

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

Bogota, New Jersey

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Bogota Board of Education

Bogota, New Jersey

For The Fiscal Year Ended June 30, 2020

Prepared by

Business Office

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INTRODUCTORY SECTION

BOGOTA PUBLIC SCHOOLS

Administrative Offices

One Henry C. Luthin Place, Bogota, New Jersey 07603

Ph: (201) 441-4800

Fax (201) 489-5759

December 22, 2020

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

Dear Board Members and Citizens of Bogota:

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

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

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

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

1) **REPORTING ENTITY AND ITS SERVICES:** The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2019-2020 fiscal year with an average daily enrollment of students of 1,136, which is 22 students greater than the previous year's enrollment.

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2019-20	1,136	1.97
2018-19	1,114	(0.18)
2017-18	1,116	1.73
2016-17	1,097	(4.02)
2015-16	1,143	4.86
2014-15	1,090	(1.45)
2013-14	1,106	(4.49)
2012-13	1,158	(0.43)
2011-12	1,163	(0.43)
2010-11	1,168	1.13

2) **ECONOMIC CONDITION AND OUTLOOK:** The Borough of Bogota is a stable, vibrant, residential community, located approximately ten miles from New York City that encompasses an area of less than one square mile with a total population of approximately 8,183. The existing number of businesses in the Borough has remained relatively stable. The residential area of the School District has experienced a turnover from homes with few school-aged children to families with two to three students. Ross Haber and Associates conducted a demographic study in November 2019 to determine the developmental impact of the River Club Apartment Complex, which is to be built in two phases: phase 1 in 2020 and phase 2 in 2021. According to the study, Bogota Public Schools have, during the past six years, experienced stability in enrollment. This stability is due in large part to an increasingly younger community demographic. The District is projected to show a net overall increase of approximately 92 students. This includes students who may come into the schools as a result of the completion of the River Club Housing Development. The 92 students are a net gain between normal cohort growth and decline combined with the inclusion of students from both the new housing development and the Preschool Expansion Program.

Also, in December of 2019 the District worked on a facility assessment and audit with the architects of the record to revise the long range facility plan and evaluate space needs. The average age of the original portions of the school buildings are one hundred years with the additions completed in the 1960s. The latest renovations were completed in 2004. The District will make energy related improvements in 2020-2021 to all facilities and pay for the costs using the value of energy savings that result from the improvements under the "Energy Savings Improvement Program" (ESIP) which provides all government agencies in New Jersey with a flexible tool to improve and reduce energy usage with minimal expenditure of new financial resources. District will continue to plan capital projects for 2021-2022 school year based on the facility audit and projected enrollment per demographic study.

Due to strong budget controls and best practices, Fund Balance will be available for taxpayer relief in the 2020-2021 and 2021-2022 Budget cycles.

3) **MAJOR INITIATIVES:**

A major initiative of the 2019-2020 school year is to close the achievement gap through Response to Intervention improvements. Our district will conduct professional development on RTI and then work create and standardize a three tier RTI system. We will create an RTI manual, choose universal screeners for ELA and Math, and assign students to groups to improve targeted skills and content. In ELA we are looking to improve overall teacher knowledge of the science of reading especially in the early grades.

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

The district will also seek to improve school-community partnerships and communications. This includes creating newsletters and mailing them out physically and digitally. Sharing more information, announcements, and reminders through a variety of different mediums to include Twitter, SMS, email, and the district website. Digitizing our board meetings is also an important strategy of improving overall transparency and communication.

The district also continued to expand preschool access for eligible 3 and 4 year olds in Bogota. In 2019-2020, the district expanded state funded preschool classrooms from 4 classes in 2018-2019 to 6 classrooms. This is a state investment in the early childhood education of our young children and also provides a public, free, high-quality education option besides privately provided preschool. In 2019, the district had 1 in-district and 5 privately partnered provided classrooms.

Furthermore, a major initiative of the district was to improve the overall security and safety of our students and staff in our district. After several meetings including a town hall and law enforcement meetings, the district moved forward to hire three Class III officers in each of the district's three buildings to improve the overall physical security of the buildings. Having a law enforcement professional in the buildings allows building security flexibility and quick reaction personnel in case of certain emergencies. In addition to the physical security of the buildings, the mental health of our students is also a key facet of security and overall safety. 2019-2020 was the first year the district partnered with Careplus to hire a therapist who has the ability to work with students and provide support for our students in a professional and safe manner within the school environment. The physical and mental safety of our students and safety go hand in hand.

Capital Improvements

Several safety and security upgrades were completed. The informational technology infrastructure was upgraded and a new Emergency Lockdown Notification System was installed for all school buildings. The window replacements project was completed at E. Roy Bixby Elementary School and the site improvement project at Bogota Jr./Sr. High School which included additional parking spaces, new fencing, paving, retaining walls stairs, and plantings with placing all utility wires underground was completed. The boys' restroom was renovated at Bogota Jr./Sr. High School. A new 29-passenger school bus was purchased for in district special education transportation.

Summer projects will be upgrading the informational technology infrastructure (final phase) district-wide and upgrading safety and security by adding more surveillance cameras, installing 3M window film, replacing old classroom doors at high school, implementing district wide master key and having two-way radios.

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as appropriations of Fund Balance in the subsequent year. Those amounts to be reappropriated are reported as committed or assigned fund balance at June 30, 2020.

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

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

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

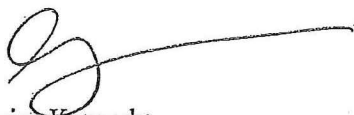
9) **OTHER INFORMATION: Independent Audit** - State Statutes require an annual audit by independent Certified Public Accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Higgins, LLP, CPAs was selected by the Board, approved at the Board's annual reorganization meeting.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

10) **AWARDS:** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This was the second straight year that the District received the award. This Certificate of Excellence is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

Respectfully submitted,



Damian Kennedy
Superintendent of Schools



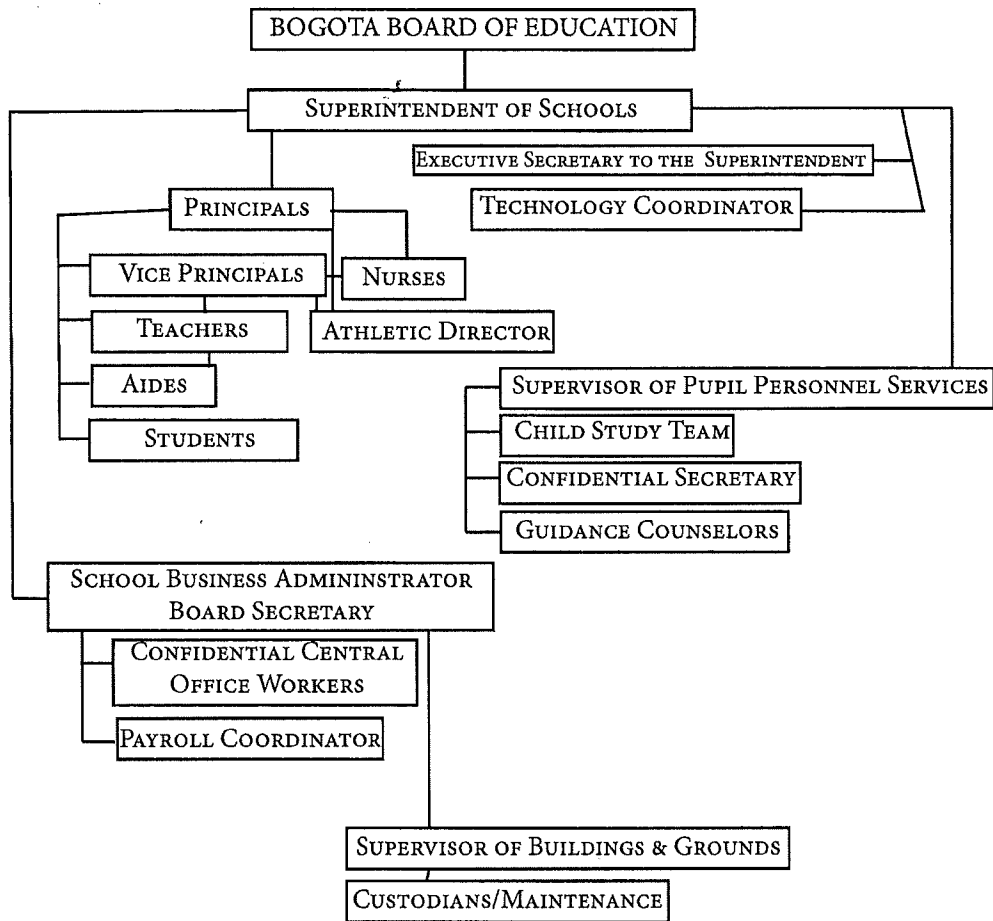
Irfan Evcil
Business Administrator/Board Secretary

POLICY

BOGOTA BOARD OF EDUCATION – BOROUGH OF BOGOTA

ADMINISTRATION
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 Organizational Chart
 December 2017

1110 ORGANIZATIONAL CHART



Approved: December 19, 2017

**BOGOTA BOARD OF EDUCATION
ROSTER OF OFFICIALS
AS OF JUNE 30, 2020**

Members of the Board of Education

Lisa Kohles, President

Amanda Montgomery, Vice President

Idalia Alvarez

Zabrina Kearns

Eileen Lewis

Patrick McHale

Maureen Miller

James Moore

Katherine Van Buren

Other Officials

Damian Kennedy, Superintendent of Schools

Irfan Evcil, School Business Administrator/Board Secretary

**BOGOTA BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

BOARD AUDITOR

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

BOARD ATTORNEY

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

BOND COUNSEL

Lisa A. Gorab
Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive, Suite 900
Woodbridge, New Jersey 07095

OFFICIAL DEPOSITORY

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



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Bogota Board of Education

for its **Comprehensive Annual Financial Report (CAFR)**
for the **Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink, reading 'Claire Hertz'. The signature is written in a cursive style and is positioned above a horizontal line.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'. The signature is written in a cursive style and is positioned above a horizontal line.

David J. Lewis
Executive Director

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bogota Board of Education
One Henry C. Luthin Place
Bogota, New Jersey 07603

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bogota Board of Education, as of and for the fiscal year ended June 30, 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 Bogota 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 Bogota Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Bogota Board of Education.


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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 22, 2020 on our consideration of the Bogota Board of Education’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Bogota Board of Education’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bogota Board of Education’s internal control over financial reporting and compliance.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
December 22, 2020

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the Bogota Board of Education's financial performance provides an overall review of its financial activities for the fiscal year ended June 30, 2020. The intent of this is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year (2019-2020) and the prior year (2018-2019) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2019/20 are as follows:

- The assets and deferred outflows of resources of the Bogota Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$13,289,726. (Net Position)
- The District's total net position increased by \$680,849.
- Overall District revenues were \$29,505,349. General revenues accounted for \$21,332,330 or 72% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8,173,019 or 28% of total revenues.
- The school district had \$28,381,820 in expenses for governmental activities; only \$7,756,221 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$21,330,923 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$3,870,242.
- The General Fund fund balance at June 30, 2020 was \$3,805,437, an increase of \$386,048 compared to the ending fund balance at June 30, 2019 of \$3,419,389.
- The General Fund unassigned budgetary fund balance at June 30, 2020 was \$534,098 which represents an increase of \$2,178 compared to the ending unassigned budgetary fund balance at June 30, 2019 of \$531,920.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document reports on all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2019/20?" The Statement of Net Position and the Statement of Activities answer that question. These statements include all assets (and deferred outflows of resources) and liabilities (and deferred inflows of resources) using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

BOGOTA BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Enterprise Fund

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

The District as a Whole

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

BOGOTA BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

A summary of the District's net position as of June 30, 2020 and 2019 is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and Other Assets	\$ 4,633,802	\$ 4,555,722	\$ 88,478	\$ 111,063	\$ 4,722,280	\$ 4,666,785
Capital Assets	<u>13,768,270</u>	<u>13,571,854</u>	<u>38,699</u>	<u>27,487</u>	<u>13,806,969</u>	<u>13,599,341</u>
Total Assets	<u>18,402,072</u>	<u>18,127,576</u>	<u>127,177</u>	<u>138,550</u>	<u>18,529,249</u>	<u>18,266,126</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts on Refunding of Debt	50,856	70,907			50,856	70,907
Deferred Amounts on Net Pension Liability	<u>1,439,596</u>	<u>1,759,954</u>	<u>-</u>	<u>-</u>	<u>1,439,596</u>	<u>1,759,954</u>
Total Deferred Outflows of Resources	<u>1,490,452</u>	<u>1,830,861</u>	<u>-</u>	<u>-</u>	<u>1,490,452</u>	<u>1,830,861</u>
Total Assets and Deferred Outflows of Resources	<u>19,892,524</u>	<u>19,958,437</u>	<u>127,177</u>	<u>138,550</u>	<u>20,019,701</u>	<u>20,096,987</u>
LIABILITIES						
Long-Term Liabilities	4,778,266	5,357,489			4,778,266	5,357,489
Other Liabilities	<u>800,960</u>	<u>978,535</u>	<u>26,039</u>	<u>12,937</u>	<u>826,999</u>	<u>991,472</u>
Total Liabilities	<u>5,579,226</u>	<u>6,336,024</u>	<u>26,039</u>	<u>12,937</u>	<u>5,605,265</u>	<u>6,348,961</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Amounts on Net Pension Liability	<u>1,124,710</u>	<u>1,139,149</u>	<u>-</u>	<u>-</u>	<u>1,124,710</u>	<u>1,139,149</u>
Total Deferred Inflows of Resources	<u>1,124,710</u>	<u>1,139,149</u>	<u>-</u>	<u>-</u>	<u>1,124,710</u>	<u>1,139,149</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,703,936</u>	<u>7,475,173</u>	<u>26,039</u>	<u>12,937</u>	<u>6,729,975</u>	<u>7,488,110</u>
NET POSITION						
Net Investment in Capital Assets	11,676,914	10,968,650	38,699	27,487	11,715,613	10,996,137
Restricted	2,868,592	2,458,577			2,868,592	2,458,577
Unrestricted	<u>(1,356,918)</u>	<u>(943,963)</u>	<u>62,439</u>	<u>98,126</u>	<u>(1,294,479)</u>	<u>(845,837)</u>
Total Net Position	<u>\$ 13,188,588</u>	<u>\$ 12,483,264</u>	<u>\$ 101,138</u>	<u>\$ 125,613</u>	<u>\$ 13,289,726</u>	<u>\$ 12,608,877</u>

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The changes in net position for fiscal years ended June 30, 2020 and 2019 are as follows:

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</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	\$ 65,110	\$ 65,857	\$ 196,712	\$ 247,657	\$ 261,822	\$ 313,514
Operating Grants and Contributions	7,691,111	7,823,735	220,086	286,863	7,911,197	8,110,598
Capital Grants and Contributions		37,906			-	37,906
General Revenues						
Property Taxes	15,907,171	15,591,248			15,907,171	15,591,248
State and Federal Aid- Unrestricted/Restricted	5,314,396	4,783,497			5,314,396	4,783,497
Other	109,356	310,619	1,407	1,534	110,763	312,153
Total Revenues	<u>29,087,144</u>	<u>28,612,862</u>	<u>418,205</u>	<u>536,054</u>	<u>29,505,349</u>	<u>29,148,916</u>
PROGRAM EXPENSES						
Instruction	18,728,520	18,189,462			18,728,520	18,189,462
Support Services						
Students and Instructional Staff	3,406,230	3,690,134			3,406,230	3,690,134
General Administration, School Administration	2,029,186	1,938,175			2,029,186	1,938,175
Business Operations and Maintenance of Facilities	3,526,525	3,341,073			3,526,525	3,341,073
Pupil Transportation	630,790	872,381			630,790	872,381
Interest on Debt and Other Charges	60,569	76,107			60,569	76,107
Food Services			402,617	480,533	402,617	480,533
Summer Recovery	-	-	40,063	30,689	40,063	30,689
Total Expenses	<u>28,381,820</u>	<u>28,107,332</u>	<u>442,680</u>	<u>511,222</u>	<u>28,824,500</u>	<u>28,618,554</u>
Increase in Net Position	705,324	505,530	(24,475)	24,832	680,849	530,362
Net Position, Beginning of Year	<u>12,483,264</u>	<u>11,977,734</u>	<u>125,613</u>	<u>100,781</u>	<u>12,608,877</u>	<u>12,078,515</u>
Net Position, End of Year	<u>\$ 13,188,588</u>	<u>\$ 12,483,264</u>	<u>\$ 101,138</u>	<u>\$ 125,613</u>	<u>\$ 13,289,726</u>	<u>\$ 12,608,877</u>

District as a Whole

The funding of schools are primarily through property taxes in New Jersey. Property taxes made up 54 percent of revenues for the Bogota Board of Education in fiscal year 2019/20. The District's total revenues were \$29,505,349 for the fiscal year ended June 30, 2020. Federal, state, and local grants for programs accounted for another 45 percent of revenue. The total cost of all programs and services was \$28,824,500. Instruction comprises 65 percent of District expenses.

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-Type Activities

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

Food Service Program

- Food service expenses exceeded revenues by \$20,197.
- Charges for services or \$161,173 represent 42 percent of revenue.
- Revenues include lunches and ala carte meals paid for by the students and partial or total reimbursement provided by the district's participation in the National School Lunch Program.

The Board also maintains a Summer Recovery Program. The expenses from this Fund exceeded program revenues by \$4,278.

Governmental Activities

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

	<u>Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Instruction	\$ 18,728,520	\$ 18,189,462	\$ 12,605,336	\$ 12,337,557
Support Services				
Students and Instructional Staff	3,406,230	3,690,134	2,670,090	2,584,467
General Administration, School Administration	2,029,186	1,938,175	1,739,081	1,628,351
Business Operations and Maintenance of Facilities	3,526,525	3,341,073	3,124,412	2,875,462
Pupil Transportation	630,790	872,381	426,111	677,890
Interest and Fiscal Charges	<u>60,569</u>	<u>76,107</u>	<u>60,569</u>	<u>76,107</u>
Total Governmental Activities	<u>\$ 28,381,820</u>	<u>\$ 28,107,332</u>	<u>\$ 20,625,599</u>	<u>\$ 20,179,834</u>

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

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

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

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

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

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

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund) are accounted for using the modified accrual basis of accounting. Total revenues and other financing sources amounted to \$27,893,600 and expenditures and other financing uses were \$27,646,928 for the fiscal year ended June 30, 2020.

The following schedule presents a summary of the governmental fund revenues for the fiscal years ended June 30, 2020 and 2019.

	<u>2020</u>	<u>Amount</u> <u>2019</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Increase</u> <u>(Decrease)</u>
Local Sources	\$ 16,087,185	\$ 16,009,724	\$ 77,461	0.5%
State Sources	11,075,709	9,949,042	1,126,667	11.3%
Federal Sources	<u>710,706</u>	<u>767,275</u>	<u>(56,569)</u>	-7.4%
 Total Revenues	 <u>\$ 27,873,600</u>	 <u>\$ 26,726,041</u>	 <u>\$ 1,147,559</u>	 4.3%

The following schedule represents a summary of the governmental fund expenditures for the fiscal year ended June 30, 2020 and 2019.

<u>Expenditures</u>	<u>2020</u>	<u>Amount</u> <u>2019</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Increase</u> <u>(Decrease)</u>
Current:				
Instruction	\$ 17,657,311	\$ 16,538,397	\$ 1,118,914	6.8%
Support Services	8,520,272	8,704,932	(184,660)	-2.1%
Capital Outlay	867,945	1,270,226	(402,281)	-31.7%
Debt Service:				
Principal	490,000	500,000	(10,000)	-2.0%
Interest and Other Charges	<u>91,400</u>	<u>111,200</u>	<u>(19,800)</u>	-17.8%
 Total Expenditures	 <u>\$ 27,626,928</u>	 <u>\$ 27,124,755</u>	 <u>\$ 502,173</u>	 1.9%

BOGOTA BOARD OF EDUCATION

MANAGEMENT’S DISCUSSION AND ANALYSIS

General Fund Budgeting Highlights

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

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

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

Capital Assets – Governmental Activities

At the end of fiscal years 2020 and 2019, the District had \$13,768,270 and \$13,571,854, respectively, invested in land, buildings, furniture, equipment and vehicles used for governmental activities. A comparison of the year end balances is as follows:

Capital Assets (Net of Depreciation) at June 30

	<u>2020</u>	<u>2019</u>
Land	\$ 69,852	\$ 69,852
Construction in Progress	1,364,595	1,362,213
Building and Building Improvements	11,787,398	11,880,746
Improvements Other than Buildings	809	1,718
Machinery and Equipment	<u>545,616</u>	<u>257,325</u>
Total	<u>\$ 13,768,270</u>	<u>\$ 13,571,854</u>

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets – Governmental Activities (Continued)

Overall capital assets increased by \$196,416 from fiscal year 2019 to fiscal year 2020 due to this year's capital asset additions of \$867,945 exceeding depreciation expense of \$671,529.

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

Debt Administration

At June 30, 2020 and 2019, the District had \$4,778,266 and \$5,357,489, respectively of outstanding debt, which consists of serial bonds issued for school construction, compensated absences and net pension liability.

Outstanding Debt at June 30

	<u>2020</u>	<u>2019</u>
General Obligation Bonds (Net)	\$ 2,142,212	\$ 2,674,111
Compensated Absences	138,266	145,715
Net Pension Liability	<u>2,497,788</u>	<u>2,537,663</u>
	<u>\$ 4,778,266</u>	<u>\$ 5,357,489</u>

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

For the Future

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

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

BOGOTA BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Contacting the District's Financial Management

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

DISTRICT-WIDE FINANCIAL STATEMENTS

**BOGOTA BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 4,500,914	\$ 55,158	\$ 4,556,072
Receivables, net:			
Receivables from Other Governments	119,666	8,390	128,056
Other	13,222	15,964	29,186
Inventory		8,966	8,966
Capital Assets:			
Not Being Depreciated	1,434,447		1,434,447
Being Depreciated, Net	<u>12,333,823</u>	<u>38,699</u>	<u>12,372,522</u>
Total Assets	<u>18,402,072</u>	<u>127,177</u>	<u>18,529,249</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	50,856		50,856
Deferred Amounts on Net Pension Liability	<u>1,439,596</u>	-	<u>1,439,596</u>
Total Deferred Outflows of Resources	<u>1,490,452</u>	-	<u>1,490,452</u>
Total Assets and Deferred Outflows of Resources	<u>19,892,524</u>	<u>127,177</u>	<u>20,019,701</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	590,335	16,255	606,590
Intergovernmental Payables	28,975		28,975
Accrued Interest Payable	37,400		37,400
Unearned Revenue	144,250	9,784	154,034
Noncurrent Liabilities :			
Due Within One Year	505,000		505,000
Due Beyond One Year	<u>4,273,266</u>	-	<u>4,273,266</u>
Total Liabilities	<u>5,579,226</u>	<u>26,039</u>	<u>5,605,265</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>1,124,710</u>	-	<u>1,124,710</u>
Total Deferred Inflows of Resources	<u>1,124,710</u>	-	<u>1,124,710</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,703,936</u>	<u>26,039</u>	<u>6,729,975</u>
NET POSITION			
Net Investment in Capital Assets	11,676,914	38,699	11,715,613
Restricted for			
Capital Projects	2,633,466		2,633,466
Other Purposes	235,126		235,126
Unrestricted	<u>(1,356,918)</u>	<u>62,439</u>	<u>(1,294,479)</u>
Total Net Position	<u>\$ 13,188,588</u>	<u>\$ 101,138</u>	<u>\$ 13,289,726</u>

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

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities						
Instruction						
Regular	\$ 11,604,205	\$ 65,110	\$ 3,806,950	\$ (7,732,145)		\$ (7,732,145)
Special Education	5,899,188		2,118,593	(3,780,595)		(3,780,595)
Other Instruction	469,209		128,283	(340,926)		(340,926)
School Sponsored Activities and Athletics	755,918		4,248	(751,670)		(751,670)
Support Services						
Student and Instruction Related Services	3,406,230		736,140	(2,670,090)		(2,670,090)
General Administrative Services	751,038		71,147	(679,891)		(679,891)
School Administrative Services	1,278,148		218,958	(1,059,190)		(1,059,190)
Plant Operations and Maintenance	2,683,947		335,697	(2,348,250)		(2,348,250)
Pupil Transportation	630,790		204,679	(426,111)		(426,111)
Central Services	842,578		66,416	(776,162)		(776,162)
Interest on Long-Term Debt and Other Charges	60,569	-	-	(60,569)	-	(60,569)
Total Governmental Activities	28,381,820	65,110	7,691,111	(20,625,599)	-	(20,625,599)
Business-Type Activities						
Food Service	402,617	161,173	220,086		\$ (21,358)	(21,358)
Other Nonmajor Program - Summer Recovery	40,063	35,539	-	-	(4,524)	(4,524)
Total Business-Type Activities	442,680	196,712	220,086	-	(25,882)	(25,882)
Total Primary Government	\$ 28,824,500	\$ 261,822	\$ 7,911,197	(20,625,599)	(25,882)	(20,651,481)
General Revenues						
Property Taxes, General				15,325,771		15,325,771
Property Taxes, Debt Service				581,400		581,400
State - Unrestricted				5,314,396		5,314,396
Miscellaneous Income				109,356	1,407	110,763
Total General Revenues				21,330,923	1,407	21,332,330
Change in Net Position				705,324	(24,475)	680,849
Net Position, Beginning of Year				12,483,264	125,613	12,608,877
Net Position, End of Year				\$ 13,188,588	\$ 101,138	\$ 13,289,726

FUND FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
ASSETS					
Cash	\$ 4,162,888	\$ 273,221	\$ 64,805		\$ 4,500,914
Receivables from Other Governments	88,944	30,722			119,666
Receivables- Other	<u>1,710</u>	<u>11,512</u>	<u>-</u>	<u>-</u>	<u>13,222</u>
Total Assets	<u>\$ 4,253,542</u>	<u>\$ 315,455</u>	<u>\$ 64,805</u>	<u>\$ -</u>	<u>\$ 4,633,802</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 448,105	\$ 142,230			\$ 590,335
Payable to State Government		28,975			28,975
Unearned Revenue	<u>-</u>	<u>144,250</u>	<u>-</u>	<u>-</u>	<u>144,250</u>
Total Liabilities	<u>448,105</u>	<u>315,455</u>	<u>-</u>	<u>-</u>	<u>763,560</u>
Fund Balances					
Restricted					
Capital Reserve	1,215,668				1,215,668
Capital Reserve-Designated for Subsequent Year's Budget	1,352,993				1,352,993
Maintenance Reserve	235,126				235,126
Excess Surplus Designated for Subsequent Year's Budget	700,000				700,000
Excess Surplus	600,000				600,000
Capital Projects			\$ 64,805		64,805
Assigned					
Encumbrances	58,726				58,726
Unassigned					
General Fund	<u>(357,076)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(357,076)</u>
Total Fund Balances	<u>3,805,437</u>	<u>-</u>	<u>64,805</u>	<u>-</u>	<u>3,870,242</u>
Total Liabilities and Fund Balances	<u>\$ 4,253,542</u>	<u>\$ 315,455</u>	<u>\$ 64,805</u>	<u>\$ -</u>	

Total Fund Balances (Exhibit B-1) \$ 3,870,242

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$22,814,144 and the accumulated depreciation is \$9,045,874. 13,768,270

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (37,400)

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 50,856

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

Deferred Outflows of Resources	\$ 1,439,596	
Deferred Inflows of Resources	<u>(1,124,710)</u>	314,886

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

Bonds Payable (net)	(2,142,212)	
Compensated Absences	(138,266)	
Net Pension Liability	<u>(2,497,788)</u>	(4,778,266)

Net Position of Governmental Activities (Exhibit A-1) \$ 13,188,588

BOGOTA 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>Debt Service Fund</u>	<u>Total</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 15,325,771			\$ 581,400	\$ 15,907,171
Miscellaneous	174,466	\$ 5,548	-	-	180,014
	<hr/>				
Total - Local Sources	15,500,237	5,548	-	581,400	16,087,185
State Sources	9,927,346	1,148,363			11,075,709
Federal Sources	57,990	652,716	-	-	710,706
	<hr/>				
Total Revenues	<u>25,485,573</u>	<u>1,806,627</u>	<u>-</u>	<u>581,400</u>	<u>27,873,600</u>
EXPENDITURES					
Current					
Regular Instruction	9,584,941	1,241,029			10,825,970
Special Education Instruction	5,386,222	319,038			5,705,260
Other Instruction	432,211				432,211
School-Sponsored Activities and Athletics	693,870				693,870
Support Services					
Student and Instruction Related Services	2,965,923	266,560			3,232,483
General Administrative Services	711,076				711,076
School Administrative Services	1,186,964				1,186,964
Plant Operations and Maintenance	1,996,414				1,996,414
Pupil Transportation	613,652				613,652
Central Services	779,683				779,683
Debt Service					
Principal				490,000	490,000
Interest and Other Charges				91,400	91,400
Capital Outlay	728,569	-	\$ 139,376	-	867,945
	<hr/>				
Total Expenditures	<u>25,079,525</u>	<u>1,826,627</u>	<u>139,376</u>	<u>581,400</u>	<u>27,626,928</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>406,048</u>	<u>(20,000)</u>	<u>(139,376)</u>	<u>-</u>	<u>246,672</u>
OTHER FINANCING SOURCES (USES)					
Transfers In		20,000			20,000
Transfers Out	(20,000)	-	-	-	(20,000)
	<hr/>				
Total Other Financing Sources (Uses)	<u>(20,000)</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	386,048	-	(139,376)	-	246,672
Fund Balance, Beginning of Year	<u>3,419,389</u>	<u>-</u>	<u>204,181</u>	<u>-</u>	<u>3,623,570</u>
Fund Balance, End of Year	<u>\$ 3,805,437</u>	<u>\$ -</u>	<u>\$ 64,805</u>	<u>\$ -</u>	<u>\$ 3,870,242</u>

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

**BOGOTA BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 246,672**

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

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

Capital Outlay	\$ 867,945	
Depreciation Expense	<u>(671,529)</u>	
		196,416

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

Decrease in Compensated Absences	7,449	
Decrease in Pension Expense	<u>(266,044)</u>	
		(258,595)

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

Bond Principal Repayments		490,000
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Governmental Funds report the effect of issuance costs, premiums, discount and deferred amounts on refundings in the statement of activities.

Amortization of Bond Premiums	41,899	
Amortization of Deferred Amount on Refunding	<u>(20,051)</u>	
		21,848

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

Decrease in Accrued Interest		<u>8,983</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 705,324**

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020**

	<u>Business-Type Activities</u>		<u>Total Enterprise Funds</u>
	<u>Major Program Food Service</u>	<u>Other Nonmajor Program Summer Recovery</u>	
ASSETS			
Current Assets			
Cash	\$ 45,631	\$ 9,527	\$ 55,158
Intergovernmental Receivable:			
State	1,322		1,322
Federal	7,068		7,068
Other Accounts Receivable	15,964		15,964
Inventories	8,966	-	8,966
Total Current Assets	<u>78,951</u>	<u>9,527</u>	<u>88,478</u>
Capital Assets			
Equipment	94,724		94,724
Less: Accumulated Depreciation	(56,025)	-	(56,025)
Total Capital Assets, Net	<u>38,699</u>	<u>-</u>	<u>38,699</u>
Total Assets	<u>117,650</u>	<u>9,527</u>	<u>127,177</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	16,255		16,255
Unearned Revenue	9,784	-	9,784
Total Current Liabilities	<u>26,039</u>	<u>-</u>	<u>26,039</u>
NET POSITION			
Investment in Capital Assets	38,699		38,699
Unrestricted	52,912	9,527	62,439
Total Net Position	<u>\$ 91,611</u>	<u>\$ 9,527</u>	<u>\$ 101,138</u>

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

	<u>Business-Type Activities</u>		<u>Total Enterprise Funds</u>
	<u>Major Program</u> <u>Food Service</u>	<u>Other Nonmajor Program</u> <u>Summer Recovery</u>	
OPERATING REVENUES			
Charges for Services			
Daily Sales -			
Reimbursable Programs	\$ 79,780		\$ 79,780
Non-Reimbursable Programs	50,651		50,651
Charges and Fees	<u>30,742</u>	<u>\$ 35,539</u>	<u>66,281</u>
Total Operating Revenues	<u>161,173</u>	<u>35,539</u>	<u>196,712</u>
OPERATING EXPENSES			
Cost of Sales			
Reimbursable Programs	145,752		145,752
Non-Reimbursable Programs	13,954		13,954
Salaries and Employee Benefits	156,334	20,604	176,938
Purchased Professional Services		4,160	4,160
Supplies and Materials	14,030	13,569	27,599
Depreciation	5,870		5,870
Management Fee	18,438		18,438
Other Purchased Services		1,730	1,730
Miscellaneous	<u>48,239</u>	<u>-</u>	<u>48,239</u>
Total Operating Expenses	<u>402,617</u>	<u>40,063</u>	<u>442,680</u>
Operating Income (Loss)	<u>(241,444)</u>	<u>(4,524)</u>	<u>(245,968)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Earnings	1,161	246	1,407
State Sources			
School Lunch Program	4,892		4,892
Federal Sources			
National School Lunch Program	160,188		160,188
National School Breakfast Program	30,178		30,178
Food Distribution Program	<u>24,828</u>	<u>-</u>	<u>24,828</u>
Total Nonoperating Revenues	<u>221,247</u>	<u>246</u>	<u>221,493</u>
Change in Net Position	(20,197)	(4,278)	(24,475)
Net Position, Beginning of Year	<u>111,808</u>	<u>13,805</u>	<u>125,613</u>
Net Position, End of Year	<u>\$ 91,611</u>	<u>\$ 9,527</u>	<u>\$ 101,138</u>

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

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

	Business-Type Activities		
	Major Program Food Service	Other Nonmajor Program Summer Recovery	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 171,474	\$ 33,419	\$ 204,893
Cash Payments for Employees' Salaries and Benefits	(156,334)	(20,604)	(176,938)
Cash Payments to Suppliers for Goods and Services	(209,343)	(19,459)	(228,802)
Net Cash Provided by (Used for) Operating Activities	(194,203)	(6,644)	(200,847)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Received from State and Federal Subsidy Reimbursements	200,344	-	200,344
Net Cash Provided by (Used for) Noncapital Financing Activities	200,344	-	200,344
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Equipment	(17,082)	-	(17,082)
Net Cash (Used for) Capital and Related Financing Activities	(17,082)	-	(17,082)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Earnings	1,161	246	1,407
Net Cash Provided by Investing Activities	1,161	246	1,407
Net Change in Cash	(9,780)	(6,398)	(16,178)
Cash, Beginning of Year	55,411	15,925	71,336
Cash, End of Year	\$ 45,631	\$ 9,527	\$ 55,158
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (241,444)	\$ (4,524)	\$ (245,968)
Adjustments to Reconcile Operating Income (Loss) to Provided by Net Cash Used for Operating Activities			
Depreciation	5,870		5,870
USDA Commodities- Non Cash Assistance	24,828		24,828
Change in Assets and Liabilities			
Increase/(Decrease) in Accounts Payable	10,390		10,390
Increase/(Decrease) in Unearned Revenue	4,832	(2,120)	2,712
(Increase)/Decrease in Other Accounts Receivable	5,469	-	5,469
(Increase)/Decrease in Inventory	(4,148)	-	(4,148)
Total Adjustments	47,241	(2,120)	45,121
Net Cash Provided by (Used for) Operating Activities	\$ (194,203)	\$ (6,644)	\$ (200,847)
Non-Cash Financing Activities			
Fair Value of Food Distribution Program - National School Lunch	\$ 24,828		\$ 24,828

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

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

	Unemployment Insurance Compensation Trust	Agency Fund
ASSETS		
Cash	\$ 299,970	\$ 157,205
Total Assets	<u>299,970</u>	<u>\$ 157,205</u>
LIABILITIES		
Payroll Deductions and Withholdings		\$ 23,562
Accrued Salaries and Wages		5,000
Intergovernmental Payable	23,379	
Due to Other Funds		13
Due to Student Groups	<u>-</u>	<u>128,630</u>
Total Liabilities	<u>23,379</u>	<u>\$ 157,205</u>
NET POSITION		
Held in Trust for Unemployment Claims	<u>\$ 276,591</u>	

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

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

	Unemployment Compensation <u>Trust</u>
ADDITIONS	
Contributions	
Employees	\$ 34,240
Interest Earned	4,026

Total Additions	38,266

 DEDUCTIONS	
Unemployment Claims and Contributions	47,717

Total Deductions	47,717

Change in Net Position	(9,451)
Net Position, Beginning of Year	286,042

Net Position, End of Year	\$ 276,591

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Bogota Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School 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 planning and operational functions of the District. The School 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 Bogota Board of Education this includes general operations, food service and student related activities of the District.

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

B. New Accounting Standards

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.

**BOGOTA 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.

**BOGOTA 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 funds to be major funds. The District considers the food service enterprise fund to be a major fund and the summer recovery enterprise fund to be a nonmajor fund.

The District reports the following major governmental funds:

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

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

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

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

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

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

Additionally, the government reports the following fund types:

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims. 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.

**BOGOTA 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, 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.

**BOGOTA 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.

4. Capital Assets

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

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

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

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

5. Deferred Outflows/Inflows of Resources

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

**BOGOTA 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type of item which arises only under the accrual basis of accounting that qualifies for reporting in this category. It 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; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

6. Compensated Absences

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

7. Pensions

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

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

8. Long-Term Obligations

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

**BOGOTA 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 2C).

Capital Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 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 2D).

Excess Surplus – Designated for Subsequent Year's Budget - 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.

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.

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.

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.

**BOGOTA 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)

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

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

10. *Fund Balance Policies*

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

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

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

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 and 2) operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 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 enterprise fund, and the summer recovery enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November do not have to submit budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2019/2020. Also, during 2019/2020 the Board increased the original General Fund budget by \$104,290 and Special Revenue Fund budget by \$294,449. The increase was funded by the appropriation of prior year unbudgeted extraordinary aid and grant awards.

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

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

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$357,076 in the General Fund as of June 30, 2020 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2019/2020 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The deficit in the GAAP (fund) financial statements of \$357,076 in the General Fund is less than the delayed state aid payments at June 30, 2020.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve

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

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

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

Balance, July 1, 2019		\$ 2,252,661
Increased by		
Interest Earnings	\$ 1,000	
Deposits Approved by Board Resolution	<u>1,000,000</u>	
Total Increases		<u>1,001,000</u>
		3,253,661
Withdrawals		
Approved in District Budget	<u>685,000</u>	
Total Withdrawals		<u>685,000</u>
Balance, June 30, 2020		<u>\$ 2,568,661</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$1,352,993 of the capital reserve balance at June 30, 2020 was designated and appropriated for use in the 2020/2021 original budget certified for taxes.

D. Maintenance Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

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

Balance, July 1, 2019	\$ 1,735
Increased by	
Deposits Approved by Board Resolution	<u>235,126</u>
	236,861
Withdrawals	
Approved in District Budget	<u>1,735</u>
Balance, June 30, 2020	<u>\$ 235,126</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 \$1,300,000. Of this amount, \$700,000 was designated and appropriated in the 2020/2021 original budget certified for taxes and the remaining amount of \$600,000 will be appropriated in the 2021/2022 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

**BOGOTA 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)

Cash Deposits (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2020, the book value of the Board's deposits were \$5,013,247 and bank and brokerage firm balances of the Board's deposits amounted to \$5,406,025. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	\$ <u>5,406,025</u>
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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.

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.

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental -				
Federal		\$ 12,434	\$ 7,068	\$ 19,502
State	\$ 54,166	18,288	1,322	73,776
Local	34,778			34,778
Other	<u>1,710</u>	<u>11,512</u>	<u>15,964</u>	<u>29,186</u>
Gross Receivables	90,654	42,234	24,354	157,242
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 90,654</u>	<u>\$ 42,234</u>	<u>\$ 24,354</u>	<u>\$ 157,242</u>

C. Unearned Revenue

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>\$ 144,250</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 144,250</u>

**BOGOTA 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

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

	Balance, July 1, 2019	Increases	Decreases	Transfers	Balance, June 30, 2020
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 69,852				\$ 69,852
Construction in Progress	1,362,213	\$ 139,376	-	\$ (136,994)	1,364,595
Total Capital Assets, Not Being Depreciated	1,432,065	139,376	-	(136,994)	1,434,447
Capital Assets, Being Depreciated:					
Buildings	18,888,464	477,351			19,365,815
Improvements Other Than Buildings	87,706				87,706
Machinery and Equipment	1,537,964	251,218	-	136,994	1,926,176
Total Capital Assets Being Depreciated	20,514,134	728,569	-	136,994	21,379,697
Less Accumulated Depreciation for:					
Buildings	(7,007,718)	(570,699)			(7,578,417)
Improvements Other Than Buildings	(85,988)	(909)			(86,897)
Machinery and Equipment	(1,280,639)	(99,921)	-	-	(1,380,560)
Total Accumulated Depreciation	(8,374,345)	(671,529)	-	-	(9,045,874)
Total Capital Assets, Being Depreciated, Net	12,139,789	57,040	-	136,994	12,333,823
Governmental Activities Capital Assets, Net	\$ 13,571,854	\$ 196,416	\$ -	\$ -	\$ 13,768,270

	Balance, July 1, 2019	Increases	Decreases	Balance, June 30, 2020
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 82,963	\$ 17,082	\$ (5,321)	\$ 94,724
Total Capital Assets Being Depreciated	82,963	17,082	(5,321)	94,724
Less Accumulated Depreciation for:				
Machinery and Equipment	(55,476)	(5,870)	5,321	(56,025)
Total Accumulated Depreciation	(55,476)	(5,870)	5,321	(56,025)
Total Capital Assets, Being Depreciated, Net	27,487	11,212	-	38,699
Business-Type Activities Capital Assets, Net	\$ 27,487	\$ 11,212	\$ -	\$ 38,699

**BOGOTA 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)

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

Governmental Activities:	
Instruction	
Regular	\$ 46,820
Total Instruction	<u>46,820</u>
Support Services	
Student and Instruction Related Services	16,050
General Administration	600
School Administration	14,286
Plant Operations and Maintenance	587,048
Student Transportation	<u>6,725</u>
Total Support Services	<u>624,709</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 671,529</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 5,870</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 5,870</u>

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Bogota High School Site Improvements - Parking Lot	<u>\$ 1,174,596</u>	<u>\$ 64,805</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

Interfund Transfers

	Transfer In
<u>Transfer Out:</u>	<u>Special Revenue Fund</u>
General Fund	\$ 20,000

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

F. Leases

Operating Leases

The District leases copies under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2020 were \$37,184. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2021	\$ 37,184
2022	34,085
Present Value of Minimum Lease Payments	\$ 71,269

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2020 is comprised of the following issue:

\$4,025,000, 2015 Refunding School Bonds, due in annual installments of \$505,000 to \$520,000 through July 15, 2023, interest at 4.00%	<u>\$2,040,000</u>
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**BOGOTA BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2021	\$ 505,000	\$ 71,500	\$ 576,500
2022	500,000	51,400	551,400
2023	520,000	31,000	551,000
2024	<u>515,000</u>	<u>10,300</u>	<u>525,300</u>
	<u>\$ 2,040,000</u>	<u>\$ 164,200</u>	<u>\$ 2,204,200</u>

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)	\$ 30,961,681
Less: Net Debt	<u>2,040,000</u>
Remaining Borrowing Power	<u>\$ 28,921,681</u>

H. 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:					
Bonds Payable	\$ 2,530,000		\$ 490,000	\$ 2,040,000	\$ 505,000
Add: Unamortized Premium	144,111	-	41,899	102,212	-
Sub-total Bonds Payable	2,674,111	-	531,899	2,142,212	505,000
Compensated Absences	145,715	\$ 20,551	28,000	138,266	
Net Pension Liability	2,537,663	94,966	134,841	2,497,788	-
Governmental Activity Long-Term Liabilities	<u>\$ 5,357,489</u>	<u>\$ 115,517</u>	<u>\$ 694,740</u>	<u>\$ 4,778,266</u>	<u>\$ 505,000</u>

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

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

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

The Fund 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 insurance fund are on file with the School's Business Administrator.

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

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

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2020	\$ 34,240	\$ 47,717	\$ 276,591
2019	31,257	55,793	286,042
2018	29,804	72,223	303,000

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.

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

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2020, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

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

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

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

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

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. 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:

Year Ended June 30,	<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2020	\$ 134,841	\$ 1,713,515	\$ 868
2019	128,198	1,560,803	21,195
2018	63,783	1,143,501	15,299

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

NOTE 4 OTHER INFORMATION (Continued)

D. 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 \$1,713, \$1,979 and \$2,861, respectively for PERS and the State contributed \$1,726, \$1,975 and \$1,984, 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 \$658,488 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 \$2,497,788 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 .01386 percent, which was an increase of .00098 percent from its proportionate share measured as of June 30, 2018 of .01288 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$400,885 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	\$ 44,832	\$ 11,034
Changes of Assumptions	249,413	866,974
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		39,429
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,145,351</u>	<u>207,273</u>
Total	<u>\$ 1,439,596</u>	<u>\$ 1,124,710</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:

<u>Year Ending December 31,</u>	<u>Total</u>
2021	\$ 164,960
2022	17,879
2023	51,404
2024	84,433
2025	(3,790)
Thereafter	<u>-</u>
	<u>\$ 314,886</u>

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 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.

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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 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%

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 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>\$ 3,155,112</u>	<u>\$ 2,497,788</u>	<u>\$ 1,943,899</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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the 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 \$2,813,761 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 \$47,704,877. 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 .07773 percent, which was an increase of .00193 percent from its proportionate share measured as of June 30, 2018 of .07580 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 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.

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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 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%

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

Fiscal Year	Measurement Date	Discount Rate
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 <u>(4.60%)</u>	Current Discount Rate <u>(5.60%)</u>	1% Increase <u>(6.60%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 56,254,609</u>	<u>\$ 47,704,877</u>	<u>\$ 40,611,299</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at 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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. 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 \$635,683, \$707,978 and \$738,563, 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 \$748,981. 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 \$24,580,520. 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 .06 percent, which was no change from its proportionate share measured as of June 30, 2018 of .06 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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%.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

Balance, June 30, 2018 Measurement Date	\$ <u>27,541,026</u>
Changes Recognized for the Fiscal Year:	
Service Cost	1,119,797
Interest on the Total OPEB Liability	1,095,141
Differences Between Expected and Actual Experience	(4,809,760)
Changes of Assumptions	366,498
Gross Benefit Payments	(754,549)
Contributions from the Member	<u>22,367</u>
Net Changes	<u>(2,960,506)</u>
Balance, June 30, 2019 Measurement Date	\$ <u>24,580,520</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.

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	\$ <u>29,039,308</u>	\$ <u>24,580,520</u>	\$ <u>21,038,703</u>

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability (Continued)

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	\$ <u>20,253,253</u>	\$ <u>24,580,520</u>	\$ <u>30,308,933</u>

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.

F. Subsequent Events

Appropriation of Capital Reserve

On September 22, and October 27, 2020 the Board authorized the withdrawals of \$52,041 and \$75,800 from the General Fund Capital Reserve to fund costs associated with the High School Parking Lot Upgrades and to fund architectural services for pre-referendum services.

G. 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. The District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

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

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 COMPARISONS

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 15,325,771		\$ 15,325,771	\$ 15,325,771	
Interest Earned on Capital Reserve Funds	1,000		1,000	1,000	
Interest Income				68,722	\$ 68,722
Tuition	77,270		77,270	65,110	(12,160)
Miscellaneous	117,730	-	117,730	39,634	(78,096)
Total Local Sources	15,521,771	-	15,521,771	15,500,237	(21,534)
State Sources					
Special Education Aid	764,979		764,979	764,979	
Equalization Aid	5,353,466		5,353,466	5,353,466	
Transportation Aid	203,338		203,338	203,338	
Security Aid	328,102		328,102	328,102	
Extraordinary Aid	200,000		200,000	292,296	92,296
On-Behalf TPAF (Non-Budget)					
Normal Cost				1,683,343	1,683,343
NCGI Premium				30,172	30,172
Long-Term Disability Insurance Contributions				1,726	1,726
Post Retirement Medical Contributions				635,683	635,683
Social Security Contributions	-	-	-	658,488	658,488
Total State Sources	6,849,885	-	6,849,885	9,951,593	3,101,708
Federal Sources					
Medicaid Reimbursement	55,040	-	55,040	57,990	2,950
Total Federal Sources	55,040	-	55,040	57,990	2,950
Total Revenues	22,426,696	-	22,426,696	25,509,820	3,083,124
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	242,920	(7,000)	235,920	234,100	1,820
Grades 1-5	2,194,864	(40,000)	2,154,864	2,151,189	3,675
Grades 6-8	961,810	(16,000)	945,810	932,455	13,355
Grades 9-12	2,176,246	(63,000)	2,113,246	2,105,427	7,819
Regular Programs - Home Instruction					
Salaries of Teachers	10,000	-	10,000	6,324	3,676
Purchased Professional -Educational Services	10,000	4,704	14,704	8,291	6,413
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	60,000	(60,000)			
Purchased Professional -Educational Services	108,500	197,951	306,451	192,438	114,013
Other Purchased Services	14,000	-	14,000	6,167	7,833
General Supplies	332,250	(6,000)	326,250	254,040	72,210
Textbooks	68,800	-	68,800	54,606	14,194
Other Objects	11,500	(11,500)	-	-	-
Total Regular Programs	6,190,890	(845)	6,190,045	5,945,037	245,008
Learning and Language Disabilities					
Salaries of Teachers	310,885	10,223	321,108	321,108	-
Other Salaries for Instruction	200,000	(189,131)	10,869	10,869	-
Purchased Professional -Educational Services		227,000	227,000	208,884	18,116
General Supplies	17,730	(1,000)	16,730	9,593	7,137
Total Learning and Language Disabilities	528,615	47,092	575,707	550,454	25,253

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Special Education (Continued)					
Multiple Disabilities					
Purchased Professional -Educational Services	\$ 350,000	\$ (24,815)	\$ 325,185	\$ 294,609	\$ 30,576
Total Multiple Disabilities - Instruction	350,000	(24,815)	325,185	294,609	30,576
Resource Room/Resource Center					
Salaries of Teachers	899,145	(36,710)	862,435	862,432	3
Other Salaries for Instruction	280,000	(280,000)			-
Purchased Professional -Educational Services		450,500	450,500	418,169	32,331
General Supplies	21,500	(10,759)	10,741	8,765	1,976
Total Resource Room/Resource Center	1,200,645	123,031	1,323,676	1,289,366	34,310
Preschool Disabilities - Full Time					
Salaries of Teachers	209,873	14,220	224,093	224,093	-
Other Salaries for Instruction	160,000	(151,054)	8,946	8,946	-
Purchased Professional -Educational Services		191,000	191,000	177,575	13,425
General Supplies	15,480	(1,815)	13,665	10,087	3,578
Total Preschool Disabilities - Full Time	385,353	52,351	437,704	420,701	17,003
Total Special Education	2,464,613	197,659	2,662,272	2,555,130	107,142
Basic Skills/Remedial Instruction					
Salaries of Teachers	-	21,443	21,443	21,443	-
Total Basic Skills/Remedial Instruction	-	21,443	21,443	21,443	-
Bilingual Education					
Salaries of Teachers	251,511	-	251,511	247,906	3,605
General Supplies	1,000	815	1,815	1,815	-
Total Bilingual Education	252,511	815	253,326	249,721	3,605
School Sponsored Co-Curricular Activities					
Salaries	80,000	40,000	120,000	103,169	16,831
Purchased Services	7,000	-	7,000	2,773	4,227
Supplies and Materials	10,500	-	10,500	4,689	5,811
Other Objects	5,100	-	5,100	939	4,161
Total School Sponsored Co-Curricular Activities	102,600	40,000	142,600	111,570	31,030
School Sponsored Athletics - Instruction					
Salaries	333,010	(36,258)	296,752	296,752	-
Purchased Services	88,250	(11,992)	76,258	58,501	17,757
Supplies and Materials	41,000	6,000	47,000	45,681	1,319
Other Objects	18,450	2,250	20,700	18,289	2,411
Total School Sponsored Athletics - Instruction	480,710	(40,000)	440,710	419,223	21,487
Total - Instruction	9,491,324	219,072	9,710,396	9,302,124	408,272
Instruction					
Tuition to Other LEAs Within the State - Regular		13,147	13,147	4,524	8,623
Tuition to Other LEAs Within the State - Special	779,000	(324,273)	454,727	443,635	11,092
Tuition to County Vocational Schools- Regular	220,088	65,306	285,394	285,394	-
Tuition to County Vocational Schools- Special	173,088	-	173,088	162,000	11,088
Tuition to CSSD and Regional Day Schools	671,830	55,820	727,650	699,051	28,599
Tuition to APSSD Within State	846,491	-	846,491	676,682	169,809
Total Undistributed Expenditures - Instruction	2,690,497	(190,000)	2,500,497	2,271,286	229,211

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures					
Health Services					
Salaries	\$ 156,504	\$ 3,300	\$ 159,804	\$ 159,804	-
Purchased Professional - Technical Services	84,580	4,000	88,580	71,691	\$ 16,889
Supplies and Materials	5,600	1,000	6,600	4,000	2,600
Total Health Services	246,684	8,300	254,984	235,495	19,489
Speech/Occupational Therapy/Physical Therapy and Related Svcs.					
Salaries		79,314	79,314	64,610	14,704
Purchased Professional - Educational Services	702,425	60,000	762,425	607,235	155,190
Supplies and Materials	2,000	2,583	4,583	3,388	1,195
Other Objects	1,250	(80)	1,170	1,170	-
Total Speech/Occup. Therapy/Physical Therapy and Related	705,675	141,817	847,492	676,403	171,089
Other Supp. Serv. STD-Extra Serv.					
Purchased Professional - Educational Services	338,000	(50,000)	288,000	282,297	5,703
Total Other Supp. Serv. STD-Extra Serv.	338,000	(50,000)	288,000	282,297	5,703
Guidance Services					
Salaries of Other Professional Staff	261,791	1,500	263,291	263,271	20
Other Salaries	1,200	-	1,200		1,200
Purchased Professional - Educational Services	10,500	(3,007)	7,493	6,716	777
Other Purchased Prof. And Tech. Services	16,000	4,207	20,207	8,246	11,961
Other Purchased Services	65,000	(1,200)	63,800	58,001	5,799
Supplies and Materials	9,000	-	9,000	3,791	5,209
Other Objects	500	-	500	-	500
Total Guidance Services	363,991	1,500	365,491	340,025	25,466
Child Study Team					
Salaries of Other Professional Staff	441,000	30,000	471,000	460,435	10,565
Purchased Professional-Educational Services		10,000	10,000	3,051	6,949
Other Purchased Prof. And Tech. Services	9,974	5,000	14,974	12,326	2,648
Other Purchased Services	65,962	-	65,962	58,964	6,998
Supplies and Materials	16,575	(2,000)	14,575	9,882	4,693
Other Objects	2,000	(503)	1,497	75	1,422
Total Child Study Team	535,511	42,497	578,008	544,733	33,275
Improvement of Instructional Services					
Salaries of Supervisor of Instruction	87,635	-	87,635	87,415	220
Salaries of Other Professional Staff	12,000	-	12,000	10,000	2,000
Purchased Professional-Educational Services		5,000	5,000		5,000
Other Purchased Services	500	-	500		500
Supplies and Materials	500	100	600	600	-
Other Objects	1,000	1,494	2,494	2,494	-
Total Improvement of Instructional Services	101,635	6,594	108,229	100,509	7,720
Educational Media Services/School Library					
Salaries	143,200	-	143,200	96,653	46,547
Purchased Professional and Technical Services	8,500	-	8,500	6,609	1,891
Other Purchased Services	26,800	-	26,800	22,645	4,155
Supplies and Materials	13,000	-	13,000	8,009	4,991
Other Objects	1,000	(749)	251	-	251
Total Educational Media Services/School Library	192,500	(749)	191,751	133,916	57,835

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Support Services General Administration					
Salaries	\$ 275,068	\$ 5,961	\$ 281,029	\$ 272,470	\$ 8,559
Legal Services	130,000	(40,050)	89,950	52,939	37,011
Audit Fees	45,000	-	45,000	43,720	1,280
Architectural/Engineering Services	25,000	29,050	54,050	53,950	100
Other Purchased Professional Services	18,000	5,500	23,500	22,163	1,337
Communications/Telephone	69,000	-	69,000	64,804	4,196
BOE Other Purchased Services	7,000	-	7,000	3,374	3,626
Misc. Purchased Services	12,500	-	12,500	3,800	8,700
General Supplies	3,000	6,000	9,000	7,801	1,199
Miscellaneous Expenditures	5,500	-	5,500	2,761	2,739
BOE Membership Dues and Fees	9,500	-	9,500	8,725	775
Total Support Services General Administration	599,568	6,461	606,029	536,507	69,522
Support Services School Administration					
Salaries of Principals/Assistant Principals	432,439	25,139	457,578	457,578	-
Salaries of Other Professional Staff	96,636	-	96,636	96,636	-
Other Purchased Services	317,700	(17,100)	300,600	272,778	27,822
Supplies and Materials	57,255	-	57,255	40,744	16,511
Other Objects	14,000	-	14,000	5,270	8,730
Total Support Services School Administration	918,030	8,039	926,069	873,006	53,063
Central Services					
Salaries	323,450	-	323,450	306,878	16,572
Purchased Professional Services	4,500	-	4,500	4,350	150
Purchased Technical Services	50,000	-	50,000	33,622	16,378
Miscellaneous Purchased Services	5,000	(1,000)	4,000	628	3,372
Supplies and Materials	6,809	1,000	7,809	7,636	173
Miscellaneous Expenditures	5,000	-	5,000	1,480	3,520
Total Central Services	394,759	-	394,759	354,594	40,165
Admin. Information Technology					
Salaries	97,950	35,000	132,950	132,309	641
Purchased Technical Services	127,814	(32,550)	95,264	84,075	11,189
Other Purchased Services	1,000	-	1,000	963	37
Supplies and Materials	7,175	(1,250)	5,925	2,863	3,062
Other Objects	2,000	(1,200)	800	575	225
Total Admin. Information Technology	235,939	-	235,939	220,785	15,154
Required Maintenance for School Facilities					
Salaries	219,910	(3,000)	216,910	167,363	49,547
Cleaning, Repair, and Maintenance Services	230,000	158,187	388,187	386,110	2,077
General Supplies	70,000	(6,295)	63,705	61,210	2,495
Other Objects	6,000	554	6,554	6,303	251
Total Required Maintenance for School Facilities	525,910	149,446	675,356	620,986	54,370

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts			Actual	Variance
	Original	Adjustments	Final		Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Custodial Services					
Salaries	\$ 495,075	\$ (10,024)	\$ 485,051	\$ 463,591	\$ 21,460
Salaries of Non-Instructional Aides	20,000	-	20,000	16,710	3,290
Unused Vacation Payment to Terminated/Retired Staff		1,419	1,419	1,419	-
Cleaning, Repair, and Maintenance Services	40,000	(29,919)	10,081	8,429	1,652
Other Purchased Property Services	46,000	-	46,000	25,752	20,248
Insurance	185,000	4,718	189,718	188,091	1,627
General Supplies	60,000	5,000	65,000	60,461	4,539
Energy (Natural Gas)	85,000	699	85,699	83,886	1,813
Energy (Electricity)	190,000	-	190,000	152,048	37,952
Other Objects	5,000	(3,000)	2,000	691	1,309
Total Custodial Services	1,126,075	(31,107)	1,094,968	1,001,078	93,890
Security					
Purchased Professional and Technical Services	170,000	-	170,000	99,788	70,212
General Supplies	20,000	(5,000)	15,000	10,462	4,538
Total Security	190,000	(5,000)	185,000	110,250	74,750
Student Transportation Services					
Sal. For Pupil Trans(Bet Home & Sch) - Reg.	80,000	-	80,000	78,105	1,895
Sal. For Pupil Trans(Other than Bet Home & Sch)	15,000	-	15,000	6,354	8,646
Cleaning, Repair & Maint. Services	10,000	5,000	15,000	14,346	654
Contracted Services - Aid in Lieu Payments - Charter School	10,000	(6,000)	4,000	2,800	1,200
Contracted Services - Aid in Lieu Payments - Choice School	3,000	1,000	4,000	2,193	1,807
Contracted Services (Other than Between Home and School) - Vendors	90,500	-	90,500	41,865	48,635
Contracted Services (Between Home and School) Joint Agreements	200,000	(50,000)	150,000	73,796	76,204
Contracted Serv. (Spec.Ed Stud) - Joint Agreement	623,000	(113,000)	510,000	355,095	154,905
Transportation Supplies	10,000	-	10,000	4,658	5,342
Total Student Transportation Services	1,041,500	(163,000)	878,500	579,212	299,288
Unallocated Benefits- Employee Benefits					
Social Security Contributions	220,000	-	220,000	141,115	78,885
Other Retirement Contributions - PERS	165,000	(6,152)	158,848	136,554	22,294
Other Retirement Contributions - Regular	15,000	(10,000)	5,000	1,248	3,752
Unemployment Compensation	15,000	-	15,000	-	15,000
Worker's Compensation	120,000	(26,607)	93,393	93,393	-
Health Benefits	2,726,240	-	2,726,240	2,617,004	109,236
Other Employee Benefits	20,000	8,900	28,900	28,858	42
Total Unallocated Benefits	3,281,240	(33,859)	3,247,381	3,018,172	229,209
On-Behalf TPAF (Non-Budget)					
Normal Costs				1,683,343	(1,683,343)
NCGI Premium				30,172	(30,172)
Long-Term Disability Insurance Contributions				1,726	(1,726)
Post Retirement Medical Contributions				635,683	(635,683)
Social Security Contributions	-	-	-	658,488	(658,488)
Total On-Behalf TPAF	-	-	-	3,009,412	(3,009,412)
Total Undistributed Expenditures	13,487,514	(109,061)	13,378,453	14,908,666	(1,530,213)
Total Current Expenditures	22,978,838	110,011	23,088,849	24,210,790	(1,121,941)

(Continued)

**BOGOTA BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final To Actual</u>
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Grades 1-5	\$ 4,000	\$ (4,000)			
Grades 6-8	8,000	(8,000)			-
Grades 9-12	4,000	9,625	\$ 13,625	\$ 13,625	-
Resource Room/Resource Center		3,969	3,969	3,969	
Undistributed Expenditures - Required Maint for School Fa	20,000	31,939	51,939	51,939	
Undistributed Expenditures - Care and Upkeep of Grounds	7,000	(7,000)			
School Buses - Special	65,000	2,246	67,246	67,246	-
Total Equipment	<u>108,000</u>	<u>28,779</u>	<u>136,779</u>	<u>136,779</u>	<u>-</u>
Facilities Acquisition and Construction Services					
Legal Services		5,000	5,000		\$ 5,000
Architectural/Engineering Services	23,500	1,500	25,000	23,500	1,500
Other Purchased Professional and Technical Svs.	50,000	(50,000)			
Construction Services	522,500	67,500	590,000	569,250	20,750
Other Objects	24,000	(24,000)			
Assessment for Debt Service on SDA Funding	35,593	-	35,593	35,593	-
Total Facilities Acquisition and Construction Services	<u>655,593</u>	<u>-</u>	<u>655,593</u>	<u>628,343</u>	<u>27,250</u>
Interest Deposit to Capital Reserve	1,000	-	1,000	-	1,000
Total Capital Outlay	<u>764,593</u>	<u>28,779</u>	<u>793,372</u>	<u>765,122</u>	<u>28,250</u>
Transfer of Funds to Charter Schools	150,000	(34,500)	115,500	103,613	11,887
Total Expenditures	<u>23,893,431</u>	<u>104,290</u>	<u>23,997,721</u>	<u>25,079,525</u>	<u>(1,081,804)</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(1,466,735)	(104,290)	(1,571,025)	430,295	2,001,320
OTHER FINANCING SOURCES (USES)					
Other Financing Sources(Uses)					
Transfer In - Capital Projects				-	-
Transfer Out - Special Revenue Fund	(20,000)	-	(20,000)	(20,000)	-
Total Other Financing Sources(Uses)	<u>(20,000)</u>	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Excess/(Deficiency)of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,486,735)	(104,290)	(1,591,025)	410,295	2,001,320
Fund Balances, Beginning of Year	4,286,316	-	4,286,316	4,286,316	-
Fund Balances, End of Year	<u>\$ 2,799,581</u>	<u>\$ (104,290)</u>	<u>\$ 2,695,291</u>	<u>\$ 4,696,611</u>	<u>\$ 2,001,320</u>
Recapitulation of Fund Balances:					
Restricted					
Capital Reserve				\$ 1,215,668	
Capital Reserve - Designated for Subsequent Year's Budget				1,352,993	
Maintenance Reserve				235,126	
Excess Surplus - Designated for Subsequent Year's Budget				700,000	
Excess Surplus				600,000	
Assigned					
Encumbrances				58,726	
Unassigned Fund Balance				<u>534,098</u>	
				4,696,611	
Reconciliation to Governmental Fund Statements (GAAP)					
Less:					
State Aid Payments not Recognized on GAAP Basis				(891,174)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 3,805,437</u>	

**BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 1,239,660	\$ 184,652	\$ 1,424,312	\$ 1,148,363	\$ (275,949)
Federal	563,576	117,497	681,073	652,716	(28,357)
Local Sources					
Miscellaneous	15,000	(7,700)	7,300	5,548	(1,752)
Total Revenues	<u>1,818,236</u>	<u>294,449</u>	<u>2,112,685</u>	<u>1,806,627</u>	<u>(306,058)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	322,651	(13,611)	309,040	307,440	1,600
Other Salaries for Instruction	32,760	(32,760)	-	-	-
Purchased Professional & Technical Svcs.	15,085	(11,452)	3,633	3,633	-
Purchased Professional & Educational Svc	11,000	-	11,000	300	10,700
Tuition	257,569	9,559	267,128	267,128	-
Other Purchased Services	146,988	32,303	179,291	145,270	34,021
General Supplies	37,722	5,543	43,265	27,839	15,426
Textbooks	8,458	1,346	9,804	9,804	-
Total Instruction	<u>832,233</u>	<u>(9,072)</u>	<u>823,161</u>	<u>761,414</u>	<u>61,747</u>
Support Services					
Other Salaries	5,000	-	5,000	5,000	-
Salaries of Community Parent Involvement	5,000	120	5,120	5,120	-
Salaries of Master Teachers	63,570	880	64,450	64,450	-
Personal Services - Employee Benefits	54,527	77,682	132,209	98,130	34,079
Purchased Professional & Technical Svc.	30,851	34,671	65,522	45,705	19,817
Purchased Ed Services - Contracted Pre-K	782,820	-	782,820	744,987	37,833
Purchased Professional Educational Services	10,000	10,000	20,000	19,125	875
Other Purchased Professional Services	-	47,646	47,646	41,864	5,782
Other Purchased Services	-	285	285	285	-
Contracted Services	3,000	-	3,000	165	2,835
Travel	1,000	-	1,000	21	979
Supplies and Materials	26,760	13,515	40,275	39,386	889
Total Support Services	<u>982,528</u>	<u>184,799</u>	<u>1,167,327</u>	<u>1,064,238</u>	<u>103,089</u>
Equipment					
Instructional Equipment	23,475	28,722	52,197	-	52,197
Non-Instructional Equipment	-	90,000	90,000	975	89,025
Total Equipment	<u>23,475</u>	<u>118,722</u>	<u>142,197</u>	<u>975</u>	<u>141,222</u>
Total Expenditures	<u>1,838,236</u>	<u>294,449</u>	<u>2,132,685</u>	<u>1,826,627</u>	<u>306,058</u>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(20,000)	-	(20,000)	(20,000)	-
Transfer from General Fund	20,000	-	20,000	20,000	-
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOGOTA BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 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 Funds are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Revenues Budgetary Basis (Exhibits C-1 and C-2)	\$ 25,509,820	\$ 1,806,627
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purpose, not recognized for budgetary statements (2018/2019 State Aid)	866,927	
State Aid payments recognized for budgetary purpose, not recognized for GAAP statements (2019/2020 State Aid)	<u>(891,174)</u>	<u>-</u>
Total Revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 25,485,573</u>	<u>\$ 1,806,627</u>
Uses/outflows of resources		
Expenditures Budgetary Basis (Exhibits C-1 and C-2)	\$ 25,079,525	\$ 1,826,627
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 25,079,525</u>	<u>\$ 1,826,627</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**PENSION INFORMATION
AND
POST EMPLOYMENT BENEFIT INFORMATION**

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

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 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)	0.01386 %	0.01288 %	0.00688 %	0.00899 %	0.00777 %	0.00697 %	0.00644 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,497,788	\$ 2,537,663	\$ 1,602,739	\$ 2,661,351	\$ 1,745,798	\$ 1,305,164	\$ 1,231,951
District's Covered-Employee Payroll	\$ 1,045,904	\$ 991,974	\$ 569,530	\$ 506,402	\$ 446,689	\$ 360,784	\$ 419,103
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	239%	256%	281%	526%	391%	362%	294%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

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

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

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 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	\$ 134,841	\$ 128,198	\$ 63,783	\$ 79,829	\$ 66,862	\$ 55,225	\$ 48,569
Contributions in Relation to the Contractually Required Contributions	<u>134,841</u>	<u>128,198</u>	<u>63,783</u>	<u>79,829</u>	<u>66,862</u>	<u>55,225</u>	<u>48,569</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered- Employee Payroll	\$ 977,277	\$ 1,045,904	\$ 991,974	\$ 569,530	\$ 506,402	\$ 446,689	\$ 360,784
Contributions as a Percentage of Covered-Employee Payroll	13.80%	12.26%	6.43%	14.02%	13.20%	12.36%	13.46%

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

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

**TEACHERS PENSION AND ANNUITY FUND
Last 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)	- %	- %	- %	- %	- %	- %	- %
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 47,704,877</u>	<u>\$ 48,228,475</u>	<u>\$ 49,358,834</u>	<u>\$ 60,056,703</u>	<u>\$ 45,647,790</u>	<u>\$ 40,887,852</u>	<u>\$ 39,258,327</u>
District's Covered-Employee Payroll	\$ 8,756,808	\$ 8,163,279	\$ 7,871,204	\$ 7,337,447	\$ 7,212,185	\$ 7,098,027	\$ 7,081,819
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	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.

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 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 4D.

OTHER SUPPLEMENTARY INFORMATION

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

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Three Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 1,119,797	\$ 1,150,914	\$ 1,384,345
Interest on Total OPEB Liability	1,095,141	1,140,823	986,703
Differences Between Expected and Actual Experience	(4,809,760)	(1,947,260)	-
Changes of Assumptions	366,498	(3,160,471)	(4,104,533)
Gross Benefit Payments	(754,549)	(736,437)	(805,543)
Contribution from the Member	<u>22,367</u>	<u>25,452</u>	<u>29,662</u>
Net Change in Total OPEB Liability	(2,960,506)	(3,526,979)	(2,509,366)
Total OPEB Liability - Beginning of Year	<u>27,541,026</u>	<u>31,068,005</u>	<u>33,577,371</u>
Total OPEB Liability - End of Year	<u>24,580,520</u>	<u>27,541,026</u>	<u>31,068,005</u>
District's Proportionate Share of OPEB Liability	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	<u>24,580,520</u>	<u>27,541,026</u>	<u>31,068,005</u>
Total OPEB Liability - Ending	<u>\$ 24,580,520</u>	<u>\$ 27,541,026</u>	<u>\$ 31,068,005</u>
District's Covered Payroll	<u>\$ 9,802,712</u>	<u>\$ 9,155,253</u>	<u>\$ 8,440,734</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll		0%	0%

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

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

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

**BOGOTA BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SPECIAL REVENUE FUND

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

	Miscellaneous	Nonpublic Nursing	Nonpublic Technology	Nonpublic Textbooks	Nonpublic Security	Chapter 192			Chapter 193			Exhibit E-1a Totals	Grand Totals
						Comp. Ed.	Transportation	ESL	Exam. and Class	Corrective Speech	Suppl. Inst.		
REVENUES													
Intergovernmental													
State		\$ 18,042	\$ 3,204	\$ 9,804	\$ 27,898	\$ 57,757	\$ 16,137	\$ 827	\$ 14,129	\$ 22,967	\$ 14,814	\$ 962,784	\$ 1,148,363
Federal												652,716	652,716
Local Sources													
Miscellaneous	\$ 5,548	-	-	-	-	-	-	-	-	-	-	-	5,548
Total Revenues	5,548	18,042	3,204	9,804	27,898	57,757	16,137	827	14,129	22,967	14,814	1,615,500	1,806,627
EXPENDITURES													
Instruction													
Salaries of Teachers												307,440	307,440
Other Salaries for Instruction												-	-
Purchased Professional & Technical Svs.												3,633	3,633
Purchased Professional & Educational Svc												300	300
Tuition												267,128	267,128
Other Purchased Services		18,042				57,757	16,137	827	14,129	22,967	14,814	597	145,270
General Supplies	248		3,204									24,387	27,839
Textbooks	-	-	-	9,804	-	-	-	-	-	-	-	-	9,804
Total Instruction	248	18,042	3,204	9,804	-	57,757	16,137	827	14,129	22,967	14,814	603,485	761,414
Support Services													
Other Salaries												5,000	5,000
Salaries of Family/Parent Liason												5,120	5,120
Salaries of Facilitators/Master Teachers												64,450	64,450
Personal Services - Employee Benefits												98,130	98,130
Purchased Professional & Technical Svc.												45,705	45,705
Purchased Ed Services - Contracted Pre-K												744,987	744,987
Other Purchased Prof. - Ed. Services												19,125	19,125
Other Purchased Professional Services												41,864	41,864
Other Purchased Services												285	285
Contracted Services												165	165
Travel												21	21
Supplies and Materials	5,300	-	-	-	27,898	-	-	-	-	-	-	6,188	39,386
Total Support Services	5,300	-	-	-	27,898	-	-	-	-	-	-	1,031,040	1,064,238
Equipment													
Instructional Equipment												-	-
Non-Instructional Equipment												975	975
Total Facilities Acq. & Construction	-	-	-	-	-	-	-	-	-	-	-	975	975
Total Expenditures	5,548	18,042	3,204	9,804	27,898	57,757	16,137	827	14,129	22,967	14,814	1,635,500	1,826,627
(Deficiency) of Revenues (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	(20,000)	(20,000)
Budgeted Transfer from General Fund												20,000	20,000
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	ESEA				Individuals with Disabilities Education Act		Preschool Education Expansion	Total Exhibit E-1a
	Title I	Title IIA	Title III	Title IV	Part B, Basic	Part B, Preschool	Aid	
REVENUES								
Intergovernmental								
State							\$ 962,784	\$ 962,784
Federal	\$ 319,856	\$ 10,322	\$ 10,112	\$ 5,990	\$ 297,846	\$ 8,590	-	652,716
Total Revenues	<u>319,856</u>	<u>10,322</u>	<u>10,112</u>	<u>5,990</u>	<u>297,846</u>	<u>8,590</u>	<u>962,784</u>	<u>1,615,500</u>
EXPENDITURES								
Instruction								
Salaries of Teachers	242,060		2,800				62,580	307,440
Other Salaries for Instruction							-	-
Purchased Professional & Technical Svcs.				3,633				3,633
Purchased Professional & Educational Svc							300	300
Tuition					267,128			267,128
Other Purchased Services				597				597
General Supplies	<u>450</u>	<u>-</u>	<u>6,663</u>	<u>1,760</u>	<u>-</u>	<u>-</u>	<u>15,514</u>	<u>24,387</u>
Total Instruction	<u>242,510</u>	<u>-</u>	<u>9,463</u>	<u>5,990</u>	<u>267,128</u>	<u>-</u>	<u>78,394</u>	<u>603,485</u>
Support Services								
Other Salaries							5,000	5,000
Salaries of Community Parent Involvement							5,120	5,120
Salaries of Master Teachers							64,450	64,450
Personal Services - Employee Benefits	77,346		214				20,570	98,130
Purchased Professional & Technical Svc.		10,172			26,943	8,590		45,705
Purchased Ed Services - Contracted Pre-K							744,987	744,987
Other Purchased Prof. - Ed. Services							19,125	19,125
Other Purchased Professional Services							41,864	41,864
Other Purchased Services		150	135					285
Contracted Services (Field Trips)							165	165
Travel							21	21
Supplies and Materials	<u>-</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>3,775</u>	<u>-</u>	<u>2,113</u>	<u>6,188</u>
Total Support Services	<u>77,346</u>	<u>10,322</u>	<u>649</u>	<u>-</u>	<u>30,718</u>	<u>8,590</u>	<u>903,415</u>	<u>1,031,040</u>
Equipment								
Instructional Equipment							-	-
Non-Instructional Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>975</u>	<u>975</u>
Total Facilities Acq. & Construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>975</u>	<u>975</u>
Total Expenditures	<u>319,856</u>	<u>10,322</u>	<u>10,112</u>	<u>5,990</u>	<u>297,846</u>	<u>8,590</u>	<u>982,784</u>	<u>1,635,500</u>
(Deficiency) of Revenues (Under) Expenditures	-	-	-	-	-	-	(20,000)	(20,000)
Budgeted Transfer from General Fund							20,000	20,000
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOGOTA BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION EXPANSION AID SCHEDULE OF EXPENDITURES
PRESCHOOL - ALL PROGRAMS
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

EXPENDITURES	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
Instruction					
Salaries of Teachers	\$ 62,580	-	\$ 62,580	\$ 62,580	
Other Salaries for Instruction	32,760	\$ (32,760)			
Purchased Professional and Educational Services	11,000	-	11,000	300	\$ 10,700
General Supplies	<u>17,020</u>	<u>10,398</u>	<u>27,418</u>	<u>15,514</u>	<u>11,904</u>
Total Instruction	<u>123,360</u>	<u>(22,362)</u>	<u>100,998</u>	<u>78,394</u>	<u>22,604</u>
Support Services					
Other Salaries	5,000	-	5,000	5,000	-
Salaries of Community Parent Involvement	5,000	120	5,120	5,120	-
Salaries of Master Teachers	63,570	880	64,450	64,450	-
Personal Services - Employee Benefits	54,527	-	54,527	20,570	33,957
Purchased Ed. Services - Contracted Pre-K	782,820	-	782,820	744,987	37,833
Other Purchased Prof. - Ed. Services	10,000	10,000	20,000	19,125	875
Other Purchased Professional Services		47,646	47,646	41,864	5,782
Contracted Services	3,000	-	3,000	165	2,835
Travel	1,000	-	1,000	21	979
Supplies and Materials	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>2,113</u>	<u>887</u>
Total Support Services	<u>927,917</u>	<u>58,646</u>	<u>986,563</u>	<u>903,415</u>	<u>83,148</u>
Facilities Acquisition and Construction Services					
Instructional Equipment	23,475	28,722	52,197		52,197
Noninstructional Equipment	<u>-</u>	<u>90,000</u>	<u>90,000</u>	<u>975</u>	<u>89,025</u>
Total Facilities Acquisition and Construction Services	<u>23,475</u>	<u>118,722</u>	<u>142,197</u>	<u>975</u>	<u>141,222</u>
Total Expenditures	<u>\$ 1,074,752</u>	<u>\$ 155,006</u>	<u>\$ 1,229,758</u>	<u>\$ 982,784</u>	<u>\$ 246,974</u>

Calculation of Budget Carryover

Total Revised 2019-2020 Preschool Education Aid Allocation	\$ 1,054,752
Add: Budgeted Transfer from the General Fund 2019-2020	20,000
Add: Actual PEA Carryover (June 30, 2019)	<u>155,006</u>
Total Preschool Ed. Aid Funds Available for 2019-2020 Budget	1,229,758
Less: 2019-2020 Budgeted Preschool Education Aid Funds	<u>(1,229,758)</u>
Available and Unbudgeted Preschool Education Aid Funds As of June 30, 2020	-
Add: June 30, 2020 Unexpended Preschool Education Aid	<u>246,974</u>
2019-2020 C/O - Preschool Education Aid Programs	<u>\$ 246,974</u>
2019-2020 Preschool Education Aid Carryover Budgeted in 2020-2021	<u>\$ 70,000</u>

CAPITAL PROJECTS FUND

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

<u>Issue/ Project Title</u>	<u>Original Appropriation</u>	<u>Additional Appropriation</u>	<u>Total Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2020</u>
				<u>Prior Years</u>	<u>Current Year</u>	
Bogota High School Parking Lot Upgrades	\$ 350,000	\$ 1,079,400	\$ 1,429,400	\$ 1,283,747	\$ 80,848	\$ 64,805
Steen Elementary School, Bixby Elementary School and Bogota Jr./Sr. High School Critical Communications and Security Systems Upgrades	136,994		136,994	78,466	58,528	-
Total				<u>\$ 1,362,213</u>	<u>\$ 139,376</u>	<u>\$ 64,805</u>
Recapitulation of Fund Balance						
Restricted						
Year End Encumbrances						
<u>\$ 64,805</u>						

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
BOGOTA HIGH SCHOOL PARKING LOT UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Local Share - Transfer from Capital Reserve	\$ 1,429,400	-	\$ 1,429,400	\$ 1,429,400
 Total Revenues	 <u>1,429,400</u>	 <u>-</u>	 <u>1,429,400</u>	 <u>1,429,400</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	72,034	\$ 5,780	77,814	94,050
Construction Services	1,121,096	53,500	1,174,596	1,219,000
Other Objects	<u>90,617</u>	<u>21,568</u>	<u>112,185</u>	<u>116,350</u>
 Total Expenditures	 <u>1,283,747</u>	 <u>80,848</u>	 <u>1,364,595</u>	 <u>1,429,400</u>
 Excess of Revenues Over Expenditures	 <u>\$ 145,653</u>	 <u>\$ (80,848)</u>	 <u>\$ 64,805</u>	 <u>\$ -</u>

Additional Project Information:

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

Percentage Increase Over Original
Authorized Cost

308.40%

Percentage Completion

95%

Original Target Completion Date

September 30, 2018

Revised Target Completion Date

September 30, 2020

**BOGOTA BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
STEEN ELEMENTARY SCHOOL, BIXBY ELEMENTARY SCHOOL AND BOGOTA JR./SR. HIGH SCHOOL
CRITICAL COMMUNICATIONS AND SECURITY SYSTEMS UPGRADES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2020**

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

Additional Project Information:

Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 136,994			
Additional Authorized Cost	-			
Revised Authorized Cost	136,994			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	100%			
Original Target Completion Date	June 30, 2019			
Revised Target Completion Date	September 30, 2019			

PROPRIETARY FUNDS

SCHEDULE G-1

**BOGOTA BOARD OF EDUCATION
PROPRIETARY FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2020**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

SCHEDULE G-2

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

SCHEDULE G-3

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

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

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 128,630	\$ 28,575	\$ 157,205
Total Assets	<u>\$ 128,630</u>	<u>\$ 28,575</u>	<u>\$ 157,205</u>
LIABILITIES			
Payroll Deductions and Withholdings		\$ 23,562	\$ 23,562
Accrued Salaries and Wages		5,000	5,000
Accounts Payable		13	13
Due to Student Groups	<u>\$ 128,630</u>	<u>-</u>	<u>128,630</u>
Total Liabilities	<u>\$ 128,630</u>	<u>\$ 28,575</u>	<u>\$ 157,205</u>

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

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**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>
ELEMENTARY SCHOOLS				
Bixby	\$ 4,530	\$ 14,717	\$ 12,496	\$ 6,751
Steen	<u>3,827</u>	<u>9,733</u>	<u>8,993</u>	<u>4,567</u>
Total Elementary Schools	<u>8,357</u>	<u>24,450</u>	<u>21,489</u>	<u>11,318</u>
HIGH SCHOOL				
Student Activities	85,149	107,364	111,744	80,769
Athletic Account	<u>27,146</u>	<u>46,595</u>	<u>37,198</u>	<u>36,543</u>
Total High School	<u>112,295</u>	<u>153,959</u>	<u>148,942</u>	<u>117,312</u>
Total All Schools	<u>\$ 120,652</u>	<u>\$ 178,409</u>	<u>\$ 170,431</u>	<u>\$ 128,630</u>

**BOGOTA BOARD OF EDUCATION
PAYROLL 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>
Payroll Deductions and Withholdings	\$ 115,399	\$ 5,243,252	\$ 5,335,089	\$ 23,562
Accounts Payable	389	2,391	2,767	13
Accrued Salaries and Wages	<u>5,000</u>	<u>6,766,661</u>	<u>6,766,661</u>	<u>5,000</u>
 Total	 <u>\$ 120,788</u>	 <u>\$ 12,012,304</u>	 <u>\$ 12,104,517</u>	 <u>\$ 28,575</u>

LONG-TERM DEBT

**BOGOTA BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2019</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2020</u>
Refunding School Bonds	9/24/2015	\$ 4,025,000	7/15/2020	505,000	4.00%				
			7/15/2021	500,000	4.00%				
			7/15/2022	520,000	4.00%				
			7/15/2023	515,000	4.00%	\$ 2,530,000	\$ -	\$ 490,000	\$ 2,040,000
						\$ 2,530,000	\$ -	\$ 490,000	\$ 2,040,000

**BOGOTA BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance Final to Actual</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		
REVENUES					
Local Sources					
Property Taxes	\$ 581,400	-	\$ 581,400	\$ 581,400	-
Total Revenues	<u>581,400</u>	<u>-</u>	<u>581,400</u>	<u>581,400</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal	490,000		490,000	490,000	-
Interest	<u>91,400</u>	<u>-</u>	<u>91,400</u>	<u>91,400</u>	<u>-</u>
Total Expenditures	<u>581,400</u>	<u>-</u>	<u>581,400</u>	<u>581,400</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

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

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
				(Restated)			(Restated)			
Governmental Activities										
Investment in Capital Assets	\$ 4,365,487	\$ 5,366,100	\$ 5,793,169	\$ 6,879,437	\$ 7,465,274	\$ 7,421,305	\$ 8,400,116	\$ 9,798,605	\$ 10,968,650	\$ 11,676,914
Restricted	292,973	591,234	1,457,205	458,303	2,597,010	3,854,767	3,107,864	2,311,852	2,458,577	2,868,592
Unrestricted	(325,968)	401,885	784,661	732,997	(480,701)	(153,434)	(46,125)	(132,723)	(943,963)	(1,356,918)
Total Governmental Activities Net Position	<u>\$ 4,332,492</u>	<u>\$ 6,359,219</u>	<u>\$ 8,035,035</u>	<u>\$ 8,070,737</u>	<u>\$ 9,581,583</u>	<u>\$ 11,122,638</u>	<u>\$ 11,461,855</u>	<u>\$ 11,977,734</u>	<u>\$ 12,483,264</u>	<u>\$ 13,188,588</u>
Business-Type Activities										
Investment in Capital Assets	\$ 54,762	\$ 48,694	\$ 42,873	\$ 37,290	\$ 31,839	\$ 33,862	\$ 17,343	\$ 21,039	\$ 27,487	\$ 38,699
Unrestricted	1,938	7,541	3,468	(26,169)	17,313	34,960	60,461	79,742	98,126	62,439
Total Business-Type Activities Net Position	<u>\$ 56,700</u>	<u>\$ 56,235</u>	<u>\$ 46,341</u>	<u>\$ 11,121</u>	<u>\$ 49,152</u>	<u>\$ 68,822</u>	<u>\$ 77,804</u>	<u>\$ 100,781</u>	<u>\$ 125,613</u>	<u>\$ 101,138</u>
District-Wide										
Investment in Capital Assets	\$ 4,420,249	\$ 5,414,794	\$ 5,836,042	\$ 6,916,727	\$ 7,497,113	\$ 7,455,167	\$ 8,417,459	\$ 9,819,644	\$ 10,996,137	\$ 11,715,613
Restricted	292,973	591,234	1,457,205	458,303	2,597,010	3,854,767	3,107,864	2,311,852	2,458,577	2,868,592
Unrestricted	(324,030)	409,426	788,129	706,828	(463,388)	(118,474)	14,336	(52,981)	(845,837)	(1,294,479)
Total District Net Position	<u>\$ 4,389,192</u>	<u>\$ 6,415,454</u>	<u>\$ 8,081,376</u>	<u>\$ 8,081,858</u>	<u>\$ 9,630,735</u>	<u>\$ 11,191,460</u>	<u>\$ 11,539,659</u>	<u>\$ 12,078,515</u>	<u>\$ 12,608,877</u>	<u>\$ 13,289,726</u>

**BOGOTA 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	\$ 8,071,997	\$ 8,382,081	\$ 7,798,699	\$ 9,262,246	\$ 8,967,657	\$ 9,477,389	\$ 10,907,301	\$ 11,128,013	\$ 10,961,116	\$ 11,604,205
Special Education	5,403,583	5,176,543	5,359,694	4,551,363	5,550,933	5,568,650	5,877,087	6,351,448	6,055,181	5,899,188
Other Instruction	312,379	297,318	380,752	263,840	375,913	346,096	412,351	419,610	423,830	469,209
School Sponsored Activities and Athletics	270,669	323,814	445,029	474,035	550,991	546,839	595,774	659,709	749,335	755,918
Support Services:										
Student & Instruction Related Services	1,873,574	1,988,118	1,985,599	2,271,056	2,678,526	2,708,024	2,749,843	3,082,469	3,690,134	3,406,230
School Administrative Services	942,836	661,409	787,239	736,590	1,224,178	1,196,161	1,312,161	1,246,473	1,224,264	751,038
General Administration	705,920	615,592	614,508	660,251	902,449	1,048,012	1,220,821	824,765	713,911	1,278,148
Plant Operations and Maintenance	1,273,465	1,236,440	1,650,872	1,640,177	1,809,925	2,038,008	2,694,060	2,294,023	2,529,275	2,683,947
Pupil Transportation	829,306	659,078	617,377	722,488	673,795	932,164	892,247	977,671	872,381	630,790
Central Services	428,516	444,735	529,913	578,875	374,285	431,513	466,731	700,913	811,798	842,578
Interest on Long-Term Debt	304,201	277,819	247,796	226,973	206,766	119,418	97,365	90,630	76,107	60,569
Total Governmental Activities Expenses	20,416,446	20,062,947	20,417,478	21,387,894	23,315,418	24,412,274	27,225,741	27,775,724	28,107,332	28,381,820
Business-Type Activities:										
Food Service	463,072	479,444	444,777	417,664	440,391	481,857	477,875	451,152	480,533	402,617
Summer Recovery	-	-	-	-	-	-	43,742	23,960	30,689	40,063
Total business-Type Activities Expense	463,072	479,444	444,777	417,664	440,391	481,857	521,617	475,112	511,222	442,680
Total District Expenses	\$ 20,879,518	\$ 20,542,391	\$ 20,862,255	\$ 21,805,558	\$ 23,755,809	\$ 24,894,131	\$ 27,747,358	\$ 28,250,836	\$ 28,618,554	\$ 28,824,500
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)					\$ 43,191	\$ 140,080	\$ 35,648	\$ 79,483	\$ 65,857	\$ 65,110
Operating Grants and Contributions	\$ 3,036,917	\$ 3,361,184	\$ 3,416,358	\$ 3,496,494	5,230,099	6,064,337	7,877,275	8,057,872	7,823,735	7,691,111
Capital Grants and Contributions		398,532	64,588	20,840	-	26,702	-	14,365	37,906	-
Total Governmental Activities Program Revenues	3,036,917	3,759,716	3,480,946	3,517,334	5,273,290	6,231,119	7,912,923	8,151,720	7,927,498	7,756,221
Business-Type Activities:										
Charges for Services										
Food Service	195,360	202,355	178,793	155,639	205,362	208,028	200,050	175,867	211,082	161,173
Summer Recovery							30,125	30,420	36,575	35,539
Operating Grants and Contributions	268,543	276,393	255,884	226,559	273,061	293,225	297,283	289,779	286,863	220,086
Total Business Type Activities Program Revenues	463,903	478,748	434,677	382,198	478,423	501,253	527,458	496,066	534,520	416,798
Total District Program Revenues	\$ 3,500,820	\$ 4,238,464	\$ 3,915,623	\$ 3,899,532	\$ 5,751,713	\$ 6,732,372	\$ 8,440,381	\$ 8,647,786	\$ 8,462,018	\$ 8,173,019
Net (Expense)/Revenue										
Governmental Activities										
Net (Expense)/Revenue	\$ (17,379,529)	\$ (16,303,231)	\$ (16,936,532)	\$ (17,870,560)	\$ (18,042,128)	\$ (18,181,155)	\$ (19,312,818)	\$ (19,624,004)	\$ (20,179,834)	\$ (20,625,599)
Business-Type Activities										
Net (Expense)/Revenue	831	(696)	(10,100)	(35,466)	38,052	19,396	5,841	20,954	23,298	(25,882)
Total District-Wide Net Expense	\$ (17,378,698)	\$ (16,303,927)	\$ (16,946,632)	\$ (17,906,026)	\$ (18,004,096)	\$ (18,161,759)	\$ (19,306,977)	\$ (19,603,050)	\$ (20,156,536)	\$ (20,651,481)

**BOGOTA 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	\$ 12,783,703	\$ 12,939,377	\$ 13,198,165	\$ 13,593,934	\$ 14,026,842	\$ 14,180,378	\$ 14,180,378	\$ 14,463,986	\$ 15,025,266	\$ 15,325,771
Taxes Levied for Debt Service	730,059	709,199	709,999	707,772	645,666	644,533	631,250	633,775	565,982	581,400
State and Federal Aid - Unrestricted	4,160,485	4,432,253	4,677,324	4,705,827	4,758,551	4,724,773	4,773,016	4,899,186	4,783,497	5,314,396
State Aid - Restricted for Debt Service	12,912	12,410	11,908	11,406						
Gain (Loss) on Disposal of Capital Assets	(333)									
Miscellaneous Income	27,751	24,455	14,952	119,274	121,915	172,526	80,489	142,936	310,619	109,356
Transfers							(13,098)	-	-	-
Total Governmental Activities	17,714,577	18,117,694	18,612,348	19,138,213	19,552,974	19,722,210	19,652,035	20,139,883	20,685,364	21,330,923
Business-Type Activities:										
Transfers							13,098	-	-	-
Investment Earnings	275	231	206	246		274	894	2,023	1,534	1,407
Total Business-Type Activities	275	231	206	246	-	274	13,992	2,023	1,534	1,407
Total District-Wide	\$ 17,714,852	\$ 18,117,925	\$ 18,612,554	\$ 19,138,459	\$ 19,552,974	\$ 19,722,484	\$ 19,666,027	\$ 20,141,906	\$ 20,686,898	\$ 21,332,330
Change in Net Position										
Governmental Activities	\$ 335,048	\$ 1,814,463	\$ 1,675,816	\$ 1,267,653	\$ 1,510,846	\$ 1,541,055	\$ 339,217	\$ 515,879	\$ 505,530	\$ 705,324
Business-Type Activities	1,106	(465)	(9,894)	(35,220)	38,032	19,670	19,833	22,977	24,832	(24,475)
Total District	\$ 336,154	\$ 1,813,998	\$ 1,665,922	\$ 1,232,433	\$ 1,548,878	\$ 1,560,725	\$ 359,050	\$ 538,856	\$ 530,362	\$ 680,849

BOGOTA 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	\$ 307,414	\$ 754,402	\$ 2,366,110	\$ 2,514,715	\$ 3,597,202	\$ 5,097,990	\$ 4,079,026	\$ 2,804,173	\$ 3,754,396	\$ 4,103,787
Committed		92,817	43,722	155,832	65,000		56,388			
Assigned	202,124	693,662	444,247	46,662	147,296	424,174	357,809	401,503		58,726
Unassigned	(173,342)	(217,674)	(285,585)	(241,326)	(268,668)	(300,229)	(221,339)	(191,072)	(335,007)	(357,076)
Total General Fund	<u>\$ 336,196</u>	<u>\$ 1,323,207</u>	<u>\$ 2,568,494</u>	<u>\$ 2,475,883</u>	<u>\$ 3,540,830</u>	<u>\$ 5,221,935</u>	<u>\$ 4,271,884</u>	<u>\$ 3,014,604</u>	<u>\$ 3,419,389</u>	<u>\$ 3,805,437</u>
All Other Governmental Funds										
Restricted	\$ 4,964	\$ 65,527	\$ 502	\$ 175,948	\$ 53,982	\$ 61,739	\$ 604,626	\$ 1,007,680	\$ 204,181	\$ 64,805
Unreserved										
Total All Other Governmental Funds	<u>\$ 4,964</u>	<u>\$ 65,527</u>	<u>\$ 502</u>	<u>\$ 175,948</u>	<u>\$ 53,982</u>	<u>\$ 61,739</u>	<u>\$ 604,626</u>	<u>\$ 1,007,680</u>	<u>\$ 204,181</u>	<u>\$ 64,805</u>

BOGOTA BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)

(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property Tax Levy	\$ 13,513,762	\$ 13,648,576	\$ 13,908,164	\$ 14,301,706	\$ 14,672,508	\$ 14,824,911	\$ 14,811,628	\$ 15,097,761	\$ 15,591,248	\$ 15,907,171
Miscellaneous	94,908	71,174	19,858	130,482	167,009	335,549	119,042	242,047	418,476	180,014
State Sources	6,395,370	7,295,392	7,553,692	7,352,689	7,535,389	7,846,798	8,197,104	8,718,427	9,949,042	11,075,709
Federal Sources	747,787	862,268	611,580	870,670	641,670	770,098	761,291	755,299	767,275	710,706
Total Revenue	20,751,827	21,877,410	22,093,294	22,655,547	23,016,576	23,777,356	23,889,065	24,813,534	26,726,041	27,873,600
Expenditures										
Instruction										
Regular Instruction	7,884,433	8,078,332	7,836,748	9,307,269	7,829,252	8,097,515	8,468,945	9,073,278	9,793,761	10,825,970
Special Education Instruction	5,344,012	5,167,575	5,378,691	4,550,663	5,324,086	5,210,956	5,267,472	5,805,646	5,684,190	5,705,260
Other Instruction	261,021	297,318	379,143	263,630	324,088	291,346	312,507	333,982	375,199	432,211
School Sponsored Activities and Athletics	304,446	323,814	445,029	474,035	546,800	532,513	566,947	615,826	685,247	693,870
Support Services:										
Student & Inst. Related Services	1,832,053	1,960,523	1,963,459	2,242,814	2,420,824	2,429,882	2,343,957	2,659,516	3,459,619	3,232,483
General Administration	693,733	608,392	627,671	653,051	858,432	879,590	1,155,139	764,140	663,149	711,076
School Administrative Services	918,061	634,077	775,512	711,610	1,076,150	1,076,469	1,093,249	1,068,589	1,125,096	1,186,964
Plant Operations and Maintenance	1,267,234	1,221,466	1,302,351	1,243,550	1,376,147	1,543,147	2,147,412	1,714,787	1,859,492	1,996,414
Pupil Transportation	820,971	651,298	609,475	714,568	664,842	921,921	884,728	967,114	857,490	613,652
Central Services	410,698	444,420	529,476	579,190	347,098	393,566	439,035	618,287	740,086	779,683
Capital Outlay	51,817	811,417	344,571	1,081,186	659,209	112,274	972,490	1,412,820	1,270,226	867,945
Debt Service:										
Principal	485,000	480,000	495,000	541,968	455,000	470,000	490,000	505,000	500,000	490,000
Interest and Other Charges	257,971	241,609	225,906	209,178	191,667	129,315	141,250	128,775	111,200	91,400
Bond Issuance Costs						100,490				
Total Expenditures	20,531,450	20,920,241	20,913,032	22,572,712	22,073,595	22,188,984	24,283,131	25,667,760	27,124,755	27,626,928
Excess (Deficiency) of Revenues Over (Under) Expenditures	220,377	957,169	1,180,262	82,835	942,981	1,588,372	(394,066)	(854,226)	(398,714)	246,672
Other Financing Sources (Uses)										
Refunding Bonds Issued						4,025,000	-	-	-	-
Payments to Refunded Bond Escrow Agent						(4,260,962)	-	-	-	-
Premium on Issuance of Refunding						336,452	-	-	-	-
Capital Lease Proceeds		90,405								
Transfers In	1	434,380	69,519	857,606	96,278	-	1,376,195	2,157,368	113,788	20,000
Transfers Out	(1)	(434,380)	(69,519)	(857,606)	(96,278)	-	(1,389,293)	(2,157,368)	(113,788)	(20,000)
Total Other Financing Sources (Uses)	-	90,405	-	-	-	100,490	(13,098)	-	-	-
Net Change in Fund Balances	\$ 220,377	\$ 1,047,574	\$ 1,180,262	\$ 82,835	\$ 942,981	\$ 1,688,862	\$ (407,164)	\$ (854,226)	\$ (398,714)	\$ 246,672
Debt Service as a Percentage of Noncapital Expenditures	3.63%	3.59%	3.50%	3.50%	3.02%	3.17%	2.71%	2.61%	2.36%	2.17%

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

Fiscal Year Ended June 30,	<u>Tuition</u>	Interest on <u>Investments</u>	Cancelled <u>Payables</u>	<u>Miscellaneous</u>	<u>Total</u>
2011		\$ 7,363	\$ 9,129	\$ 11,258	\$ 27,750
2012		7,971		16,484	24,455
2013		9,081		5,863	14,944
2014	\$ 36,271	11,294		71,709	119,274
2015	43,191	10,357		111,558	165,106
2016	140,080	19,730	74,472	78,324	312,606
2017	35,648	21,525		58,964	116,137
2018	79,483	91,343	16,850	34,743	222,419
2019	65,857	115,490		195,129	376,476
2020	65,110	69,722		39,634	174,466

Source: School District's Financial Statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2011	\$ 4,289,100	\$ 688,855,600	\$ 69,793,300	\$ 24,265,200	\$ 43,712,000	\$ 830,915,200	\$ 1,286,054	\$ 832,201,254	\$ 859,824,307	\$ 1.600
2012	4,174,300	687,218,200	68,483,700	22,919,200	43,456,200	826,251,600	1,266,437	827,518,037	811,078,125	1.668
*** 2013	2,972,900	527,461,700	56,975,200	17,102,700	38,959,800	643,472,300		643,472,300	711,789,326	2.160
2014	2,849,900	527,442,600	56,651,500	17,635,200	38,855,500	643,434,700		643,434,700	724,748,577	2.252
2015	2,849,900	527,992,200	56,711,800	17,265,100	38,496,800	643,315,800		643,315,800	710,932,904	2.303
2016	2,849,900	528,603,200	56,507,300	17,199,200	38,496,800	643,656,400		643,656,400	718,635,164	2.302
2017	2,719,200	528,837,500	56,079,300	17,199,200	37,623,200	642,458,400		642,458,400	729,342,969	2.319
2018	2,719,200	530,289,900	55,530,800	12,723,900	36,754,800	638,018,600		638,018,600	732,984,571	2.405
2019	2,719,200	531,148,100	56,780,800	12,723,900	36,562,700	639,934,700		639,934,700	793,633,251	2.462
2020	2,605,200	531,376,900	56,657,000	16,223,800	36,562,700	643,425,600		643,425,600	820,488,342	2.472

a Tax rates are per \$100

***- Reassessment effective 2013
 Source: County Abstract of Ratables

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

<u>Calendar Year</u>	<u>Total</u>	<u>Local School District</u>	<u>Municipality (1)</u>	<u>County (2)</u>
2011	\$ 2.574	\$ 1.600	\$ 0.759	\$ 0.215
2012	2.691	1.668	0.808	0.215
2013	3.531	2.160	1.119	0.252 **
2014	3.630	2.252	1.122	0.256
2015	3.729	2.303	1.161	0.265
2016	3.773	2.302	1.196	0.275
2017	3.800	2.319	1.196	0.285
2018	3.920	2.405	1.234	0.281
2019	4.018	2.462	1.254	0.302
2020	4.073	2.472	1.280	0.321

**Reassessment Effective 2013

(1) Includes Municipal Library

(2) Includes County Open Space tax

Source: Tax Duplicate, Borough of Bogota

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

Taxpayer	2020		2011	
	Taxable Assessed Valuation	% of Total District Net Assessed Valuation	Taxable Assessed Valuation	% of Total District Net Assessed Valuation
River Rock Equities	5,351,900	0.83%		
Del-Val Financial Corp	3,720,000	0.58%		
Michael Court Apartments	3,600,000	0.56%	\$ 4,105,800	0.49%
Rega Bogota LLC	3,396,300	0.53%		
BRC Property LLC	3,110,500	0.48%		
Bogota Royale Inv.	2,645,000	0.41%		
Singh Real Estate De & Inv Co	2,616,300	0.41%		
Evergreen Realty	2,605,000	0.40%	3,200,000	0.38%
Del-Val Financial Corp	2,480,000	0.39%		
River Rock Equities	2,390,000	0.37%		
Bogota Golf			10,848,500	1.30%
Stirling Management Corp			10,785,700	1.30%
Hess Oil			4,343,100	0.52%
P. Feiner			4,323,100	0.52%
Landmark Developers			3,845,100	0.46%
BR Holding			2,921,800	0.35%
River Road Associates			2,059,900	0.25%
	<u>\$ 31,915,000</u>	<u>4.96%</u>	<u>46,433,000</u>	<u>5.58%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 13,513,762	\$ 13,513,762	100.00%	
2012	13,648,576	13,648,576	100.00%	
2013	13,908,164	13,908,164	100.00%	
2014	14,301,706	14,301,706	100.00%	
2015	14,672,508	14,672,508	100.00%	
2016	14,824,911	13,384,446	90.28%	\$ 1,440,465
2017	14,811,628	14,811,628	100.00%	
2018	15,097,761	13,673,010	90.56%	1,424,751
2019	15,591,248	15,591,248	100.00%	
2020	15,907,171	15,907,171	100.00%	

Source: District records.

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Estimated Population	Per Capita	Percentage of Personal Income (1)
	General Obligation Bonds	Capital Leases				
2011	\$ 6,615,000		\$ 6,615,000	8,234	\$ 803	0.01%
2012	6,135,000	\$ 62,066	6,197,066	8,228	753	0.01%
2013	5,640,000	31,968	5,671,968	8,250	688	0.01%
2014	5,130,000		5,130,000	8,261	621	0.01%
2015	4,675,000		4,675,000	8,280	565	0.01%
2016	4,025,000		4,025,000	8,399	479	0.01%
2017	3,535,000		3,535,000	8,415	420	0.00%
2018	3,030,000		3,030,000	8,376	362	0.00%
2019	2,530,000		2,530,000	8,335	304	N/A
2020	2,040,000		2,040,000	8,335 *	245	N/A

Source: District records

*Estimated

N/A - Not Available

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

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

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Valuation of Property</u>	<u>Per Capita</u>
2011	\$ 6,615,000		\$ 6,615,000	0.79%	\$ 803
2012	6,135,000		6,135,000	0.74%	746
2013	5,640,000		5,640,000	0.88%	684
2014	5,130,000		5,130,000	0.80%	621
2015	4,675,000		4,675,000	0.73%	565
2016	4,025,000		4,025,000	0.63%	479
2017	3,535,000	\$ 45,218	3,489,782	0.54%	415
2018	3,030,000	45,218	2,984,782	0.47%	356
2019	2,530,000		2,530,000	0.40%	304
2020	2,040,000		2,040,000	0.32%	245

Source: District records

**BOGOTA BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019
(UNAUDITED)**

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to Board</u>
Municipal Debt: (1)			
Bogota Board of Education	\$ 2,040,000	100.00%	\$ 2,040,000
Borough of Bogota	13,520,436	100.00%	<u>13,520,436</u>
			15,560,436
Overlapping Debt Apportioned to the Municipality:			
Bergen County (2);(A):			
County of Bergen (A)			6,200,101
Bergen County Utilities Authority - Water Pollution (B)			<u>1,317,371</u>
			\$ <u>23,077,908</u>

Sources:

- (1) Borough of Bogota 2019 Annual Debt Statement
(2) Bergen County 2019 Debt Statement

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

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

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 36,086,094	\$ 34,090,368	\$ 32,248,624	\$ 30,484,239	\$ 29,138,530	\$ 28,405,140	\$ 28,489,483	\$ 28,852,972	\$ 29,827,635	\$ 30,961,681
Total Net Debt Applicable to Limit	<u>6,615,000</u>	<u>6,135,000</u>	<u>-</u>	<u>2,014</u>	<u>4,675,000</u>	<u>4,025,000</u>	<u>3,535,000</u>	<u>3,030,000</u>	<u>2,530,000</u>	<u>2,040,000</u>
Legal Debt Margin	<u>\$ 29,471,094</u>	<u>\$ 27,955,368</u>	<u>\$ 32,248,624</u>	<u>\$ 30,482,225</u>	<u>\$ 24,463,530</u>	<u>\$ 24,380,140</u>	<u>\$ 24,954,483</u>	<u>\$ 25,822,972</u>	<u>\$ 27,297,635</u>	<u>\$ 28,921,681</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.33%	18.00%	0.00%	0.01%	16.04%	14.17%	12.41%	10.50%	8.48%	6.59%

Legal Debt Margin Calculation for Fiscal Year 2020

Equalized Valuation Basis	
2017	\$ 730,315,335
2018	783,710,355
2019	<u>808,100,391</u>
	<u>\$ 2,322,126,081</u>
Average Equalized Valuation of Taxable Property	<u>\$ 774,042,027</u>
Debt Limit (4 % of average equalization value)	\$ 30,961,681
Total Net Debt Applicable to Limit	<u>2,040,000</u>
Legal Debt Margin	<u>\$ 28,921,681</u>

Source: Department of Treasury, Division of Taxation

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

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Total Personal Income - County (A)</u>
2011	8,234	\$ 69,053	14.0%	\$ 62,958,467
2012	8,228	72,152	14.2%	66,119,775
2013	8,250	71,679	8.0%	65,924,420
2014	8,261	74,452	5.8%	62,728,654
2015	8,280	77,666	5.0%	72,078,116
2016	8,399	79,145	4.7%	73,412,467
2017	8,415	81,483	4.0%	77,013,135
2018	8,376	85,951	4.3%	80,509,209
2019	8,335	N/A	3.0%	N/A
2020	8,335	* N/A	3.0%	* N/A

(A) In thousands of dollars

N/A - Not Available

*Estimated

Source: New Jersey Department of Education
New Jersey Department of Labor

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

<u>Employer</u>	<u>2020</u>		<u>2011</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>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										
Regular	100	101	101	101	103	107	99	90	84	80
Special Education	14	15	15	15	15	16	18	18	18	19
Other Special Education	3	3	3	6	6	7	11	18	18	-
Support Services:										
Student & Instruction Related Services	15	15	15	15	16	22	18	15	14	15
General Administration	3	3	3	3	3	5	3	3	3	3
School Administrative Services	-	-	-	-			4	4	4	4
Other Administrative Services	2	2	2	2	2	2	2	1	1	1
Central Services	3	3	3	3	3	4	4	5	5	7
Plant Operations and Maintenance	1	1	1	3	13	13	15	16	16	15
Total	<u>141</u>	<u>143</u>	<u>143</u>	<u>148</u>	<u>161</u>	<u>176</u>	<u>174</u>	<u>170</u>	<u>163</u>	<u>144</u>

Source: Annual School Budget Statement

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Senior High School				
2011	1,223	\$ 19,736,662	\$ 16,138	-3.26%	117	9:01	9:01	1168	1146	1.13%	98.12%
2012	1,194	19,387,215	16,237	0.62%	103	9:01	9:01	1163	1141	-0.43%	98.11%
2013	1,171	19,847,555	16,949	4.39%	108	9:01	9:01	1158	1136	-0.43%	98.10%
2014	1,166	20,740,380	17,788	4.95%	108	9:01	9:01	1106	1043	-4.49%	94.30%
2015	1,130	20,767,719	18,379	3.32%	104	9:01	9:01	1090	1043	-1.45%	95.69%
2016	1,144	21,376,905	18,686	1.67%	107	9:01	9:01	1143	1069	4.86%	93.53%
2017	1,118	22,679,391	20,286	8.56%	107	9:01	9:01	1097	1047	-4.02%	95.44%
2018	1,155	23,621,165	20,451	0.82%	107	9:01	9:01	1116	1065	1.73%	95.43%
2019	1,109	25,243,329	22,762	11.30%	108	9:01	9:01	1114	1063	-0.18%	95.42%
2020	1,123	26,177,583	23,310	2.41%	99	11:01	10:01	1136	1103	1.97%	97.10%

Sources: District records

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

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Building</u>										
<u>E. Roy Bixby</u>										
Square Feet	31,458	31,458	31,458	31,458	31,458	40,475	40,475	40,475	40,475	40,475
Capacity (students)	292	292	292	292	292	292	292	292	292	292
Enrollment		294	294	294	308	294	280	284	290	297
<u>Lillian M Steen</u>										
Square Feet	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456	47,456
Capacity (students)	296	296	296	296	296	296	296	296	296	296
Enrollment		302	302	302	294	308	302	305	301	308
<u>Jr./Sr. High School</u>										
Square Feet	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104	86,104
Capacity (students)	575	575	575	575	575	575	575	575	575	575
Enrollment		554	554	554	493	503	515	527	524	518
<u>Other</u>										
<u>Board of Education Offices</u>										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<u>Feigel Field House</u>										
Square Feet	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640
Number of Schools at June 30, 2020										
Elementary =	2	2	2	2	2	2	2	2	2	2
Junior/Senior High School =	1	1	1	1	1	1	1	1	1	1

Source: Long Range Facilities Plan 2007-2016

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

	<u>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										
Bixby Elementary School	\$ 72,190	\$ 66,979	\$ 73,287	\$ 57,440	\$ 88,388	\$ 106,601	\$ 233,465	\$ 122,274	\$ 132,884	\$ 142,827
Steen Elementary School	57,550	85,247	85,927	67,371	103,663	125,140	273,732	143,364	155,995	167,666
Bogota High School	<u>175,164</u>	<u>152,227</u>	<u>155,906</u>	<u>122,242</u>	<u>188,111</u>	<u>231,742</u>	<u>496,659</u>	<u>260,119</u>	<u>288,879</u>	<u>310,493</u>
Grand Total	<u>\$ 304,904</u>	<u>\$ 304,453</u>	<u>\$ 315,120</u>	<u>\$ 247,053</u>	<u>\$ 380,162</u>	<u>\$ 463,483</u>	<u>\$ 1,003,856</u>	<u>\$ 525,757</u>	<u>\$ 577,758</u>	<u>\$ 620,986</u>

Source: School District's Financial Statements

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

	<u>Coverage</u>	<u>Deductible</u>
Commercial Property Coverage - NJSIG		
Property - Blanket Building & Contents	\$ 60,717,475	\$ 5,000
Electronic Data Processing	500,000	1,000
Equipment Breakdown	100,000,000	
General Liability - NJSIG		
General Aggregate	31,000,000	
Public Official Bonds - NJSIG		
School Business Administrator	430,000	1,000
Treasurer	430,000	1,000
Boiler and Machinery - NJSBAIG		
Direct Damage	100,000,000	1,000
Commercial Automobile - NJSIG		
Liability	31,000,000	1,000
School Board Legal Liability	31,000,000	15,000
Excess/Umbrella Liability - NJSIG	11,000,000	
Firemen's Fund	50,000,000	
Workers Compensation - NJSIG		
Employer Liability - Each Accident/Each Employee/Limit	3,000,000	
Student/Athletic Accident - United States	5,000,000	10,000
Flood Policy	617,500	1,500

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bogota Board of Education
One Henry C. Luthin Place
Bogota, New Jersey 07603

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bogota Board of Education as of and for the fiscal year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Bogota Board of Education's basic financial statements and have issued our report thereon dated December 22, 2020.

Internal Control Over Financial Reporting

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

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

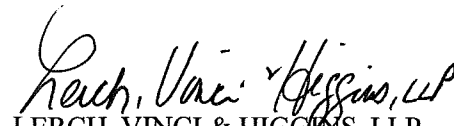
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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


Compliance and Other Matters

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

Purpose of this Report

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


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
December 22, 2020



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Trustees
Bogota Board of Education
One Henry C. Luthin Place
Bogota, New Jersey 07603

Report on Compliance for Each Major Federal and State Program

We have audited the Bogota Board of Education’s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bogota Board of Education’s major federal and state programs for the fiscal year ended June 30, 2020. The Bogota Board of Education’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, the Bogota Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2020.

Report on Internal Control Over Compliance

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

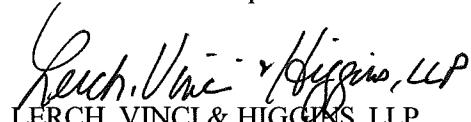
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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


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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bogota Board of Education, as of and for the fiscal year ended June 30, 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 December 22, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
December 22, 2020

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2019					Balance June 30, 2020					MEMO GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	A/R Carryover Amount	Def. Rev Carryover Amount	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education															
Medicaid Assistance Program (MAC)	93.778	2005NJ5MAP	7/1/19-6/30/20	\$ 13,477						\$ 13,477	\$ 13,477			*	
Medicaid Assistance Program	93.778	1905NJ5MAP	7/1/18-6/30/19	44,513	-	-	-	-	-	44,513	44,513	-	-	*	
Total U.S. Department of Education - General Fund					-	-	-	-	-	57,990	57,990	-	-	*	
U.S. Department of Agriculture															
Passed-Through State Department of Education															
Food Distribution Program- Non Cash Assistance	10.555	201NJ304N1099	7/1/19-6/30/20	24,828						24,828	24,828			*	
National School Breakfast Program	10.553	201NJ304N1099	7/1/19-6/30/20	30,178						27,450	30,178	\$ (2,728)		* \$ (2,728)	
National School Breakfast Program	10.553	191NJ304N1099	7/1/18-6/30/19	33,798	\$ (2,411)					2,411				*	
National School Lunch Program	10.555	201NJ304N1099	7/1/19-6/30/20	160,188						155,848	160,188	(4,340)		* (4,340)	
National School Lunch Program	10.555	191NJ304N1099	7/1/18-6/30/19	217,769	(10,807)	-	-	-	-	10,807				*	
Total Child Nutrition Cluster/U.S. Department of Agriculture					(13,218)	-	-	-	-	221,344	215,194	(7,068)	-	* (7,068)	
U.S. Department of Education															
Passed-Through State Department of Education															
Title III	84.365	S365A190030	7/1/19-9/30/20	10,112						10,112	10,112			*	
Title III	84.365	S365A180030	7/1/18-6/30/19	11,049	(7,672)	-	-	-	-	7,672				*	
Total Title III Cluster					(7,672)	-	-	-	-	17,784	10,112	-	-	*	
I.D.E.A. Part B	84.027	H027A190100	7/1/19-9/30/20	310,950			\$ (5,530)	\$ 5,530		290,759	297,846	(25,721)	\$ 18,634	* (7,087)	
I.D.E.A. Part B	84.027	H027A180100	7/1/18-6/30/19	308,337	(32,132)	5,530		5,530	(5,530)	26,602				*	
I.D.E.A. Preschool	84.173	H173A190114	7/1/19-9/30/20	8,590						8,590	8,590			*	
Total IDEA Cluster					(32,132)	5,530	-	-	-	325,951	306,436	(25,721)	18,634	* (7,087)	
Title I	84.010	S010A180030	7/1/19-9/30/20	319,856						319,856	319,856			*	
Title I	84.010	S010A180030	7/1/18-6/30/19	314,040	(89,837)	-	-	-	-	89,837				*	
Total Title I Cluster					(89,837)	-	-	-	-	409,693	319,856	-	-	*	
Title II Part A	84.367A	S367A180029	7/1/18-6/30/19	38,564	(17,199)	3,567		3,567	(3,567)	13,632				*	
Title II Part A	84.367A	S367A190029	7/1/19-9/30/20	7,938				(3,567)	3,567	7,322	10,322	(4,183)	1,183	* (3,000)	
Total Title II Cluster					(17,199)	3,567	-	-	-	20,954	10,322	(4,183)	1,183	* (3,000)	
Title IV Part A	84.424	S424A190031	7/1/19-9/30/20	13,500			(1,030)	1,030		3,643	5,990	(10,887)	8,540	* (2,347)	
Title IV Part A	84.424	S424A180031	7/1/18-6/30/19	18,856	(13,142)	1,030		1,030	(1,030)	12,112				*	
Total Title IV Cluster					(13,142)	1,030	-	-	-	15,755	5,990	(10,887)	8,540	* (2,347)	
CARES Act	84.425D	S425D200027	3/13/20-9/30/22	236,647								(236,647)	236,647	*	
Total U.S. Department of Education - Special Revenue Fund					(159,982)	10,127	-	-	-	790,137	652,716	(277,438)	265,004	* (12,434)	
Total					\$ (173,200)	\$ 10,127	\$ -	\$ -	\$ -	\$ 1,069,471	\$ 925,900	\$ (284,506)	\$ 265,004	\$ -	* \$ (19,502)

**BOGOTA 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			Carryover Amount	Cash Received	Budgetary Expenditures	Transfer from General Fund	Repayment of Prior Years' Balances	Balance June 30, 2020			MEMO		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Expenditures	
State Department of Education																	
General Fund																	
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	\$ 4,803,287	\$ (443,055)				\$ 443,055									
Equalization Aid	20-495-034-5120-078	7/1/19-6/30/20	5,353,466					4,871,341	\$ 5,353,466			\$ (482,125)				\$ 5,353,466	
Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	764,979	(70,562)				70,562									
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	764,979					696,086	764,979			(68,893)				764,979	
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	328,102	(30,264)				30,264									
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	328,102					298,554	328,102			(29,548)				328,102	
Total State Aid - Public Cluster				(543,881)				6,409,862	6,446,547			(580,566)				6,446,547	
Extraordinary Aid	19-495-034-5120-044	7/1/18-6/30/19	305,344	(304,290)				304,290									
Extraordinary Aid	20-495-034-5120-044	7/1/19-6/30/20	292,296					292,296	292,296			(292,296)				292,296	
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	203,338	(18,756)				18,756									
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	203,338					185,026	203,338			(18,312)				203,338	
On-Behalf TPAF Payments																	
Normal Costs	20-495-034-5094-002	7/1/19-6/30/20	1,683,343					1,683,343	1,683,343							1,683,343	
NCGI Premium	20-495-034-5094-004	7/1/19-6/30/20	30,172					30,172	30,172							30,172	
Long-Term Disability Insurance Contributions	20-495-034-5094-004	7/1/19-6/30/20	1,726					1,726	1,726							1,726	
Post Retirement Medical Contribution	20-495-034-5094-001	7/1/19-6/30/20	635,683					635,683	635,683							635,683	
Social Security Aid-Non-Budget	19-495-034-5094-003	7/1/18-6/30/19	636,226	(31,268)				31,268									
Social Security Aid-Non-Budget	20-495-034-5094-003	7/1/19-6/30/20	658,488					626,206	658,488			(32,282)				\$ (32,282)	658,488
Total General Fund				(898,195)				9,926,332	9,951,593			(923,456)				(32,282)	9,951,593
Special Revenue Fund																	
Preschool Education Expansion Aid (PEEA)	19-495-034-5120-086	7/1/18-6/30/19	684,540	(68,454)	\$ 155,006		\$ (155,006)	68,454									
Preschool Education Aid	20-495-034-5120-086	7/1/19-6/30/20	1,054,752				155,006	949,277	982,784	\$ 20,000		(105,475)	\$ 246,974				982,784
Total Special Revenue Fund																	
New Jersey Nonpublic Aid:																	
Auxiliary Services:																	
Compensatory Education	19-100-034-5120-067	7/1/18-6/30/19	72,758		\$ 11,423					\$ 11,423							
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	59,866					53,573	57,757			(6,293)	\$ 2,109		(6,293)	57,757	
English as a Second Language	19-100-034-5120-067	7/1/18-6/30/19	2,329		1,552						1,552						
English as a Second Language	20-100-034-5120-067	7/1/19-6/30/20	3,806					3,342	827			(464)	2,979		(464)	827	
Transportation	20-100-034-5120-067	7/1/19-6/30/20	16,137					14,524	16,137			(1,613)			(1,613)	16,137	
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster						12,975		71,439	74,721			12,975	(8,370)	5,088	(8,370)	74,721	
Handicapped Services:																	
Examination & Classification	19-100-034-5120-066	7/1/18-6/30/19	22,753		4,550						4,550						
Examination & Classification	20-100-034-5120-066	7/1/19-6/30/20	19,700					15,388	14,129			(4,312)	5,571		(4,312)	14,129	
Supplemental Instruction	19-100-034-5120-066	7/1/18-6/30/19	27,754		10,229						10,229						
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	19,428					17,487	14,814			(1,941)	4,614		(1,941)	14,814	
Corrective Speech	19-100-034-5120-066	7/1/18-6/30/19	23,124		2,411						2,411						
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	33,175					29,510	22,967			(3,665)	10,208		(3,665)	22,967	
Total Nonpublic Handicapped Aid (Chapter 193) Cluster						17,190		62,385	51,910			17,190	(9,918)	20,393	(9,918)	51,910	
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	9,804					9,804	9,804							9,804	
Nursing Services	20-100-034-5120-070	7/1/19-6/30/20	18,042					18,042	18,042							18,042	
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20	6,696					6,696	3,204				3,492			3,204	
Technology Aid	19-100-034-5120-373	7/1/18-6/30/19	7,128		72						72						
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	27,900					27,900	27,898				2			27,898	
Security Aid	19-100-034-5120-509	7/1/18-6/30/19	29,700		1						1						
Total Special Revenue Fund				(68,454)	155,006	30,238		1,213,997	1,168,363	20,000	30,238	(123,763)	246,974	28,975	(18,288)	1,168,363	

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See Accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance

**BOGOTA 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			Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2020			MEMO		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Expenditures	
State Department of Agriculture																
<i>Enterprise Fund</i>																
State School Lunch Program	19-100-010-3350-023	7/1/18-6/30/19	\$ 5,224	\$ (258)			\$ 258									
State School Lunch Program	20-100-010-3350-023	7/1/19-6/30/20	4,892	-	-	-	3,570	4,892	-	-	(1,322)	-	-	(1,322)	4,892	
Total Food Service Fund				(258)	-	-	3,828	4,892	-	-	(1,322)	-	-	(1,322)	4,892	
Total State Financial Assistance Subject to Single Audit Determination				(966,907)	\$ 155,006	\$ 30,238	-	11,144,157	11,124,848	\$ 20,000	\$ 30,238	(1,048,541)	\$ 246,974	\$ 28,975	(51,892)	11,124,848
Less On-Behalf TPAF Pension and Annuity Aid																
Normal Costs							(1,683,343)	(1,683,343)								(1,683,343)
NCGI Premium							(30,172)	(30,172)								(30,172)
Long-Term Disability Insurance Contributions							(1,726)	(1,726)								(1,726)
Post Retirement Medical Contribution							(635,683)	(635,683)								(635,683)
								(2,350,924)	(2,350,924)							(2,350,924)
Total State Financial Assistance Subject to Major Program Determination				\$ (966,907)	\$ 155,006	\$ 30,238	\$ -	\$ 8,793,233	\$ 8,773,924	\$ 20,000	\$ 30,238	\$ (1,048,541)	\$ 246,974	\$ 28,975	\$ (51,892)	\$ 8,773,924

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$24,247 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund. 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	\$ 57,990	\$ 9,927,346	\$ 9,985,336
Special Revenue Fund	652,716	1,148,363	1,801,079
Food Service Fund	<u>215,194</u>	<u>4,892</u>	<u>220,086</u>
Total Financial Assistance	<u>\$ 925,900</u>	<u>\$ 11,080,601</u>	<u>\$ 12,006,501</u>

**BOGOTA BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 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 \$658,488 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 \$1,713,515, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$635,683 and TPAF Long-Term Disability Insurance in the amount of \$1,726 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.

**BOGOTA 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: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified? yes X none reported

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

Federal Awards Section

Internal Control over major programs:

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

2) Significant deficiencies identified? yes X none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A190100</u>	<u>IDEA Basic</u>
<u>84.173</u>	<u>H173A190114</u>	<u>IDEA Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor's Results

State Awards Section

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

\$750,000

Auditee qualified as low-risk auditee?

X yes no

Internal control over major programs:

1) Material weaknesses identified?

yes X none reported

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

yes X no

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

Unmodified

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

yes X no

Identification of major state programs:

GMIS Number(s)

Name of State Program or Cluster

20-495-034-5120-078

Equalization Aid

20-495-034-5120-089

Special Education Aid

20-495-034-5120-084

Security Aid

20-495-034-5120-044

Extraordinary Aid

**BOGOTA 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.

**BOGOTA 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.

CURRENT YEAR STATE AWARDS

There are none.

**BOGOTA BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

STATUS OF PRIOR YEAR FINDINGS

There were none.