,638	(12,126)	113,512	113,512	-
Total Summer School - Instruction	125,638	(12,126)	113,512	113,512	-
Community Services Program					
Supplies and Materials	6,155	-	6,155	-	6,155
Total Community Services Program	6,155	-	6,155	-	6,155
Total - Instruction	31,439,097	(455,180)	30,983,917	30,896,752	87,165
Undistributed Expenditures					
Instruction (Tuition)					
Tuition - Other LEA's Within State - Special	-	141,715	141,715	136,761	4,954
Tuition to County Vocational School District-Reg.	708,000	(153,654)	554,346	554,346	-
Tuition to County Vocational School/Dist.-Spec.	-	58,196	58,196	57,045	1,151
Tuition to County Special Services - School Districts & Regional Day Schools	1,642,060	(230,235)	1,411,825	1,407,555	4,270
Tuition to Private Schools - Disabled Within State	1,927,972	405,251	2,333,223	1,859,512	473,711
Tuition to Private Schools - Disabled Outside State	-	77,592	77,592	76,389	1,203
Tuition - Other	-	145,260	145,260	145,260	-
Total Undistributed Expenditures - Instruction (Tuition)	4,278,032	444,125	4,722,157	4,236,868	485,289

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Health Services					
Salaries	\$ 629,936	14,133	\$ 644,069	\$ 644,069	-
Purchased Professional and Technical Services	122,000	(29,174)	92,826	92,713	113
Other Purchased Services	9,095	(4,727)	4,368	4,368	-
Supplies and Materials	15,610	61	15,671	15,671	-
Total Health Services	776,641	(19,707)	756,934	756,821	113
Speech, OT, PT and Related Services					
Salaries	372,475	2,223	374,698	374,698	\$ -
Purchased Professional-Educational Services	157,000	14,488	171,488	141,068	30,420
Supplies and Materials	5,700	(3,386)	2,314	2,314	-
Other Objects	-	382	382	382	-
Total Speech, OT, PT and Related Services	535,175	13,707	548,882	518,462	30,420
Other Support Services-Students-Extra Services					
Salaries	300,811	25,753	326,564	326,564	-
Purchased Professional-Educational Services	696,950	107,975	804,925	781,093	23,832
Total Other Support Services-Extra	997,761	133,728	1,131,489	1,107,657	23,832
Guidance					
Salaries of Other Professional Staff	962,418	84,037	1,046,455	1,046,455	-
Salaries of Secretarial and Clerical Assistants	93,694	324	94,018	94,018	-
Purchased Professional-Educational Services	-	5,111	5,111	5,111	-
Other Purchased Services	500	(361)	139	139	-
Supplies and Materials	23,744	(18,182)	5,562	5,562	-
Other Objects	10,745	(7,352)	3,393	3,393	-
Total Guidance	1,091,101	63,577	1,154,678	1,154,678	-
Child Study Team					
Salaries of Other Professional Staff	1,334,619	84,065	1,418,684	1,395,446	23,238
Salaries of Secretarial and Clerical Assistants	150,091	9,003	159,094	155,090	4,004
Other Purchased Professional/Technical Services	12,923	(4,976)	7,947	7,947	-
Other Purchased Services	1,000	(697)	303	303	-
Supplies and Materials	11,227	(3,591)	7,636	7,599	37
Total Child Study Team	1,509,860	83,804	1,593,664	1,566,385	27,279
Improvement of Instruction Services					
Other Salaries	2,600	2,660	5,260	5,260	-
Purchased Professional-Educational Services	5,800	(100)	5,700	5,700	-
Other Purchased Services	763	4,001	4,764	4,764	-
Supplies and Materials	280	(280)	-	-	-
Total Improvement of Instruction Services	9,443	6,281	15,724	15,724	-
Educational Media Services/School Library					
Salaries	157,712	(26,342)	131,370	131,370	-
Salaries of Technology Coordinators	433,941	16,078	450,019	450,019	-
Purchased Professional and Technical Services	89,810	(110)	89,700	89,700	-
Other Purchased Services	-	351	351	351	-
Supplies and Materials	34,594	(18,351)	16,243	16,243	-
Other Objects	80	102	182	182	-
Total Educational Media Services/School Library	716,137	(28,272)	687,865	687,865	-

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Other Purchased Professional/Technical Services	\$ 13,000	(8,456)	4,544	207	\$ 4,337
Other Purchased Services	189	12	201	13	188
Total Instructional Staff Training Services	<u>13,189</u>	<u>(8,444)</u>	<u>4,745</u>	<u>220</u>	<u>4,525</u>
Support Services General Administration					
Salaries	673,010	(84,751)	588,259	588,259	-
Legal Services	125,000	(2,159)	122,841	122,841	-
Audit Fees	42,600	-	42,600	39,200	3,400
Architectural/Engineering Services	578	59,820	60,398	60,398	-
Other Purchased Professional Services	95,064	(12,930)	82,134	63,835	18,299
Purchased Technical Services	100,193	(27,001)	73,192	73,192	-
Communications/Telephone	205,935	27,919	233,854	230,682	3,172
BOE Other Purchased Services	2,006	(1,032)	974	-	974
Other Purchased Services	183,058	(24,037)	159,021	157,482	1,539
General Supplies	15,849	3,802	19,651	17,419	2,232
BOE in House Training/Meeting Supplies	-	216	216	216	-
Judgments Against the School District	20,000	(10,000)	10,000	10,000	-
Miscellaneous Expenditures	10,228	2,077	12,305	12,305	-
BOE Membership Dues & Fees	41,533	(10,079)	31,454	31,454	-
Total Support Services General Administration	<u>1,515,054</u>	<u>(78,155)</u>	<u>1,436,899</u>	<u>1,407,283</u>	<u>29,616</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,239,413	(8,041)	1,231,372	1,231,372	-
Salaries of Other Professional Staff	1,071,543	33,052	1,104,595	1,104,595	-
Salaries of Secretarial and Clerical Assistants	468,353	250	468,603	466,758	1,845
Other Salaries	158,804	227	159,031	158,684	347
Purchased Professional and Technical Services	3,800	(883)	2,917	675	2,242
Other Purchased Services	88,873	66,307	155,180	154,104	1,076
Supplies and Materials	101,750	(10,881)	90,869	81,895	8,974
Other Objects	24,853	2,403	27,256	24,989	2,267
Total Support Services School Administration	<u>3,157,389</u>	<u>82,434</u>	<u>3,239,823</u>	<u>3,223,072</u>	<u>16,751</u>
Central Services					
Salaries	614,400	(20,940)	593,460	593,460	-
Purchased Technical Services	49,981	1,322	51,303	51,303	-
Misc. Purchased Services	31,692	1,898	33,590	29,357	4,233
Supplies and Materials	19,399	9,278	28,677	28,677	-
Other Objects	16,600	(12,310)	4,290	3,009	1,281
Total Central Services	<u>732,072</u>	<u>(20,752)</u>	<u>711,320</u>	<u>705,806</u>	<u>5,514</u>
Administrative Info Technology					
Salaries	110,778	(1,530)	109,248	109,241	7
Purchased Technical Services	45,666	11,003	56,669	56,669	-
Supplies and Materials	6,558	10,920	17,478	16,149	1,329
Total Administrative Info Technology	<u>163,002</u>	<u>20,393</u>	<u>183,395</u>	<u>182,059</u>	<u>1,336</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Required Maintenance for School Facilities					
Salaries	\$ 558,557	\$ (80)	\$ 558,477	\$ 558,477	-
Cleaning, Repair & Maintenance Services	910,840	92,187	1,003,027	966,203	\$ 36,824
General Supplies	79,044	(24,397)	54,647	54,646	1
Other Objects	4,009	4,914	8,923	8,923	-
	<u>1,552,450</u>	<u>72,624</u>	<u>1,625,074</u>	<u>1,588,249</u>	<u>36,825</u>
Custodial Services					
Salaries	1,832,063	(11,455)	1,820,608	1,778,431	42,177
Salaries of Non-Instructional Aides	375,000	(23,665)	351,335	154,723	196,612
Purchased Professional & Technical Services	42,640	(24,040)	18,600	12,141	6,459
Cleaning, Repair and Maintenance Services	39,750	(34,407)	5,343	5,343	-
Rental of Land & Building	225,837	23,059	248,896	230,654	18,242
Other Purchased Property Services	58,772	(7,039)	51,733	49,271	2,462
Insurance	309,093	914	310,007	310,007	-
Miscellaneous Purchased Services	64,094	(64,094)			-
General Supplies	196,727	132,922	329,649	250,788	78,861
Energy (Natural Gas)	282,000	14,592	296,592	205,901	90,691
Energy (Electricity)	510,210	(62,171)	448,039	403,668	44,371
	<u>3,936,186</u>	<u>(55,384)</u>	<u>3,880,802</u>	<u>3,400,927</u>	<u>479,875</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	10,057	17,686	27,743	27,743	-
General Supplies	117	(117)	-	-	-
	<u>10,174</u>	<u>17,569</u>	<u>27,743</u>	<u>27,743</u>	<u>-</u>
Security					
Salaries	540,169	14,545	554,714	554,714	-
Purchased Professional & Technical Services	13,500	148,025	161,525	156,401	5,124
Cleaning, Repair and Maintenance Services	2,700	(2,700)			-
General Supplies	45,221	21,853	67,074	65,624	1,450
Other Objects	3,240	(1,830)	1,410	1,410	-
	<u>604,830</u>	<u>179,893</u>	<u>784,723</u>	<u>778,149</u>	<u>6,574</u>
Undistributed Expenditures					
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Special Ed	1,379,920	79,722	1,459,642	1,459,642	-
Salaries for Pupil Transportation (Other Than Between Home & School)	15,119	(15,119)			-
Management Fee-ESC & CTSA Trans. Prog.	25,000	(25,000)			-
Other Purchased Professional and Technical Svcs	8,500	(6,008)	2,492	2,492	-
Cleaning, Repair and Maintenance Services	100,980	31,557	132,537	132,537	-
Lease Purchase Payments-School Buses	35,000	(27,992)	7,008	7,008	-
Contracted Services (Other Than Between Home and School) - Vendors	27,869	(27,869)			-
Contracted Services (Spec Ed) - ESC's & CTSA's	313,407	96,684	410,091	410,091	-
Aid in Lieu- Non Public		442	442	442	-
Miscellaneous Purchased Services - Transportation	10,187	(9,975)	212	212	-
General Supplies	66,365	(34,605)	31,760	31,760	-
Transportation Supplies	73,248	-	73,248	73,248	-
Other Objects	6,120	(4,287)	1,833	1,833	-
	<u>2,061,715</u>	<u>57,550</u>	<u>2,119,265</u>	<u>2,119,265</u>	<u>-</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 863,200	\$ 51,406	\$ 914,606	\$ 914,606	-
Other Retirement Contributions - PERS	795,095	60,318	855,413	855,413	-
Unemployment Compensation	1,380	1,380	2,760	2,760	-
Workmen's Compensation	330,342	(53,811)	276,531	276,531	-
Health Benefits	8,995,064	(485,215)	8,509,849	8,076,610	\$ 433,239
Tuition Reimbursement	30,000	-	30,000	-	30,000
Other Employee Benefits	30,000	157,875	187,875	182,098	5,777
Unused Sick Pay to Terminated/Retired Staff	-	96,215	96,215	96,215	-
Total Unallocated Benefits	<u>11,045,081</u>	<u>(171,832)</u>	<u>10,873,249</u>	<u>10,404,233</u>	<u>469,016</u>
On Behalf TPAF Contributions (Non Budgeted)					
Pension Benefit Contribution				5,214,064	(5,214,064)
Pension -NCGI Premium				93,456	(93,456)
LTDI Premium				3,019	(3,019)
Post Retirement Medical Benefit Contribution				1,968,993	(1,968,993)
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,993,754	(1,993,754)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,273,286</u>	<u>(9,273,286)</u>
Total Undistributed Expenditures	<u>34,705,292</u>	<u>793,139</u>	<u>35,498,431</u>	<u>43,154,752</u>	<u>(7,656,321)</u>
Total Expenditures - Current Expenditures	<u>66,144,389</u>	<u>337,959</u>	<u>66,482,348</u>	<u>74,051,504</u>	<u>(7,569,156)</u>
CAPITAL OUTLAY					
Equipment					
Instruction					
Grades 1-5	17,751	(17,751)			-
Grades 6-8	18,417	(10,917)	7,500	3,999	3,501
Grades 9-12	37,484	(9,873)	27,611	3,999	23,612
Autism	10,050	-	10,050		10,050
School Sponsored & Other Instr. Programs	13,269	-	13,269	2,700	10,569
Support Services					
Instruction	79,562	101,142	180,704	169,065	11,639
Support Services - Students - Regular		7,600	7,600	7,600	-
School Administration	7,391	(4,507)	2,884		2,884
Central Services	3,119	2,609	5,728	5,728	-
Admin Info Tech	10,042	1,898	11,940	11,940	-
Required School Maintenance	16,359	46,758	63,117	63,117	-
Security	203,595	(33,953)	169,642	106,000	63,642
School Buses - Special	67,738	53,264	121,002	121,002	-
Total Equipment	<u>484,777</u>	<u>136,270</u>	<u>621,047</u>	<u>495,150</u>	<u>125,897</u>
Facilities Acquisition and Construction Services					
Construction Services	400,000	(175,000)	225,000	15,000	210,000
SDA - Debt Service Assessment	10,486	-	10,486	10,486	-
Total Facilities Acquis. and Const. Services	<u>410,486</u>	<u>(175,000)</u>	<u>235,486</u>	<u>25,486</u>	<u>210,000</u>
Total Capital Outlay	<u>895,263</u>	<u>(38,730)</u>	<u>856,533</u>	<u>520,636</u>	<u>335,897</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	\$ 10,200	-	\$ 10,200	\$ 10,200	\$ -
Total Summer School - Instruction	10,200	-	10,200	10,200	-
Total Summer School	10,200	-	10,200	10,200	-
Other Special Schools - Instruction					
Salaries of Teachers	27,183	\$ -	27,183	27,183	-
General Supplies	900	-	900	680	220
Total Other Special Schools - Instruction	28,083	-	28,083	27,863	220
Total Other Special Schools	28,083	-	28,083	27,863	220
Total Special Schools	38,283	-	38,283	38,063	220
Charter Schools					
Transfer To Charter Schools	119,260	(119,260)	-	\$ -	-
Total Transfer to Charter Schools	119,260	(119,260)	-	-	-
Total Expenditures	67,197,195	179,969	67,377,164	74,610,203	(7,233,039)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,640,332)	(179,969)	(2,820,301)	1,025,733	3,846,034
Other Financing Sources (Uses)					
Transfers In - Capital Proj. Fund to Capital Reserve	-	-	-	425,598	425,598
Transfers Out - Capital Outlay to Cap. Proj. Fund	-	(175,000)	(175,000)	(131,909)	43,091
Transfers Out - Capital Reserve to Cap. Proj. Fund	(667,355)	-	(667,355)	(476,262)	191,093
Total Other Financing Sources (Uses)	(667,355)	(175,000)	(842,355)	(182,573)	659,782
Net Changes in Fund Balance	(3,307,687)	(354,969)	(3,662,656)	843,160	4,505,816
Fund Balances, Beginning of Year	9,556,254	-	9,556,254	9,556,254	-
Fund Balances, End of Year	\$ 6,248,567	\$ (354,969)	\$ 5,893,598	\$ 10,399,414	\$ 4,505,816

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
Recapitulation					
Restricted					
Capital Reserve				\$ 2,282,636	
Capital Reserve - Designated for Subsequent Year's Expenditures				987,000	
Maintenance Reserve				85,492	
Emergency Reserve				488,000	
Tuition Adjustments - 2019/2020				360,000	
Tuition Adjustments - 2018/2019 - Designated for Subsequent Year's Expenditures				360,000	
Excess Surplus				1,100,486	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,100,486	
Assigned					
Year End Encumbrances				667,378	
Designated for Subsequent Year's Expenditures				596,846	
Unassigned				<u>2,371,090</u>	
Fund Balance - Budgetary Basis				10,399,414	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				<u>(2,263,895)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 8,135,519</u>	

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 587,917	\$ 104,628	\$ 692,545	\$ 332,498	\$ (360,047)
Federal	1,329,463	479,371	1,808,834	1,677,777	(131,057)
Local Sources					
Miscellaneous	-	123,660	123,660	19,700	(103,960)
Total Revenues	<u>1,917,380</u>	<u>707,659</u>	<u>2,625,039</u>	<u>2,029,975</u>	<u>(595,064)</u>
EXPENDITURES					
Instruction					
Salaries	506,814	7,086	513,900	403,131	110,769
Other Salaries for Instruction	59,752	(1)	59,751	40,358	19,393
Purchased Professional / Technical Services	142,971	(94,862)	48,109	20,100	28,009
Other Purchased Services	849,073	79,696	928,769	885,461	43,308
General Supplies	129,387	251,520	380,907	251,965	128,942
Textbooks	16,819	(3,993)	12,826	9,150	3,676
Miscellaneous Expenditures	-	34,165	34,165	4,744	29,421
Total Instruction	<u>1,704,816</u>	<u>273,611</u>	<u>1,978,427</u>	<u>1,614,909</u>	<u>363,518</u>
Support Services - Instruction					
Salaries	90,558	(18,284)	72,274	67,719	4,555
Salaries of Supervisors of Instruction	10,000	-	10,000	9,998	2
Salaries of Secretaries & Clerical Assistants	20,000	-	20,000	18,715	1,285
Personnel Services - Employee Benefits	32,383	48,371	80,754	80,754	-
Purchased Professional - Educational Services	5,000.00	16,185	21,185	21,185	-
Purchased Professional / Technical Services		130,072	130,072	81,363	48,709
Other Purchased Services	26,123	107,129	133,252	107,781	25,471
Travel	1,000	2,024	3,024	624	2,400
Supplies and Materials	2,500	147,305	149,805	7,131	142,674
Miscellaneous Expenditures	-	-	-	-	-
Total Support Services	<u>187,564</u>	<u>432,802</u>	<u>620,366</u>	<u>395,270</u>	<u>225,096</u>
Capital Outlay					
Instructional Equipment	25,000	1,246	26,246	19,796	6,450
Total Capital Outlay	<u>25,000</u>	<u>1,246</u>	<u>26,246</u>	<u>19,796</u>	<u>6,450</u>
Total Expenditures	<u>1,917,380</u>	<u>707,659</u>	<u>2,625,039</u>	<u>2,029,975</u>	<u>595,064</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 75,635,936	\$ 2,029,975
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2019-2020)	(2,263,895)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2018-2019)	1,956,143	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2020		(198,860)
Encumbrances, June 30, 2019	-	34,320
	-----	-----
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 75,328,184</u>	<u>\$ 1,865,435</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 74,610,203	\$ 2,029,975
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances , June 30, 2020		(198,860)
Encumbrances , June 30, 2019	-	34,320
	-----	-----
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 74,610,203</u>	<u>\$ 1,865,435</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Seven Fiscal Years*

	<u>2020</u>	<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)	0.07752 %	0.07877 %	0.07721 %	0.07735 %	0.07337 %	0.07169 %	0.07374 %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$13,967,071</u>	<u>\$15,509,301</u>	<u>\$17,972,495</u>	<u>\$22,908,206</u>	<u>\$16,470,376</u>	<u>\$13,422,487</u>	<u>\$ 14,093,792</u>
District's Covered Payroll	<u>\$ 5,373,514</u>	<u>\$ 5,451,417</u>	<u>\$ 5,215,348</u>	<u>\$ 5,264,179</u>	<u>\$ 4,816,801</u>	<u>\$ 4,706,180</u>	<u>\$ 4,569,773</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	259.92% %	284.50% %	344.61% %	435.17% %	341.94% %	285.21% %	308.41% %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27 %	53.60 %	48.10 %	40.14 %	47.93 %	52.08 %	48.72 %

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

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.

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 753,995	\$ 783,501	\$ 715,238	\$ 687,147	\$ 630,796	\$ 591,009	\$ 555,640
Contributions in Relation to the Contractually Required Contribution	<u>753,995</u>	<u>783,501</u>	<u>715,238</u>	<u>687,147</u>	<u>630,796</u>	<u>591,009</u>	<u>555,640</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$5,427,999</u>	<u>\$5,373,514</u>	<u>\$5,451,417</u>	<u>\$5,215,348</u>	<u>\$5,264,179</u>	<u>\$4,816,801</u>	<u>\$ 4,760,180</u>
Contributions as a Percentage of Covered Payroll	13.89%	14.58%	13.12%	13.18%	11.98%	12.27%	11.67%

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.

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

Teachers Pension and Annuity Fund

Last Seven Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 147,492,469</u>	<u>\$ 152,251,485</u>	<u>\$ 162,651,204</u>	<u>\$ 178,227,969</u>	<u>\$ 148,367,767</u>	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
Total	<u>\$ 147,492,469</u>	<u>\$ 152,251,485</u>	<u>\$ 162,651,204</u>	<u>\$ 178,227,969</u>	<u>\$ 148,367,767</u>	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
District's Covered Payroll	<u>\$ 25,327,067</u>	<u>\$ 25,501,771</u>	<u>\$ 24,402,413</u>	<u>\$ 24,464,937</u>	<u>\$ 23,020,150</u>	<u>\$ 23,147,876</u>	<u>\$ 22,221,961</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.95%	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.

**BERGENFIELD 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, 2020**

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 4C.

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

Postemployment Health Benefit Plan

Last Three Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service Cost	\$ 3,596,009	\$ 3,965,490	\$ 4,739,911
Interest on Total OPEB Liability	4,087,235	4,396,609	3,815,755
Differences Between Expected and Actual Experiences	(16,792,160)	(10,608,683)	-
Changes of Assumptions	1,385,098	(11,864,259)	(15,875,875)
Gross Benefit Payments	(2,851,654)	(2,764,551)	(2,452,174)
Contribution from the Member	<u>84,531</u>	<u>95,547</u>	<u>90,295</u>
Net Change in Total OPEB Liability	<u>(10,490,941)</u>	<u>(16,779,847)</u>	<u>(9,682,088)</u>
Total OPEB Liability - Beginning	<u>103,387,729</u>	<u>120,167,576</u>	<u>129,849,664</u>
Total OPEB Liability - Ending	<u>\$ 92,896,788</u>	<u>\$ 103,387,729</u>	<u>\$ 120,167,576</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>92,896,788</u>	<u>103,387,729</u>	<u>120,167,576</u>
Total OPEB Liability - Ending	<u>\$ 92,896,788</u>	<u>\$ 103,387,729</u>	<u>\$ 120,167,576</u>
District's Covered Payroll	<u>\$ 30,700,581</u>	<u>\$ 30,953,188</u>	<u>\$ 29,617,761</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	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.

**BERGENFIELD 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, 2020**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Nonpublic Nursing Services</u>	<u>Nonpublic Technology Aid</u>	<u>Nonpublic Textbook Aid</u>	<u>Nonpublic Security Aid</u>	<u>Other Local Programs</u>	<u>Other (Exhibit E-1a)</u>	<u>Other (Exhibit E-1b)</u>	<u>Total 2020</u>
REVENUES								
Intergovernmental								
State	\$ 13,580	\$ 5,039	\$ 7,280	\$ 20,988		\$ 285,611	-	\$ 332,498
Federal						-	\$ 1,677,777	1,677,777
Other Sources	-	-	-	-	\$ 19,700	-	-	19,700
Total Revenues	\$ 13,580	\$ 5,039	\$ 7,280	\$ 20,988	\$ 19,700	\$ 285,611	\$ 1,677,777	\$ 2,029,975
EXPENDITURES								
Instruction								
Salaries						\$ 115,972	\$ 287,159	\$ 403,131
Other Salaries for Instruction						40,358		40,358
Purchased Professional / Technical Services					\$ 500	-	19,600	20,100
Other Purchased Services	\$ 13,580					-	871,881	885,461
General Supplies		\$ 5,039			16,399	8,518	222,009	251,965
Textbooks			\$ 7,280	1,192	678	-	-	9,150
Miscellaneous Expenditures					1,744	3,000	-	4,744
Total Instruction	13,580	5,039	7,280	1,192	19,321	167,848	1,400,649	1,614,909
Support Services								
Salaries			-			-	67,719	67,719
Salaries of Supervisors of Instruction						9,998		9,998
Salaries of Secretaries & Clerical Assistants						18,715		18,715
Personal Services Employee-Benefits						13,748	67,006	80,754
Purchased Professional - Educational Services						21,185		21,185
Purchased Professional / Technical Services						-	81,363	81,363
Other Purchased Services						-	53,571	107,781
Travel						400	224	624
Supplies and Materials					379	146	6,606	7,131
Total Support Services	-	-	-	-	379	117,763	277,128	395,270
Capital Outlay								
Instructional Equipment				19,796				19,796
Total Capital Outlay	-	-	-	19,796	-	-	-	19,796
Total Expenditures	\$ 13,580	\$ 5,039	\$ 7,280	\$ 20,988	\$ 19,700	\$ 285,611	\$ 1,677,777	\$ 2,029,975

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Chapter 192/193 Services						Total Exhibit E-1a
	Preschool Education Aid	Nonpublic Exam & Classification	Nonpublic Corrective Speech	Nonpublic Supplemental Instruction	Nonpublic Compensatory Aid	Nonpublic ESL	
REVENUES							
Intergovernmental							
State	\$ 232,040	\$ 10,594	\$ 5,742	\$ 10,281	\$ 25,796	\$ 1,158	\$ 285,611
Federal							-
Other Sources	-	-	-	-	-	-	-
Total Revenues	<u>\$ 232,040</u>	<u>\$ 10,594</u>	<u>\$ 5,742</u>	<u>\$ 10,281</u>	<u>\$ 25,796</u>	<u>\$ 1,158</u>	<u>\$ 285,611</u>
EXPENDITURES							
Instruction							
Salaries	\$ 115,972						\$ 115,972
Other Salaries for Instruction	40,358						40,358
Purchased Professional / Technical Services							-
Other Purchased Services							-
General Supplies	8,518						8,518
Textbooks							-
Other Objects	3,000	-	-	-	-	-	3,000
Total Instruction	<u>167,848</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>167,848</u>
Support Services							
Salaries	-						-
Salaries of Supervisors of Instruction	9,998						9,998
Salaries of Secretaries & Clerical Assistants	18,715						18,715
Personal Services Employee-Benefits	13,748						13,748
Purchased Professional - Educational Services	21,185						21,185
Purchased Professional / Technical Services							-
Other Purchased Services		\$ 10,594	\$ 5,742	\$ 10,281	\$ 25,796	\$ 1,158	53,571
Travel	400						400
Tuition							-
Supplies and Materials	146	-	-	-	-	-	146
Total Support Services	<u>64,192</u>	<u>10,594</u>	<u>5,742</u>	<u>10,281</u>	<u>25,796</u>	<u>1,158</u>	<u>117,763</u>
Capital Outlay							
Instructional Equipment	-	-	-	-	-	-	-
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 232,040</u>	<u>\$ 10,594</u>	<u>\$ 5,742</u>	<u>\$ 10,281</u>	<u>\$ 25,796</u>	<u>\$ 1,158</u>	<u>\$ 285,611</u>

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>IDEA Basic</u>	<u>IDEA Preschool</u>	<u>ESEA Title I</u>	<u>ESEA Title IIA</u>	<u>ESEA Title III</u>	<u>ESEA Title III Immigrant</u>	<u>ESEA Title IV</u>	<u>CARES Grant</u>	<u>Perkins</u>	<u>Total Exhibit E-1b</u>
REVENUES										
Intergovernmental										
State										
Federal	\$ 868,673	\$ 35,005	\$ 420,208	\$ 76,664	\$ 39,043	\$ 2,690	\$ 26,558	\$ 187,857	\$ 21,079	\$ 1,677,777
Other Sources	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 868,673	\$ 35,005	\$ 420,208	\$ 76,664	\$ 39,043	\$ 2,690	\$ 26,558	\$ 187,857	\$ 21,079	\$ 1,677,777
EXPENDITURES										
Instruction										187,857
Salaries			\$ 275,429		\$ 9,390	\$ 690	\$ 1,650			\$ 287,159
Purchased Professional / Technical Services							19,600			19,600
Other Purchased Services	\$ 836,876	\$ 35,005								871,881
General Supplies			7,353		5,538		5,308	\$ 187,857	\$ 15,953	222,009
Textbooks										-
Other Objects	-	-	-	-	-	-	-	-	-	-
Total Instruction	836,876	35,005	282,782	-	14,928	690	26,558	187,857	15,953	1,400,649
Support Services										
Salaries			57,211	\$ 9,308					1,200	67,719
Personal Services Employee-Benefits			66,960						46	67,006
Purchased Professional / Technical Services			11,650	49,725	17,100	2,000			888	81,363
Other Purchased Services	31,797		999	17,631	1,015				2,768	54,210
Travel									224	224
Supplies and Materials	-	-	606	-	6,000	-	-	-	-	6,606
Total Support Services	31,797	-	137,426	76,664	24,115	2,000	-	-	5,126	277,128
Capital Outlay										
Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 868,673	\$ 35,005	\$ 420,208	\$ 76,664	\$ 39,043	\$ 2,690	\$ 26,558	\$ 187,857	\$ 21,079	\$ 1,677,777

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Instruction:			
Salaries	\$ 184,214	\$ 115,972	\$ 68,242
Other Salaries for Instruction	59,752	40,358	19,394
Purchased Professional - Educational Services	18,070		18,070
Other Purchased Services	9,000		9,000
General Supplies	45,228	8,518	36,710
Other Objects	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Total Instruction	<u>319,264</u>	<u>167,848</u>	<u>151,416</u>
Support Services:			
Salaries of Supervisors of Instruction	10,000	9,998	2
Salaries of Secretaries & Clerical Assistants	20,000	18,715	1,285
Purchased Services - Employee Benefits	13,748	13,748	-
Purchased Professional - Educational Services	21,185	21,185	-
Other Purchased Services	854		854
Travel	1,000	400	600
Supplies and Materials	<u>146</u>	<u>146</u>	<u>-</u>
Total Support Services	<u>66,933</u>	<u>64,192</u>	<u>2,741</u>
Facilities Acquisition and Construction			
Instructional Equipment	<u>6,450</u>	<u>-</u>	<u>6,450</u>
Total Facilities Acq. & Construction	<u>6,450</u>	<u>-</u>	<u>6,450</u>
Total Expenditures	<u>\$ 392,647</u>	<u>\$ 232,040</u>	<u>\$ 160,607</u>
Total 2019-2020 Preschool Education Aid Allocation			\$ 265,520
Add: Actual Preschool Aid Carryover (June 30, 2019)			127,127
Add: Budgeted Transfer from the General Fund 2019-2020			<u>-</u>
Total Preschool Education Aid Funds Available for 2019-2020 Budget			392,647
Less: Budgeted Preschool Education Aid			<u>392,647</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2020			-
Add: June 30, 2020 Unexpended Preschool Education Aid			<u>160,607</u>
2019-2020 Carryover - Preschool Education Aid			<u>\$ 160,607</u>
2019-2020 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2020-2021			<u>\$ 127,127</u>

CAPITAL PROJECTS FUND

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>Issue/ Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Cancelled Current Year</u>	<u>Balance June 30, 2020</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Jefferson Elementary School - HVAC Upgrades, Electrical System Upgrades, and Asbestos Abatement	\$ 1,330,900	\$ 1,189,926		\$ 140,974	-
Lincoln Elementary School - HVAC, Exterior Closure	1,836,376	1,710,716		125,660	-
Washington Elementary School - HVAC, UV Replacements, Hazardous Material Abatement, Electrical Service Upgrade, Branch Panel Upgrades and Window Replacements	1,056,004	928,503		127,501	-
Franklin Elementary School - HVAC, UV Replacements, Hazardous Material Abatement, 3 Stop Elevator	2,336,627	1,836,258	\$ 79,783	69,104	\$ 351,482
Roy W. Brown Middle School - Roof Replacement	164,300	164,257		43	-
Roy W. Brown Middle School - Door Replacement	98,017	2,066	-	-	95,951
Bergenfield High School Science Room Renovation	174,762		174,762		-
Jefferson School Boiler Replacement	301,500		196,955		104,545
Bergenfield High School Training Room Renovation	9,200		9,200		-
Bergenfield High School Dark Room Room Renovation	72,709		72,709		-
Replace Yankee Gutters at Lincoln School	50,000	-	38,750	-	11,250
	<u>\$ 7,430,395</u>	<u>\$ 5,831,726</u>	<u>\$ 572,159</u>	<u>\$ 463,282</u>	<u>\$ 563,228</u>

Reconciliation to Fund Balance - GAAP

Project Balance, June 30, 2020	\$ 563,228
Less: SDA Grant Revenue Not Realized Under GAAP	<u>(91,110)</u>
Fund Balance, June 30, 2020 - GAAP	<u>\$ 472,118</u>

Recapitulation of Fund Balance - GAAP

Restricted for Capital Projects Year End Encumbrances	\$ 95,951
Available for Capital Projects	<u>376,167</u>
Total Restricted for Capital Projects	<u>\$ 472,118</u>

**BERGENFIELD 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, 2020**

Revenues and Other Financing Sources

Transfer from General Fund - Capital Reserve	\$ 476,262
Transfer from General Fund - Capital Outlay	<u>131,909</u>
Total Revenues and Other Financing Sources	<u>608,171</u>

Expenditures and Other Financing Uses

Purchased Professional and Technical Services	6,936
Construction Services	565,223
SDA Grant Receivable Cancelled - Gen. Admin. Services - Bad Debt Expense	5,883
SDA Grant Receivable Cancelled - Unearned Revenue	31,801
Transfer to General Fund - Capital Reserve	<u>425,598</u>
Total Expenditures and Other Financing Uses	<u>1,035,441</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(427,270)
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Fund Balance- Beginning of Year - Budgetary Basis	<u>990,498</u>
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Fund Balance- End of Year - Budgetary Basis	<u>\$ 563,228</u>
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Reconciliation to GAAP:

Fund Balance - End of Year - Budgetary Basis	\$ 563,228
Less: SDA Grant Revenue not Realized Under GAAP	<u>(91,110)</u>
Fund Balance- End of Year - GAAP Basis	<u>\$ 472,118</u>

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
JEFFERSON ELEMENTARY SCHOOL - HVAC UPGRADES, ELECTRICAL SYSTEM UPGRADES,
AND ASBESTOS ABATEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 431,160	-	\$ 431,160	\$ 431,160
Transfer from Capital Outlay /Reserve	<u>899,740</u>	<u>(140,974)</u>	<u>758,766</u>	<u>899,740</u>
 Total Revenues	 <u>1,330,900</u>	 <u>(140,974)</u>	 <u>1,189,926</u>	 <u>1,330,900</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	69,964	-	69,964	167,900
Construction Services	<u>1,119,962</u>	<u>\$ -</u>	<u>1,119,962</u>	<u>1,163,000</u>
 Total Expenditures	 <u>1,189,926</u>	 <u>-</u>	 <u>1,189,926</u>	 <u>1,330,900</u>
 Excess of Revenues Over Expenditures	 <u>\$ 140,974</u>	 <u>\$ (140,974)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

DOE Project Number	0300-060-14-1004
SDA Project Number	0300-060-14-G1CS
Grant Number	G5-4824
Grant Date	12/2/2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,077,900
Additional Authorized Cost	\$ 253,000
Revised Authorized Cost	\$ 1,330,900

Percentage Increase Over Original Authorized Cost	23.47%
Percentage Completion	100%
Original Target Completion Date	June 30, 2017
Revised Target Completion Date	June 30, 2020

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
LINCOLN SCHOOL - HVAC, EXTERIOR CLOSURE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 671,228		\$ 671,228	\$ 671,228
Transfer from Capital Outlay /Reserve	<u>1,165,148</u>	<u>\$ (125,660)</u>	<u>1,039,488</u>	<u>1,165,148</u>
 Total Revenues	 <u>1,836,376</u>	 <u>(125,660)</u>	 <u>1,710,716</u>	 <u>1,836,376</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	160,117		160,117	257,776
Construction Services	<u>1,550,599</u>	<u>-</u>	<u>1,550,599</u>	<u>1,578,600</u>
 Total Expenditures	 <u>1,710,716</u>	 <u>-</u>	 <u>1,710,716</u>	 <u>1,836,376</u>
 Excess of Revenues Over Expenditures	 <u>\$ 125,660</u>	 <u>\$ (125,660)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

DOE Project Number	0300-070-14-1005
SDA Project Number	0300-070-14-G3CM
Grant Number	G5-6162
Grant Date	12/2/2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,678,069
Additional Authorized Cost	\$ 158,307
Revised Authorized Cost	\$ 1,836,376

Percentage Increase Over Original
Authorized Cost

9.43%

Percentage Completion

100%

Original Target Completion Date

June 30, 2017

Revised Target Completion Date

June 30, 2020

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
WASHINGTON SCHOOL - HVAC, UV REPLACEMENTS, HAZARDOUS MATERIAL ABATEMENT,
ELECTRICAL SERVICE UPGRADE, BRANCH PANEL UPGRADES AND WINDOW REPLACEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 403,202	(37,684)	\$ 365,518	\$ 403,202
Transfer from Capital Outlay /Reserve	<u>652,802</u>	<u>(89,817)</u>	<u>562,985</u>	<u>652,802</u>
 Total Revenues	 <u>1,056,004</u>	 <u>(127,501)</u>	 <u>928,503</u>	 <u>1,056,004</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	81,561	-	81,561	142,004
Construction Services	<u>846,942</u>	<u>-</u>	<u>846,942</u>	<u>914,000</u>
 Total Expenditures	 <u>928,503</u>	 <u>-</u>	 <u>928,503</u>	 <u>1,056,004</u>
 Excess of Revenues Over Expenditures	 <u>\$ 127,501</u>	 <u>\$ (127,501)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

DOE Project Number	0300-080-14-1007
SDA Project Number	0300-080-14-G3CN
Grant Number	G5-6163
Grant Date	12/2/2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,008,004
Additional Authorized Cost	\$ 48,000
Revised Authorized Cost	\$ 1,056,004

Percentage Increase Over Original Authorized Cost	4.76%
Percentage Completion	88%
Original Target Completion Date	June 30, 2017
Revised Target Completion Date	June 30, 2020

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
FRANKLIN SCHOOL - HVAC CONTROLS UPGRADES, HAZARDOUS MATERIAL ABATEMENT,
UV REPLACEMENT AND 3 STOP ELEVATOR
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 622,469	-	\$ 622,469	\$ 622,469
Transfer from Capital Outlay /Reserve	<u>1,714,158</u>	<u>(69,104)</u>	<u>1,645,054</u>	<u>1,714,158</u>
 Total Revenues	 <u>2,336,627</u>	 <u>(69,104)</u>	 <u>2,267,523</u>	 <u>2,336,627</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	162,831	696	163,527	380,677
Construction Services	<u>1,673,427</u>	<u>79,087</u>	<u>1,752,514</u>	<u>1,955,950</u>
 Total Expenditures	 <u>1,836,258</u>	 <u>79,783</u>	 <u>1,916,041</u>	 <u>2,336,627</u>
 Excess of Revenues Over Expenditures	 <u>\$ 500,369</u>	 <u>\$ (148,887)</u>	 <u>\$ 351,482</u>	 <u>\$ -</u>

Additional Project Information:

DOE Project Number	0300-040-14-1002
SDA Project Number	0300-040-14-G04
Grant Number	G5-6161
Grant Date	12/21/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,556,172
Additional Authorized Cost	\$ 780,455
Revised Authorized Cost	\$ 2,336,627

Percentage Increase Over Original Authorized Cost	50.15%
Percentage Completion	82%
Original Target Completion Date	August 30, 2017
Revised Target Completion Date	June 30, 2020

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ROY BROWN MIDDLE SCHOOL - ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 164,300	\$ (43)	\$ 164,257	\$ 164,300
Total Revenues	<u>164,300</u>	<u>(43)</u>	<u>164,257</u>	<u>164,300</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	10,200		10,200	10,200
Construction Services	<u>154,057</u>	<u>-</u>	<u>154,057</u>	<u>154,100</u>
Total Expenditures	<u>164,257</u>	<u>-</u>	<u>164,257</u>	<u>164,300</u>
Excess of Revenues Over Expenditures	<u>\$ 43</u>	<u>\$ (43)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Original Authorized Cost	\$ 164,300			
Additional (Reduced) Costs	-			
Revised Authorized Cost	164,300			
Percentage Increase Over Original				
Authorized Cost		0.00%		
Percentage Complete		100.00%		
Original Target Date	6/30/19			
Revised Target Date	6/30/19			

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ROY BROWN MIDDLE SCHOOL - DOOR REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 98,017	\$ -	\$ 98,017	\$ 98,017
 Total Revenues	98,017	-	98,017	98,017
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-	-	-	-
Construction Services	2,066	-	2,066	98,017
 Total Expenditures	2,066	-	2,066	98,017
 Excess of Revenues Over Expenditures	\$ 95,951	\$ -	\$ 95,951	\$ -
 Additional Project Information:				
Original Authorized Cost	\$ 98,017			
Additional (Reduced) Costs	-			
Revised Authorized Cost	98,017			
 Percentage Increase Over Original				
Authorized Cost		0.00%		
Percentage Complete		2.00%		
Original Target Date	6/30/20			
Revised Target Date	6/30/20			

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BERGENFIELD HIGH SCHOOL SCIENCE ROOM RENOVATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ -	\$ 174,762	\$ 174,762	\$ 174,762
Total Revenues	-	174,762	174,762	174,762
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-		-	-
Construction Services	-	174,762	174,762	174,762
Total Expenditures	-	174,762	174,762	174,762
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Original Authorized Cost	\$ 230,000
Additional (Reduced) Costs	(558,238)
Revised Authorized Cost	174,762

Percentage Decrease Over Original

Authorized Cost	24.02%
Percentage Complete	100.00%
Original Target Date	6/30/20
Revised Target Date	6/30/20

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
JEFFERSON SCHOOL BOILER REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ -	\$ 301,500	\$ 301,500	\$ 301,500
 Total Revenues	 -	 301,500	 301,500	 301,500
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-	6,240	6,240	12,480
Construction Services	-	190,715	190,715	289,020
 Total Expenditures	 -	 196,955	 196,955	 301,500
 Excess of Revenues Over Expenditures	 \$ -	 \$ 104,545	 \$ 104,545	 \$ -

Additional Project Information:

Original Authorized Cost	\$ 301,500
Additional (Reduced) Costs	-
Revised Authorized Cost	301,500
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Complete	65.33%
Original Target Date	6/30/20
Revised Target Date	6/30/20

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BERGENFIELD HIGH SCHOOL TRAINING ROOM RENOVATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Outlay	\$ -	\$ 9,200	\$ 9,200	\$ 9,200
Total Revenues	<u>-</u>	<u>9,200</u>	<u>9,200</u>	<u>9,200</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-		-	-
Construction Services	<u>-</u>	<u>9,200</u>	<u>9,200</u>	<u>9,200</u>
Total Expenditures	<u>-</u>	<u>9,200</u>	<u>9,200</u>	<u>9,200</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Original Authorized Cost	\$ 25,000
Additional (Reduced) Costs	15,800
Revised Authorized Cost	9,200
Percentage Increase Over Original Authorized Cost	63.20%
Percentage Complete	100.00%
Original Target Date	6/30/20
Revised Target Date	6/30/20

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BERGENFIELD HIGH SCHOOL DARK ROOM RENOVATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Outlay	\$ -	\$ 72,709	\$ 72,709	\$ 72,709
Total Revenues	<u>-</u>	<u>72,709</u>	<u>72,709</u>	<u>72,709</u>
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-		-	-
Construction Services	<u>-</u>	<u>72,709</u>	<u>72,709</u>	<u>72,709</u>
Total Expenditures	<u>-</u>	<u>72,709</u>	<u>72,709</u>	<u>72,709</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Original Authorized Cost	\$	100,000		
Additional (Reduced) Costs		(27,291)		
Revised Authorized Cost		72,709		
Percentage Increase Over Original				
Authorized Cost		27.29%		
Percentage Complete		100.00%		
Original Target Date		6/30/20		
Revised Target Date		6/30/20		

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
REPLACE YANKEE GUTTERS AT LINCOLN SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Outlay	\$ -	\$ 50,000	\$ 50,000	\$ 50,000
 Total Revenues	 -	 50,000	 50,000	 50,000
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-		-	-
Construction Services	-	38,750	38,750	50,000
 Total Expenditures	 -	 38,750	 38,750	 50,000
 Excess of Revenues Over Expenditures	 \$ -	 \$ 11,250	 \$ 11,250	 \$ -
 Additional Project Information:				
Original Authorized Cost	\$ 50,000			
Additional (Reduced) Costs	-			
Revised Authorized Cost	50,000			
 Percentage Increase Over Original				
Authorized Cost		0.00%		
Percentage Complete		77.50%		
Original Target Date		6/30/20		
Revised Target Date		6/30/20		

PROPRIETARY FUNDS

EXHIBIT G-1

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

AGENCY FUNDS

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2020**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 77,052	\$ 5,372	\$ 82,424
Total Assets	<u>\$ 77,052</u>	<u>\$ 5,372</u>	<u>\$ 82,424</u>
LIABILITIES			
Payroll Deductions and Withholdings		\$ (21,983)	\$ (21,983)
Due to Student Groups	\$ 77,052	-	77,052
Due to Other Funds	<u>-</u>	<u>27,355</u>	<u>27,355</u>
Total Liabilities	<u>\$ 77,052</u>	<u>\$ 5,372</u>	<u>\$ 82,424</u>

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
NONEXPENDABLE TRUST FUND
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOT APPLICABLE

**STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Balance, July 1, <u>2019</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2020</u>
ROY W. BROWN MIDDLE SCHOOL	\$ 11,791	\$ 13,347	\$ 12,065	\$ 13,073
BERGENFIELD HIGH SCHOOL	<u>75,756</u>	<u>55,245</u>	<u>67,022</u>	<u>63,979</u>
	<u>\$ 87,547</u>	<u>\$ 68,592</u>	<u>\$ 79,087</u>	<u>\$ 77,052</u>

**BERGENFIELD BOARD OF EDUCATION
AGENCY FUNDS
PAYROLL AGENCY FUND
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Balance, July 1, <u>2019</u>	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, <u>2020</u>
ASSETS				
Cash	\$ 122,431	\$ 44,065,898	\$ 44,182,957	\$ 5,372
Due from Other Funds	<u>153,317</u>	<u>-</u>	<u>153,317</u>	<u>-</u>
Total Assets	<u>\$ 275,748</u>	<u>\$ 44,065,898</u>	<u>\$ 44,336,274</u>	<u>\$ 5,372</u>
LIABILITIES				
Payroll Deductions and Withholdings	\$ 229,104	\$ 19,258,114	\$ 19,509,201	\$ (21,983)
Accrued Salaries and Wages	37,652	24,636,104	24,673,756	-
Due to Other Funds	<u>8,992</u>	<u>18,363</u>	<u>-</u>	<u>27,355</u>
Total Liabilities	<u>\$ 275,748</u>	<u>\$ 43,912,581</u>	<u>\$ 44,182,957</u>	<u>\$ 5,372</u>

LONG-TERM DEBT

NOT APPLICABLE

STATISTICAL SECTION

This part of the Bergenfield 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.

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014 (1)	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 8,991,316	\$ 11,615,142	\$ 14,809,943	\$ 18,048,809	\$ 22,641,054	\$ 25,012,976	\$ 28,022,515	\$ 28,611,872	\$ 28,727,102	\$ 27,622,682
Restricted	3,326,995	5,072,995	6,702,305	8,450,750	7,730,315	7,726,994	6,450,116	5,800,668	4,389,690	4,547,246
Unrestricted	4,594,377	5,634,835	5,437,142	(10,478,093)	(11,055,416)	(11,073,173)	(13,029,569)	(13,245,330)	(14,749,167)	(14,869,081)
Total governmental activities net position	\$ 16,912,688	\$ 22,322,972	\$ 26,949,390	\$ 16,021,466	\$ 19,315,953	\$ 21,666,797	\$ 21,443,062	\$ 21,167,210	\$ 18,367,625	\$ 17,300,847
Business-type activities										
Net investment in capital assets	\$ 22,986		\$ 4,823	\$ 13,200	\$ 11,550	\$ 9,900	\$ 8,250	\$ 46,715	\$ 110,717	\$ 102,285
Restricted										
Unrestricted	110,167	85,493	191,348	305,951	208,678	456,322	597,234	567,890	482,846	349,368
Total business-type activities net position	\$ 133,153	\$ 85,493	\$ 196,171	\$ 319,151	\$ 220,228	\$ 466,222	\$ 605,484	\$ 614,605	\$ 593,563	\$ 451,653
District-wide										
Net investment in capital assets	\$ 9,014,302	\$ 11,615,142	\$ 14,814,766	\$ 18,062,009	\$ 22,652,604	\$ 25,022,876	\$ 28,030,765	\$ 28,658,587	\$ 28,837,819	\$ 27,724,967
Restricted	3,326,995	5,072,995	6,702,305	8,450,750	7,730,315	7,726,994	6,450,116	5,800,668	4,389,690	4,547,246
Unrestricted	4,704,544	5,720,328	5,628,490	(10,172,142)	(10,846,738)	(10,616,851)	(12,432,335)	(12,677,440)	(14,266,321)	(14,519,713)
Total district net position	\$ 17,045,841	\$ 22,408,465	\$ 27,145,561	\$ 16,340,617	\$ 19,536,181	\$ 22,133,019	\$ 22,048,546	\$ 21,781,815	\$ 18,961,188	\$ 17,752,500

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions"

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

		Fiscal Year Ended June 30,									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses											
Governmental activities											
Instruction											
Regular	\$	23,530,605	\$ 24,256,926	\$ 25,822,685	\$ 26,071,825	\$ 31,677,273	\$ 32,261,746	\$ 35,767,134	\$ 39,014,007	\$ 36,929,584	\$ 36,531,780
Special Education		10,356,168	10,478,106	10,937,704	10,638,090	12,474,570	12,964,052	14,058,665	14,915,389	15,661,228	14,934,306
Other Instruction		2,058,207	1,967,919	1,929,241	1,833,891	1,811,716	1,856,760	2,459,193	2,394,147	2,344,901	2,308,534
School Sponsored Activities and Athletics		805,495	735,888	856,417	1,043,178	1,099,250	1,147,973	1,343,105	1,322,493	1,462,542	1,245,627
Other Services		1,911	3,917	32,215	28,980						
Support Services:											
Student & instruction Related Services		7,561,603	7,721,787	7,856,535	7,362,058	8,864,355	9,607,497	10,043,184	9,510,697	9,106,779	8,765,472
General Administration		1,613,183	1,356,817	1,565,370	1,394,165	1,412,876	1,364,735	1,430,291	1,509,412	1,724,881	1,659,985
School Administrative Services		3,598,663	3,688,898	3,807,670	3,741,186	4,549,105	4,955,690	5,692,952	5,602,769	5,140,698	5,115,814
Central Administrative Services		688,315	611,371	660,550	731,002	787,507	869,321	986,636	909,104	913,184	1,167,210
Plant Operations and Maintenance		6,023,494	5,382,925	5,697,345	6,421,972	6,854,874	6,772,981	7,684,744	7,628,841	8,308,017	7,054,618
Student Transportation		2,098,341	2,040,505	2,062,756	2,013,627	2,106,932	2,331,057	2,602,644	2,781,290	2,833,294	2,776,268
Interest on long-term debt											
Total governmental activities expenses		<u>58,335,985</u>	<u>58,245,059</u>	<u>61,228,488</u>	<u>61,279,974</u>	<u>71,638,458</u>	<u>74,131,812</u>	<u>82,068,548</u>	<u>85,588,149</u>	<u>84,425,108</u>	<u>81,559,614</u>
Business-type activities:											
Food service		1,210,256	1,316,498	1,085,100	1,095,065	1,273,741	1,103,811	1,184,300	1,346,318	1,360,546	1,347,031
Summer Enrichment Program		57,125	69,311	69,759	40,709	46,792	6,465	50,408	66,553	80,695	80,220
Total business-type activities expense		<u>1,267,381</u>	<u>1,385,809</u>	<u>1,154,859</u>	<u>1,135,774</u>	<u>1,320,533</u>	<u>1,110,276</u>	<u>1,234,708</u>	<u>1,412,871</u>	<u>1,441,241</u>	<u>1,427,251</u>
Total district expenses	\$	<u>59,603,366</u>	<u>59,630,868</u>	<u>62,383,347</u>	<u>62,415,748</u>	<u>72,958,991</u>	<u>75,242,088</u>	<u>83,303,256</u>	<u>87,001,020</u>	<u>85,866,349</u>	<u>82,986,865</u>
Program Revenues											
Governmental activities:											
Charges for services:											
Instruction	\$	1,284,685	\$ 1,311,100	\$ 1,526,439	\$ 1,597,066	\$ 1,468,802	\$ 1,426,329	\$ 1,255,713	\$ 1,570,992	\$ 1,567,473	\$ 1,818,510
Support Services		45,002	50,755	113,956	147,527	74,377	96,691	85,678	71,521	48,236	54,810
Operating grants and contributions		9,273,979	10,091,784	10,580,633	9,555,009	16,368,958	17,818,879	22,433,036	25,085,249	21,146,614	18,470,860
Capital grants and contributions		42,973	42,551	27,860		430,227	1,322,518	1,333,717	652,889	46,732	396,784
Total governmental activities program revenues		<u>10,646,639</u>	<u>11,496,190</u>	<u>12,248,888</u>	<u>11,299,602</u>	<u>18,342,364</u>	<u>20,664,417</u>	<u>25,108,144</u>	<u>27,380,651</u>	<u>22,809,055</u>	<u>20,740,964</u>
Business-type activities:											
Charges for services											
Food service	\$	724,441	\$ 697,285	\$ 577,217	\$ 591,610	\$ 544,341	\$ 566,895	\$ 606,659	\$ 609,273	\$ 633,555	\$ 463,974
Summer Enrichment Program		61,157	69,386	59,545	54,475	51,351	80,380	49,258	63,978	66,577	77,070
Operating grants and contributions		506,849	594,464	628,775	612,669	625,918	708,995	718,053	748,741	720,067	744,297
Total business type activities program revenues		<u>1,292,447</u>	<u>1,361,135</u>	<u>1,265,537</u>	<u>1,258,754</u>	<u>1,221,610</u>	<u>1,356,270</u>	<u>1,373,970</u>	<u>1,421,992</u>	<u>1,420,199</u>	<u>1,285,341</u>
Total district program revenues	\$	<u>11,939,086</u>	<u>12,857,325</u>	<u>13,514,425</u>	<u>12,558,356</u>	<u>19,563,974</u>	<u>22,020,687</u>	<u>26,482,114</u>	<u>28,802,643</u>	<u>24,229,254</u>	<u>22,026,305</u>
Net (Expense)/Revenue											
Governmental activities	\$	(47,689,346)	\$ (46,748,869)	\$ (48,979,600)	\$ (49,980,372)	\$ (53,296,094)	\$ (53,467,395)	\$ (56,960,404)	\$ (58,207,498)	\$ (61,616,053)	\$ (60,818,650)
Business-type activities		25,066	(24,674)	110,678	122,980	(98,923)	245,994	139,262	9,121	(21,042)	(141,910)
Total district-wide net expense	\$	<u>(47,664,280)</u>	<u>(46,773,543)</u>	<u>(48,868,922)</u>	<u>(49,857,392)</u>	<u>(53,395,017)</u>	<u>(53,221,401)</u>	<u>(56,821,142)</u>	<u>(58,198,377)</u>	<u>(61,637,095)</u>	<u>(60,960,560)</u>

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

		Fiscal Year Ended June 30,									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position											
Governmental activities:											
Property taxes levied for general purposes, net	\$	44,883,849	\$ 44,883,849	\$ 45,332,687	\$ 46,194,008	\$ 46,194,008	\$ 47,016,865	\$ 47,959,500	\$ 48,791,976	\$ 49,523,856	\$ 49,523,856
Unrestricted Aid and contributions		6,730,799	7,598,261	8,184,570	8,302,723	8,396,653	8,537,481	8,516,937	8,933,450	8,951,490	9,754,938
Miscellaneous income		534,154	83,266	88,761	304,709	1,344,956	263,893	260,232	206,220	341,122	473,078
Total governmental activities		<u>52,148,802</u>	<u>52,565,376</u>	<u>53,606,018</u>	<u>54,801,440</u>	<u>55,935,617</u>	<u>55,818,239</u>	<u>56,736,669</u>	<u>57,931,646</u>	<u>58,816,468</u>	<u>59,751,872</u>
Business-type activities:											
Investment earnings		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Total business-type activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide		<u>\$ 52,148,802</u>	<u>\$ 52,565,376</u>	<u>\$ 53,606,018</u>	<u>\$ 54,801,440</u>	<u>\$ 55,935,617</u>	<u>\$ 55,818,239</u>	<u>\$ 56,736,669</u>	<u>\$ 57,931,646</u>	<u>\$ 58,816,468</u>	<u>\$ 59,751,872</u>
Change in Net Position											
Governmental activities	\$	4,459,456	\$ 5,816,507	\$ 4,626,418	\$ 4,821,068	\$ 2,639,523	\$ 2,350,844	\$ (223,735)	\$ (275,852)	\$ (2,799,585)	\$ (1,066,778)
Business-type activities		25,066	(24,674)	110,678	122,980	(98,923)	245,994	139,262	9,121	(21,042)	(141,910)
Total district	\$	<u>4,484,522</u>	<u>\$ 5,791,833</u>	<u>\$ 4,737,096</u>	<u>\$ 4,944,048</u>	<u>\$ 2,540,600</u>	<u>\$ 2,596,838</u>	<u>\$ (84,473)</u>	<u>\$ (266,731)</u>	<u>\$ (2,820,627)</u>	<u>\$ (1,208,688)</u>

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted	\$ 4,014,771	\$ 6,481,434	\$ 9,237,329	\$ 9,673,844	\$ 7,375,064	\$ 6,624,425	\$ 6,368,211	\$ 5,996,513	\$ 6,361,168	\$ 6,764,100
Committed	2,577,784	3,571,574	3,661,427	1,226,800	689,234	813,202	545,225	979,060	-	-
Assigned	2,103,906	1,425,385	602,282	963,478	845,783	1,240,499	1,173,305	1,272,029	906,968	1,264,224
Unassigned	287,131	172,236	168,473	227,376	312,471	246,438	253,802	224,297	331,975	107,195
Total general fund	<u>\$ 8,983,592</u>	<u>\$ 11,650,629</u>	<u>\$ 13,669,511</u>	<u>\$ 12,091,498</u>	<u>\$ 9,222,552</u>	<u>\$ 8,924,564</u>	<u>\$ 8,340,543</u>	<u>\$ 8,471,899</u>	<u>\$ 7,600,111</u>	<u>\$ 8,135,519</u>
All Other Governmental Funds										
Restricted	\$ 71,397	\$ 71,397	\$ 59,707	\$ 1,601,081	\$ 3,179,431	\$ 3,958,186	\$ 2,967,001	\$ 2,687,313	\$ 867,587	\$ 472,118
Unassigned										
Total all other governmental funds	<u>\$ 71,397</u>	<u>\$ 71,397</u>	<u>\$ 59,707</u>	<u>\$ 1,601,081</u>	<u>\$ 3,179,431</u>	<u>\$ 3,958,186</u>	<u>\$ 2,967,001</u>	<u>\$ 2,687,313</u>	<u>\$ 867,587</u>	<u>\$ 472,118</u>

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property Tax levy	\$ 44,883,849	\$ 44,883,849	\$ 45,332,687	\$ 46,194,008	\$ 46,194,008	\$ 47,016,865	\$ 47,959,500	\$ 48,791,976	\$ 49,523,856	\$ 49,523,856
Tuition and Fees	1,329,687	1,361,855	1,640,395	1,744,593	1,543,179	1,426,329	1,255,713	1,642,513	1,567,473	1,873,320
Interest Earnings						96,691	85,678	56,806	48,236	
Miscellaneous	582,702	160,664	158,961	368,549	1,465,414	291,781	287,765	176,601	366,722	484,176
State Sources	13,940,760	15,326,616	17,115,383	16,264,591	17,538,833	18,803,343	19,829,611	20,557,081	21,860,920	23,572,177
Federal Sources	2,058,443	2,328,582	1,607,480	1,529,301	1,619,115	1,602,401	1,748,644	1,869,589	2,121,495	1,740,090
Total revenue	62,795,441	64,061,566	65,854,906	66,101,042	68,360,549	69,237,410	71,166,911	73,094,566	75,488,702	77,193,619
Expenditures										
Instruction										
Regular Instruction	23,310,868	24,042,309	25,105,398	25,805,127	27,172,483	26,794,699	27,944,524	30,447,802	32,100,965	33,112,921
Special Education Instruction	10,335,624	10,223,736	10,647,397	10,506,238	11,511,294	11,733,937	12,448,080	13,009,642	14,358,262	13,738,847
Other Instruction	2,053,118	1,971,962	1,910,763	1,832,881	1,623,457	1,626,776	2,049,821	2,012,214	2,135,910	2,183,622
School Sponsored Activities and Athletics	803,567	737,335	848,357	1,042,604	1,097,656	1,117,500	1,231,523	1,187,873	1,398,216	1,244,010
Other Services	1,911	3,917	32,215	28,980						
Support Services:										
Student & Inst. Related Services	7,543,500	7,712,741	7,746,701	7,335,700	8,270,139	8,630,973	8,610,516	8,028,518	8,386,935	8,396,688
General Administrative Services	1,565,958	1,358,450	1,543,786	1,388,322	1,400,528	1,331,947	1,345,970	1,395,929	1,675,401	1,655,175
School Administrative Services	3,587,875	3,666,953	3,706,542	3,712,382	3,957,485	4,202,650	4,529,850	4,472,887	4,601,304	4,791,846
Central Administrative Services	686,324	607,240	647,316	730,460	786,066	844,392	901,882	815,269	873,516	1,164,429
Plant Operations and Maintenance	5,601,163	5,356,299	5,618,638	6,397,830	6,810,941	6,579,448	7,122,118	6,938,470	8,003,591	6,992,160
Student Transportation	1,998,369	1,952,091	1,951,812	1,945,113	2,039,773	2,211,757	2,339,377	2,476,943	2,641,008	2,693,741
Capital Outlay	927,259	3,761,496	4,088,789	5,412,044	4,981,323	3,682,564	4,218,456	2,457,351	2,005,108	1,080,241
Total expenditures	58,415,536	61,394,529	63,847,714	66,137,681	69,651,145	68,756,643	72,742,117	73,242,898	78,180,216	77,053,680
Excess (Deficiency) of revenues over (under) expenditures	4,379,905	2,667,037	2,007,192	(36,639)	(1,290,596)	480,767	(1,575,206)	(148,332)	(2,691,514)	139,939
Other Financing sources (uses)										
Capital leases (non-budgeted)										
Transfers in				2,525,000	3,747,496	2,655,934	1,003,303	760,955	1,367,796	1,033,769
Transfers out				(2,525,000)	(3,747,496)	(2,655,934)	(1,003,303)	(760,955)	(1,367,796)	(1,033,769)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 4,379,905	\$ 2,667,037	\$ 2,007,192	\$ (36,639)	\$ (1,290,596)	\$ 480,767	\$ (1,575,206)	\$ (148,332)	\$ (2,691,514)	\$ 139,939
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* Noncapital expenditures are total expenditures less capital outlay.

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Tuition	Transportation Fees	Athletic Gate Receipts	Interest on Investments	Rents	Cancelled Prior Year Orders	Clean Energy/ E-Rate	Prior Year Refunds	Miscellaneous	Total
2011	\$ 1,284,605	\$ 45,002		\$ 14,486	\$ 9,980	\$ 410,000			\$ 99,688	\$ 1,863,761
2012	1,311,100	50,755		19,578	10,315				53,373	1,445,121
2013	1,526,439	113,956		24,651	9,970				54,140	1,729,156
2014	1,597,066	147,527		23,499	13,398			\$ 234,666	33,146	2,049,302
2015	1,468,802	74,377		18,256	9,625	1,070,232		103,992	142,851	2,888,135
2016	1,426,329	96,691		15,333	4,440	17,923		88,212	137,985	1,786,913
2017	1,255,713	85,678		19,835	4,830	17,746		101,939	115,882	1,601,623
2018	1,570,992	71,521		56,806	4,620			1,218	143,576	1,848,733
2019	1,567,473	48,236		101,866	5,220	84,679			149,357	1,956,831
2020	1,818,510	54,810	5,062	77,782	5,430	107,490	85,286	22,775	169,253	2,346,398

**BERGENFIELD BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2011	\$ 7,253,500	\$ 2,198,699,800	\$ 285,515,300	\$ 45,741,100	\$ 121,220,600	\$ 2,658,430,300	\$ 4,122,023	\$ 2,662,552,323	\$ 2,893,274,034	\$ 1.686
2012	7,253,500	2,196,794,100	282,927,700	45,212,400	120,013,700	2,652,201,400	869,130	2,653,070,530	2,755,673,769	1.700
2013	7,381,600	2,194,172,200	276,285,800	44,683,600	116,732,200	2,639,255,400	869,130	2,640,124,530	2,657,053,290	1.753
2014	7,228,800	2,195,867,700	270,292,300	44,003,400	116,438,800	2,633,831,000	900,000	2,634,731,000	2,563,061,673	1.753
2015	7,187,600	2,196,822,200	269,567,700	42,589,900	116,438,800	2,632,606,200	98,340	2,632,704,540	2,684,336,177	1.773
2016	7,673,200	2,205,008,400	268,446,900	42,589,900	115,784,000	2,639,502,400	98,340	2,639,600,740	2,714,961,138	1.798
2017	7,257,700	2,218,874,700	267,250,300	42,302,100	114,531,300	2,650,216,100	96,840	2,650,312,940	2,766,941,136	1.826
2018	6,917,400	2,240,220,200	264,923,200	42,302,100	115,243,800	2,669,606,700	96,840	2,669,703,540	2,857,758,807	1.842
2019	7,244,000	2,250,590,900	264,397,200	42,302,100	115,243,800	2,679,778,000	87,730	2,679,865,730	3,062,156,607	1.848
2020	7,748,600	2,256,922,500	262,579,000	42,302,100	114,593,300	2,684,145,500	87,730	2,684,233,230	3,204,563,002	1.859

Source: County Abstract of Ratables

a Tax rates are per \$100

N/A- Not Available

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Calendar Year	Total Direct School Tax Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Bergenfield Local School District	Municipality of Bergenfield	County of Bergen		
2011	\$ 1.686	\$ 1.019	\$ 0.226	\$	2.931
2012	1.700	1.042	0.228		2.970
2013	1.734	1.068	0.229		3.031
2014	1.753	1.087	0.225		3.065
2015	1.773	1.104	0.245		3.122
2016	1.798	1.120	0.253		3.171
2017	1.826	1.135	0.261		3.222
2018	1.842	1.135	0.261		3.238
2019	1.848	1.136	0.278		3.262
2020	1.859	1.145	0.296		3.300

Source: County Abstract of Ratables

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

Taxpayer	2020		2011	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Rabinowitz, Charles (Trustee)	\$ 19,000,000	0.71%		
Glance, Rabinowitz & Point Properties			\$ 21,777,200	0.82%
Tower Ivy Lane, LLC	18,850,000	0.70%	20,580,400	0.77%
Knickerbocker Country Club	17,000,000	0.63%	17,000,000	0.64%
Oster Bergenfield Properties	16,500,000	0.61%	17,129,500	0.64%
Tower Management Financing Partnership			14,456,600	0.54%
Tower Omni 2015 LLC	13,350,000	0.50%		
St. James Apts, VAP International	10,900,000	0.41%	11,526,700	0.43%
Lidl U.S. Operations, LLC	10,215,400	0.38%		
Pathmark Stores, LLC			10,215,400	0.38%
Legion Manor Assoc., LLC	10,000,000	0.37%		
Bergenfield Senior Housing LLC			10,000,000	0.38%
New Woodbine, LLC			7,443,200	0.28%
New Bridge Shopping Center LLC	7,100,000	0.26%		
Bergenfield Skating c/o Sears			6,068,000	0.23%
Keepers Bergenfield LLC	5,496,700	0.20%		
	<u>\$ 128,412,100</u>	<u>4.78%</u>	<u>\$ 136,197,000</u>	<u>5.12%</u>

Source: Municipal Tax Assessor

Note: Information for 2010 (nine years ago) is required to be presented; however, it was not available. The District chose to present information for 2011 (eight years ago) in the absence of the 2010 information.

**BERGENFIELD 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	
2011	\$ 44,883,849	\$ 44,883,849	100.00%	
2012	44,883,849	44,883,849	100.00%	
2013	45,332,687	45,332,687	100.00%	
2014	46,194,008	41,773,143	90.43%	\$ 4,420,865
2015	46,194,008	46,194,008	100.00%	
2016	47,016,865	47,016,865	100.00%	
2017	47,959,500	47,959,500	100.00%	
2018	48,791,976	48,791,976	100.00%	
2019	49,523,856	49,523,856	100.00%	
2020	49,523,856	49,523,856	100.00%	

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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Project Loan Payable	Capital Leases			
2011	-	-	-	-	27,037	0
2012	-	-	-	-	27,195	0
2013	-	-	-	-	27,267	0
2014	-	-	-	-	27,299	0
2015	-	-	-	-	27,338	0
2016	-	-	-	-	27,322	0
2017	-	-	-	-	27,455	0
2018	-	-	-	-	27,384	0
2019	-	-	-	-	27,327	0
2020	-	-	-	-	27,327 (E)	0

(E) - Estimate

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita
	General Obligation Bonds	Deductions				
2011	-	-	-	-	0.00%	0
2012	-	-	-	-	0.00%	0
2013	-	-	-	-	0.00%	0
2014	-	-	-	-	0.00%	0
2015	-	-	-	-	0.00%	0
2016	-	-	-	-	0.00%	0
2017	-	-	-	-	0.00%	0
2018	-	-	-	-	0.00%	0
2019	-	-	-	-	0.00%	0
2020.	-	-	-	-	0.00%	0

Source: District records

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Borough of Bergenfield	\$ 26,281,993
Total Direct Debt	<u>26,281,993</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	23,922,486
Bergen County Utilities Authority - Water Pollution (B)	<u>4,910,127</u>
Total Overlapping Debt	<u>28,832,613</u>
Total Direct and Overlapping Debt	<u>\$ 55,114,606</u>

Source:

(1) Borough's 2019 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2019 equalized value by the total 2019 equalized value for Bergen County.

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

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

Legal Debt Margin Calculation for Fiscal Year 2020

Equalized valuation basis

2019	\$	3,191,351,673
2018		3,042,980,394
2017		<u>2,829,613,602</u>
	\$	<u>9,063,945,669</u>
		<u>3,021,315,223</u>
		120,852,609
		-
	\$	<u>120,852,609</u>

Fiscal Year Ending June 30,

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 122,448,615	\$ 115,366,524	\$ 110,708,495	\$ 106,320,018	\$ 105,325,851	\$ 105,847,667	\$ 108,360,174	\$ 110,377,814	\$ 114,945,740	\$ 120,852,609
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 122,448,615</u>	<u>\$ 115,366,524</u>	<u>\$ 110,708,495</u>	<u>\$ 106,320,018</u>	<u>\$ 105,325,851</u>	<u>\$ 105,847,667</u>	<u>\$ 108,360,174</u>	<u>\$ 110,377,814</u>	<u>\$ 114,945,740</u>	<u>\$ 120,852,609</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Annual Debt Statements

**BERGENFIELD BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2011	27,037	\$ 69,053	7.50%
2012	27,195	72,152	7.70%
2013	27,267	71,679	7.00%
2014	27,299	74,452	4.90%
2015	27,338	77,666	4.20%
2016	27,322	79,145	3.90%
2017	27,455	81,483	3.70%
2018	27,384	85,951	3.10%
2019	27,327	N/A	2.70%
2020	27,327 (E)	N/A	N/A

Source: New Jersey State Department of Education

(E) - Estimate

N/A - Not Available

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

	2020		2011	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
Employer				

INFORMATION IS NOT AVAILABLE

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

<u>Function/Program</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>	<u>2020</u>
Instruction	328	318	329	329	330	332	346	347	349	350
Support Services:										
Student & instruction related services	65	72	66	65	66	66	73	82	81	82
General administration	5	7	5	4	5	6	7	7	3	3
School administrative services	24	34	24	23	24	24	32	32	21	22
Central services	7	6	7	7	6	6	6	6	9	9
Plant operations and maintenance	40	40	41	41	41	40	63	63	41	41
Pupil transportation	16	24	16	17	16	16	17	17	21	21
Other support services										
Total	<u>485</u>	<u>501</u>	<u>488</u>	<u>486</u>	<u>488</u>	<u>490</u>	<u>544</u>	<u>554</u>	<u>525</u>	<u>528</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio			Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School					
2011	3,529	\$ 57,488,277	\$ 16,290	-2.42%	350	1:15	1:13	1:14	3,529	3,405	2.83%	96.49%
2012	3,643	57,633,033	15,820	-2.89%	349	1:15	1:13	1:14	3,530	3,409	0.03%	96.57%
2013	3,643	59,758,925	16,404	3.69%	347	1:15	1:13	1:14	3,575	3,460	1.27%	96.78%
2014	3,633	60,725,637	16,715	1.90%	351	1:15	1:13	1:14	3,532	3,358	-1.20%	95.07%
2015	3,518	64,669,822	18,383	9.98%	345	1:15	1:13	1:14	3,475	3,338	-1.61%	96.06%
2016	3,567	65,074,079	18,243	-0.76%	346	1:13	1:14	1:15	3,532	3,411	1.64%	96.57%
2017	3,590	68,523,661	19,087	4.63%	346	1:13	1:12	1:12	3,559	3,403	0.76%	95.62%
2018	3,692	70,785,547	19,173	0.45%	346	1:13	1:12	1:12	3,561	3,408	0.06%	95.70%
2019	3,560	76,175,108	21,398	0.1160	350	1:13	1:12	1:12	3,562	3,404	0.03%	95.56%
2020	3,682	75,973,439	20,634	-0.0357	350	1:13	1:12	1:12	3,761	3,642	5.59%	96.84%

Sources: District records

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

**BERGENFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
(Unaudited)**

INFORMATION IS NOT AVAILABLE

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

	<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>	<u>2020</u>
School Facilities										
Bergenfield High School	\$ 1,206,434	\$ 1,213,577	\$ 1,278,931	\$ 1,348,560	\$ 1,400,192	\$ 613,716	\$ 738,005	\$ 686,461	\$ 1,030,096	\$ 672,623
Roy W. Brown Middle School	579,432	582,863	614,252	647,693	672,492	294,758	354,453	329,697	494,740	323,051
Franklin Elementary School	289,715	291,430	307,124	323,845	336,244	147,378	177,226	164,847	247,368	161,525
Hoover Elementary School	113,665	114,338	120,495	127,056	131,920	57,821	69,532	64,675	97,051	63,372
Jefferson Elementary School	159,244	160,187	168,814	178,004	184,820	81,008	97,414	90,610	135,969	88,783
Lincoln Elementary School	318,203	320,076	337,313	355,677	369,295	161,865	194,646	181,051	271,684	177,401
Washington Elementary Sch.	182,033	183,121	192,983	203,489	211,281	92,606	111,361	103,583	155,435	101,494
Grand Total	<u>\$ 2,848,726</u>	<u>\$ 2,865,592</u>	<u>\$ 3,019,912</u>	<u>\$ 3,184,324</u>	<u>\$ 3,306,244</u>	<u>\$ 1,449,152</u>	<u>\$ 1,742,637</u>	<u>\$ 1,620,924</u>	<u>\$ 2,432,343</u>	<u>\$ 1,588,249</u>

Source: District Records

**BERGENFIELD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2020
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - NESBIG		
Property - Blanket Building & Contents	\$ 126,861,330	\$ 5,000
Comprehensive General Liability	2,000,000	
Commercial Umbrella	9,000,000	10,000
Accident Coverage	500,000	
Environmental Impairment	4,000,000	15,000
Commercial Umbrella - Excess	50,000,000	
School Board Legal Liability	1,000,000	
Excess Workers Compensation Employers Liability	1,000,000	
Commercial Auto Liability	1,000,000	1,000
Cyber Liability		
Third Pary Liability Coverage	2,000,000	15,000
First Party Coverage	1,000,000	
Data Breach Response and Crisis Management Coverage	1,000,000	25,000
Crime Coverage		
Public Employee Dishonesty		
Per Employee (Primary)	100,000	5,000
Per Loss (Excess)	500,000	100,000
Forgery or Alteration Coverage	100,000	1,000
Computer Fraud	100,000	1,000
Funds Transfer Fraud	100,000	1,000
Treasurer of School Monies - Surety Bond	350,000	
Business Administrator/Board Secretary - Surety Bond	350,000	

Source: School District's records

SINGLE AUDIT



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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ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
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DONNA L. JAPHET, CPA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRIS SOHN, CPA
CHRISTOPHER M. VINCI, 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 Education
Bergenfield Board of Education
Bergenfield, 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 Bergenfield Board of Education as of and for the fiscal year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Bergenfield Board of Education's basic financial statements and have issued our report thereon dated February 5, 2021.

Internal Control Over Financial Reporting

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

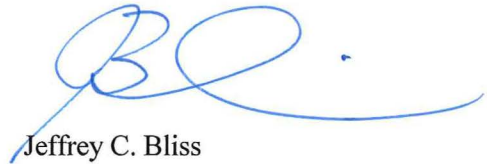
As part of obtaining reasonable assurance about whether the Bergenfield Board of Education’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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.

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 Bergenfield 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 Bergenfield Board of Education’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LERCH, VINCI & HIGGINS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 5, 2021



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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CHRISTOPHER M. VINCI, 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 Education
Bergenfield Board of Education
Bergenfield, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Bergenfield 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 Bergenfield Board of Education's major federal and state programs for the fiscal year ended June 30, 2020. The Bergenfield 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 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 Bergenfield 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 Bergenfield 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 Bergenfield Board of Education’s compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Bergenfield 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, 2020.

Report on Internal Control Over Compliance

Management of the Bergenfield 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 Bergenfield 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 Bergenfield Board of Education’s internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 5, 2021, 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
LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 5, 2021

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2019		Carryover/ (Walkover)/ Amount Def. Rev.	Carryover/ (Walkover)/ Amount A/R	Cash Received	Budgetary Expenditures	Refund of Prior Years Balances	Prior Year Payables Cancelled / Adjustments	Balance, June 30, 2020			Memo GAAP Receivable
						(Account Receivable)	Unearned Revenue							(Account Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education																	
Passed-through State Department of Education																	
Enterprise Fund																	
School Breakfast Program	10.553	191NJ304N1099	N/A	7/1/18-6/30/19	\$ 98,212	\$ (6,030)				\$ 6,030							\$ -
School Breakfast Program	10.553	201NJ304N1099	N/A	7/1/19-6/30/20	155,691					90,168	\$ 155,691						(65,523)
National School Lunch Program	10.555		N/A														-
Cash Assistance		191NJ304N1099		7/1/18-6/30/19	518,637	(23,818)				23,818							-
Cash Assistance		201NJ304N1099		7/1/19-6/30/20	489,679					385,439	489,679						(104,240)
Non-Cash Assistance (Food Distribution)		201NJ304N1099		7/1/19-6/30/20	85,132	-	\$ -	-	-	85,132	85,132	-	-	-	-	-	-
Total Child Nutrition Program Cluster/Enterprise Fund						(29,848)	-	-	-	590,587	730,502	-	-	(169,763)	-	-	(169,763)
U.S. Department of Health and Human Services																	
General Fund																	
Medicaid Assistance Program	93.778	2005NJ5MAP	N/A	7/1/18-6/30/19	42,752	-	-	-	-	42,752	42,752	-	-	-	-	-	-
Total General Fund						-	-	-	-	42,752	42,752	-	-	-	-	-	-
Special Revenue Fund																	
I.D.E.A. Part B, Basic Regular	84.027	H027A180100	FT-090002	7/1/18-6/30/19	862,547	(142,769)	2,274	\$ (2,274)	\$ 2,274	141,188			\$ (693)	-			-
I.D.E.A. Part B, Basic Regular	84.027	H027A190100	FT-090002	7/1/19-9/30/20	873,435		2,274	(2,274)	(2,274)	448,607	868,673			(427,102)	7,036		(420,066)
I.D.E.A. Part B, Preschool	84.173	H173A190114	PS-090000	7/1/19-9/30/20	35,005	-	-	-	-	35,005	35,005	-	-	-	-	-	-
IDEA Cluster						(142,769)	2,274	-	-	624,800	903,678	-	(693)	(427,102)	7,036	-	(420,066)
ESEA																	
Title I	84.010	S010A180030	ESEA-090300	7/1/18-6/30/19	502,462	(293,569)	30,567	(30,567)	30,567	263,002							-
Title I	84.010	S010A190030	ESEA-090300	7/1/19-9/30/20	470,598			30,567	(30,567)	313,084	420,208			(188,081)	80,957		(107,124)
Title II, Part A	84.367A	S367A180029	ESEA-090300	7/1/18-6/30/19	94,752	(71,571)	12,516	(12,516)	12,516	29,755			29,300	-			-
Title II, Part A	84.367A	S367A190029	ESEA-090300	7/1/19-9/30/20	86,516			12,516	(12,516)	59,450	76,664			(39,582)	22,368		(17,214)
Title III	84.365	S365A180030	ESEA-090300	7/1/18-6/30/19	43,783	(26,655)	4,623	(4,623)	4,623	19,679			2,353	-			-
Title III	84.365	S365A190030	ESEA-090300	7/1/19-9/30/20	44,775			4,623	(4,623)	23,960	39,043			(25,438)	10,355		(15,083)
Title III - Immigrant	84.365	S365A180030	ESEA-090300	7/1/18-6/30/19	16,117	(17,400)	14,036	(14,036)	14,036	3,364				-			-
Title III - Immigrant	84.365	S365A190030	ESEA-090300	7/1/19-9/30/20	-			14,036	(14,036)	2,000	2,690			(12,036)	11,346		(690)
Title IV	84.424	S424A180031	ESEA-090300	7/1/18-6/30/19	30,187	(25,372)	648	(648)	648	24,724				-			-
Title IV	84.424	S424A190031	ESEA-090300	7/1/19-9/30/20	29,327			648	(648)	25,127	26,558			(4,848)	3,417		(1,431)
Perkins Grant	84.048	V048A190030	N/A	7/1/19-6/30/20	21,079		-			14,175	21,079			(6,904)	-		(6,904)
Perkins Grant	84.048	V048A180030	N/A	7/1/18-6/30/19	25,190	(7,433)	224			7,213			(4)	-			-
CARES Grant	84.425P	S425D200027	N/A	3/13/20-9/30/22	378,343						187,857			(378,343)	190,486		(187,857)
IEP for Life	84.324b	N/A	N/A	9/1/18-8/31/19	333,333	(90,698)	-	-	-	90,698	-	-	-	-	-	-	-
Total Special Revenue Fund						(675,467)	64,888	-	-	1,501,031	1,677,777	-	30,956	(1,082,334)	325,965	-	(756,369)
Total Federal Awards						\$ (705,315)	\$ 64,888	\$ -	\$ -	\$ 2,134,370	\$ 2,451,031	\$ -	\$ 30,956	\$(1,252,097)	\$ 325,965	\$ -	\$ (926,132)

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2019	Cash Received	Budgetary Expenditures	Carryover/ Other Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2020			Memo		
									(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education														
Current Expense:														
Equalization Aid	20-495-034-5120-078	7/1/19-6/30/20	\$ 9,697,470		\$ 8,793,633	\$ 9,697,470				\$ (903,837)				9,697,470
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	8,619,280	(717,016)	717,016									\$ -
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	2,104,440		1,908,299	2,104,440				(196,141)				2,104,440
Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	2,104,440	(176,014)	176,014									-
Security Aid	20-498-034-5120-084	7/1/19-6/30/20	374,729		339,803	374,729				(34,926)				374,729
Security Aid	19-498-034-5120-084	7/1/18-6/30/19	374,729	(31,341)	31,341									-
School Choice Aid	20-495-034-5120-068	7/1/19-6/30/20	245,556		222,669	245,556				(22,887)				245,556
School Choice Aid	19-495-034-5120-068	7/1/18-6/30/19	258,495	(21,620)	21,620									-
State Aid Public Cluster				(945,991)	12,210,395	12,422,195	-	-	(1,157,791)	-	-	-	-	12,422,195
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	578,477		524,561	578,477				(53,916)				578,477
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	578,477	(48,384)	48,384									-
Extraordinary Aid	20-495-034-5120-473	7/1/19-6/30/20	1,052,188			1,052,188				(1,052,188)				1,052,188
Extraordinary Aid	19-495-034-5120-473	7/1/18-6/30/19	961,768	(961,768)	961,768									-
On Behalf Payments														
TPAF Social Security	20-495-034-5095-003	7/1/19-6/30/20	1,993,754		1,897,610	1,993,754				(96,144)			\$ (96,144)	1,993,754
TPAF Social Security	19-495-034-5094-003	7/1/18-6/30/19	1,811,534	(90,209)	90,209									-
TPAF On-Behalf Contributions														
Pension Benefit Contribution	20-495-034-5094-002	7/1/19-6/30/20	5,214,064		5,214,064	5,214,064								5,214,064
Pension-NCGI Premium	20-495-034-5094-004	7/1/19-6/30/20	93,456		93,456	93,456								93,456
LTDI Premium	20-495-034-5094-004	7/1/19-6/30/20	3,019		3,019	3,019								3,019
Post Retirement Medical Benefit Contribution	20-495-034-5094-001	7/1/19-6/30/20	1,968,993		1,968,993	1,968,993								1,968,993
Total General Fund				(2,046,352)	23,012,459	23,326,146	-	-	(2,360,039)	-	-	(96,144)	-	23,326,146
Special Revenue:														
Preschool Expansion Aid	19-495-034-5120-086	7/1/18-6/30/19	391,410	29,185	97,942		\$ (127,127)							-
Preschool Education Aid	20-495-034-5120-086	7/1/19-6/30/20	265,520		238,968	232,040	127,127		(26,552)	\$ 160,067				232,040
New Jersey Nonpublic Aid:														
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	7,379		\$ 7,379	\$ 7,280						\$ 99		7,280
Textbook Aid	19-100-034-5120-064	7/1/18-6/30/19	8,277	3				\$ 3						-
Nursing Services	20-100-034-5120-070	7/1/19-6/30/20	13,580		13,580	13,580								13,580
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	21,000		21,000	20,988							12	20,988
Security Aid	19-100-034-5120-509	7/1/18-6/30/19	23,250	37				37						-
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20	5,040		5,040	5,039							1	5,039
Technology Aid	19-100-034-5120-373	7/1/18-6/30/19	5,580	8				8						-
Auxiliary Services:														
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	28,148		24,777	25,796				(3,371)		2,352	(3,371)	25,796
Compensatory Education	19-100-034-5120-067	7/1/18-6/30/19	21,828	5,246				5,246						-
English as a Second Language	20-100-034-5120-067	7/1/19-6/30/20	1,654		1,517	1,158				(137)		496		1,158
English as a Second Language	19-100-034-5120-067	7/1/18-6/30/19	4,660	3,107				3,107					(137)	-
Auxiliary Services Cluster				8,353	26,294	26,954	-	8,353	(3,508)	-	2,848	(3,508)	-	26,954
Handicapped Services:														
Examination and Classification	20-100-034-5120-066	7/1/19-6/30/20	14,312		11,883	10,594				(2,429)		3,718	(2,429)	10,594
Examination and Classification	19-100-034-5120-066	7/1/18-6/30/19	12,016	3,276				3,276						-
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	7,291		6,458	5,742				(833)		1,549	(833)	5,742
Corrective Speech	19-100-034-5120-066	7/1/18-6/30/19	12,499	5,982				5,982						-
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	11,009		9,850	10,281				(1,159)		728	(1,159)	10,281
Supplemental Instruction	19-100-034-5120-066	7/1/18-6/30/19	13,639	4,282				4,282						-
Handicapped Services Cluster				13,540	28,191	26,617	-	13,540	(4,421)	-	5,995	(4,421)	-	26,617
NJ Achievement Coaches	N/A	2/1/15-12/31/15	70,000	2								2		-
IMPACT Grant	N/A	7/1/11-6/30/12	35,404	1,548								1,548		-
Total Special Revenue Fund				52,676	438,394	332,498	-	21,941	(34,481)	162,157	8,955	(7,929)	-	332,498

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2019	Cash Received	Budgetary Expenditures	Carryover/ Other Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2020			Memo Cumulative	
									(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Total Expenditures
State Department of Agriculture													
Food Service:													
National School Lunch Program (State Share)	20-100-010-3350-023	7/1/19-6/30/20	13,795		\$ 9,069	\$ 13,795				\$ (4,726)		\$ (4,726)	\$ 13,795
	19-100-010-3350-023	7/1/18-6/30/19	12,901	\$ (571)	571	-	-	-	-	-	-	-	-
Total Food Service Fund				(571)	9,640	13,795	-	-	-	(4,726)	-	(4,726)	13,795
School Development Authority													
Educational Facilities Construction and Financing Act of 2000													
General Fund													
High School - Various Improvements	0300-020-09-1003 (OZYZ)	N/A	381,747		381,747		(381,747)						381,747
High School - Various Improvements	0300-020-09-1002 (OZYY)	N/A	15,037	-	15,037	-	(15,037)	-	-	-	-	-	15,037
				-	396,784	-	(396,784)	-	-	-	-	-	396,784
Capital Projects Fund:													
Jefferson Elementary School - Various Improvements	0300-060-14-G1CS	N/A	431,160	(431,160)	431,160								431,160
Lincoln Elementary School - Various Improvements	0300-070-14-G3CM	N/A	671,228	(671,228)	671,228								671,228
Washington Elementary School - Various Improvements	0300-080-14-G3CN	N/A	403,202	(371,401)	365,518		\$ 5,883						371,401
Franklin Elementary School - Various Improvements	0300-040-14-G04	N/A	622,469	(531,359)	-		-		(622,469)	91,110		(622,469)	531,359
Total Capital Projects Fund				(2,005,148)	1,467,906	-	5,883	-	(622,469)	91,110	-	(622,469)	2,005,148
Total School Development Authority				(2,005,148)	1,864,690	-	(390,901)	-	(622,469)	91,110	-	(622,469)	2,401,932
Total State Financial Assistance Subject to Single Audit Determination				(3,999,395)	25,325,183	23,672,439	(390,901)	21,941	(3,021,715)	253,267	8,955	(731,268)	25,677,587
State Financial Assistance Not Subject to Single Audit Determination													
General Fund													
On-Behalf TPAF Pension Benefit Contributions	20-100-034-5094-002	7/1/19-6/30/20	5,214,064		(5,214,064)	(5,214,064)							(5,214,064)
On-Behalf TPAF Pension Contributions-NCGI Premium	20-100-034-5094-004	7/1/19-6/30/20	93,456	-	(93,456)	(93,456)	-	-	-	-	-	-	(93,456)
On-Behalf TPAF Contributions-LTDI Premium	20-100-034-5094-004	7/1/19-6/30/20	3,019		(3,019)	(3,019)							(3,019)
On-Behalf TPAF Post-Retirement Medical Contribution	20-100-034-5094-001	7/1/19-6/30/20	1,968,993	-	(1,968,993)	(1,968,993)							(1,968,993)
Total State Financial Assistance Subject to Single Audit				\$ (3,999,395)	\$ 18,045,651	\$ 16,392,907	\$ (390,901)	\$ 21,941	\$ (3,021,715)	\$ 253,267	\$ 8,955	\$ (731,268)	\$ 18,398,055

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Bergenfield 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 an a decrease of \$307,752 for the general fund and a decrease of \$164,540 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 42,752	\$ 23,415,178	\$ 23,457,930
Special Revenue Fund	1,697,338	156,999	1,854,337
Food Service Fund	<u>730,502</u>	<u>13,795</u>	<u>744,297</u>
Total Financial Assistance	<u>\$ 2,470,592</u>	<u>\$ 23,585,972</u>	<u>\$ 26,056,564</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,993,754 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, 2020. The amount reported as TPAF Pension System Contributions in the amount of \$5,307,520, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,968,993 and TPAF Long-Term Disability Insurance in the amount of \$3,019 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2020.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A160100</u>	<u>IDEA Part B, Basic</u>
<u>84.173</u>	<u>H173A160114</u>	<u>IDEA Part B, Preschool</u>
_____	_____	_____

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

Auditee qualified as low-risk auditee? X yes no

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified?

_____ yes X no

(2) Significant deficiencies identified that are not considered to be material weakness(es)?

_____ yes X none reported

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

Unmodified

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

_____ yes X no

Identification of major state programs:

GMIS Number(s)	Name of State Program
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Aid
495-034-5120-084	Security Aid
495-034-5120-068	School Choice Aid
495-034-5120-473	Extraordinary Aid
495-034-5095-003	TPAF Social Security Reimbursements

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

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

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

CURRENT YEAR STATE AWARDS

There are none.

**BERGENFIELD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2019-001

Our audit noted the following with regards to compliance with the Public School Contracts Law:

- The District does not retain supporting documentation to support the amounts purchased through the use of State and/or Cooperative Purchasing Agreement contracts which exceeded the bid threshold.
- There was one (1) instance where the District could not locate the bid documents for bus repairs.

Current Status

Corrective action was taken.