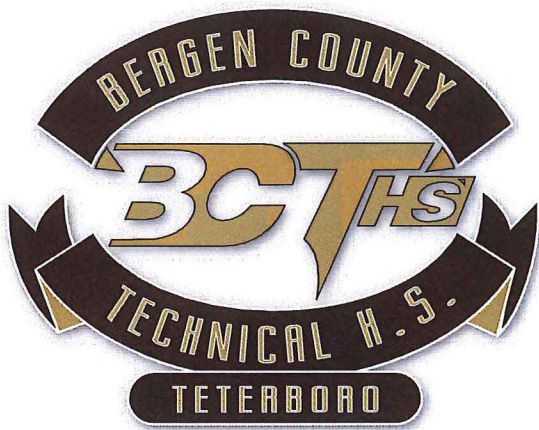


# Bergen County Technical Schools

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A Component Unit of The County of Bergen



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## Comprehensive Annual Financial Report For The Fiscal Year Ended JUNE 30, 2020

BERGEN COUNTY, NEW JERSEY

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**of the**

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

**(A Component Unit of the County of Bergen)**

**New Jersey**

**For The Fiscal Year Ended June 30, 2020**

**Prepared by**

**Business Department**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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## **INTRODUCTORY SECTION**



BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

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District Administration Office

540 Farview Avenue, Paramus, New Jersey 07652 • Tel. (201) 343-6000 • Fax (201) 225-9067  
January 29, 2021

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

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2020.

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

The Bergen County Technical and Vocational High School District's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Technical and Vocational High School District's financial

statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

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

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

The District completed the 2019-20 fiscal year with an enrollment of 2,381 secondary students, which is 79 students more than the previous year. The following details changes in District enrollment over the last ten years:

	<u>Enrollment</u>
2019/20	2,511
2018/19	2,432
2017/18	2,381
2016/17	2,342

### Enrollment

2015/16	2,277
2014/15	2,208
2013/14	2,260
2012/13	2,218
2011/12	2,276
2010/11	2,226

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

### **ECONOMIC CONDITION AND OUTLOOK:**

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

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

### **MAJOR INITIATIVES:**

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



### **MAJOR INITIATIVES: (Continued)**

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

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

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

### **INTERNAL ACCOUNTING CONTROLS:**

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

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

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

### **BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimates. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020.

amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020.

**DEBT ADMINISTRATION:**

At June 30, 2020, the District has no debt service. All bonded long-term debt is included in the County of Bergen's financial statements.

**CASH MANAGEMENT:**

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

**RISK MANAGEMENT:**

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

**ACKNOWLEDGMENTS:**

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

Respectfully submitted,

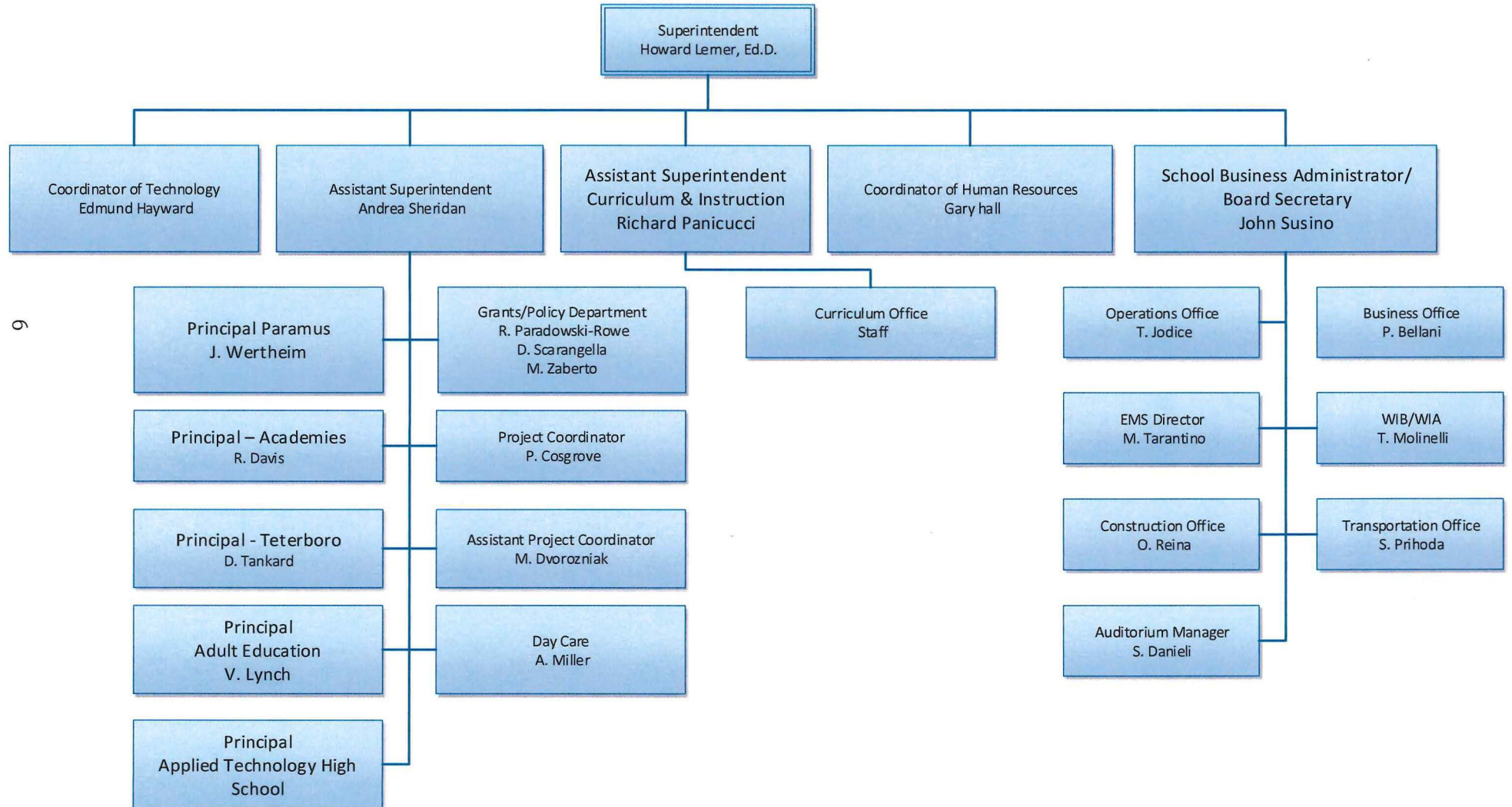
A handwritten signature in black ink, appearing to be 'H. Lerner', with a long horizontal flourish extending to the right.

Dr. Howard Lerner  
Superintendent

A handwritten signature in black ink, appearing to be 'John Susino', with a long horizontal flourish extending to the right.

John Susino  
Business Administrator/Board Secretary

# BCTS Administrative Plan 2019-2020



BERGEN COUNTY TECHNICAL SCHOOLS  
BERGEN COUNTY, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2020

**COUNTY EXECUTIVE**

James J. Tedesco III

**MEMBERS OF THE BOARD OF COMMISSIONERS**

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

**BOARD OF EDUCATION**

President

Dr. Lawrence Meyerson

Vice-President

Jason Kim

Members of the Board of Education

William Connelly

Dr. William Meisner

Louis DeLisio

Interim Executive County Superintendent  
Bergen County Office of Education

**OTHER OFFICIALS**

Superintendent

Assistant Superintendent

Assistant Superintendent-Curriculum

Board Secretary /Business Administrator

Director of Personnel

Director of Special Education

Executive Coordinator of Workforce Investment Board

Principal, Academies

Principal, BCTEC, Paramus

Principal, BCVHS, Paramus

Principal, Applied Tech High School

Principal, BCTEC, BCVHS, BCTHS, Teterboro

Principal, Adult and Continuing Education

Dr. Howard Lerner

Andrea Sheridan

Richard Panicucci

John Susino

Gary Hall

Andrea Sheridan

Tammy Molinelli

Russ Davis

Jeremy Wertheim

Jeremy Wertheim

Dennis Montone

David Tankard

Victor Lynch

BERGEN COUNTY TECHNICAL SCHOOL DISTRICT

Consultants and Advisors

Architects

DMR Architects

Netta Architects

RSC Architects

LAN Associates

DiCara, Rubino Architects

AECOM

Audit Firm

Lerch, Vinci and Higgins, LLP

Attorney

Nowell, P.A.

Engineers

CHA Associates

Neglia Engineering

T&M Associates

CME Associates

Boswell Engineering

Official Depositories

Santander Bank

TD Bank

## **FINANCIAL SECTION**





# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 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 Bergen County Technical and Vocational High School District 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*

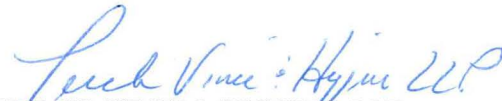
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical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

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

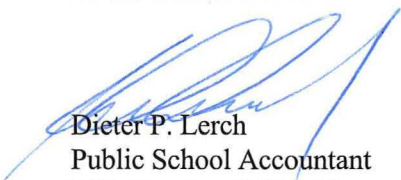
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with Government Auditing Standards, we have also issued our report dated January 29, 2021 on our consideration of the Bergen County Technical and Vocational High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Bergen County Technical and Vocational High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control over financial reporting and compliance.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 29, 2021

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

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

This section of Bergen County Technical and Vocational School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

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

### **FINANCIAL HIGHLIGHTS**

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

- The assets and deferred outflows of resources of the Bergen County Technical and Vocational High School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$25,095,765 (net position).
- Overall district-wide revenues were \$102,165,150, which were \$4,253,531 more than expenses.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$15,189,646.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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



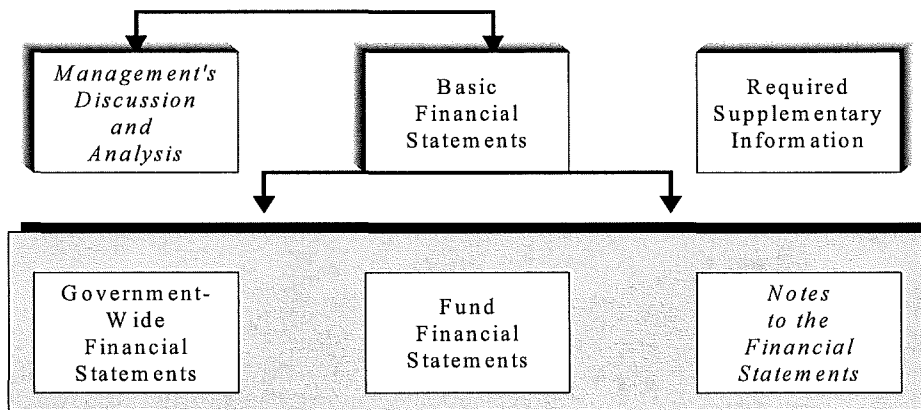
# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

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

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

Figure A-1



# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

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

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

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

### Government-wide financial statements

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

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

## BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

### Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

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

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

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

#### Fund financial statements

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

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

The District has three kinds of funds:

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

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

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

## BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

### Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

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

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

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

#### Notes to the financial statements

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

#### Other Information

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

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

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$25,095,765 as of June 30, 2020. See Table A-1.

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

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

**Table A-1  
Net Position  
as of June 30, 2020 and 2019**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current Assets	\$ 21,702,149	\$ 19,539,820	\$ 1,233,587	\$ 1,448,188	\$ 22,935,736	\$ 20,988,008
Capital Assets	<u>54,252,796</u>	<u>51,182,260</u>	<u>229,680</u>	<u>266,840</u>	<u>54,482,476</u>	<u>51,449,100</u>
<b>Total Assets</b>	<u>75,954,945</u>	<u>70,722,080</u>	<u>1,463,267</u>	<u>1,715,028</u>	<u>77,418,212</u>	<u>72,437,108</u>
 <b>Deferred Outflows of Resources</b>	 <u>5,405,200</u>	 <u>9,196,155</u>	 <u>-</u>	 <u>-</u>	 <u>5,405,200</u>	 <u>9,196,155</u>
 <b>Total Assets and Deferred Outflows of Resources</b>	 <u>81,360,145</u>	 <u>79,918,235</u>	 <u>1,463,267</u>	 <u>1,715,028</u>	 <u>82,823,412</u>	 <u>81,633,263</u>
 Other Liabilities	 2,595,548	 2,256,883	 235,284	 451,184	 2,830,832	 2,708,067
Noncurrent Liabilities	<u>40,753,875</u>	<u>43,921,960</u>	<u>-</u>	<u>-</u>	<u>40,753,875</u>	<u>43,921,960</u>
<b>Total Liabilities</b>	<u>43,349,423</u>	<u>46,178,843</u>	<u>235,284</u>	<u>451,184</u>	<u>43,584,707</u>	<u>46,630,027</u>
 <b>Deferred Inflows of Resources</b>	 <u>14,138,084</u>	 <u>14,160,338</u>	 <u>4,856</u>	 <u>664</u>	 <u>14,142,940</u>	 <u>14,161,002</u>
 <b>Total Liabilities and Deferred Inflows of Resources</b>	 <u>57,487,507</u>	 <u>60,339,181</u>	 <u>240,140</u>	 <u>451,848</u>	 <u>57,727,647</u>	 <u>60,791,029</u>
 <b>Net Position</b>						
Net Investment in						
Capital Assets	54,252,796	51,182,260	229,680	266,840	54,482,476	51,449,100
Restricted	9,450,679	8,477,906			9,450,679	8,477,906
Unrestricted	<u>(39,830,837)</u>	<u>(40,081,112)</u>	<u>993,447</u>	<u>996,340</u>	<u>(38,837,390)</u>	<u>(39,084,772)</u>
<b>Total Net Position</b>	<u>\$ 23,872,638</u>	<u>\$ 19,579,054</u>	<u>\$ 1,223,127</u>	<u>\$ 1,263,180</u>	<u>\$ 25,095,765</u>	<u>\$ 20,842,234</u>

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

**Table A-2**  
**Change in Net Position**  
**For the Fiscal Years Ended June 30, 2020 and 2019**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>						
Program Revenues						
Tuition	\$ 31,036,851	\$ 28,566,296			\$ 31,036,851	\$ 28,566,296
Charges for Services	2,466,478	3,943,406	\$ 3,162,890	\$ 3,813,256	5,629,368	7,756,662
Operating Grants and Contributions	22,226,079	24,790,073	126,907	168,679	22,352,986	24,958,752
General Revenues						
County Property Taxes	32,614,409	31,818,936			32,614,409	31,818,936
County Aid	6,034,873	3,412,480			6,034,873	3,412,480
State and Federal Aid	4,211,287	4,625,073			4,211,287	4,625,073
Miscellaneous	285,376	640,568	-	-	285,376	640,568
<b>Total Revenues</b>	<b><u>98,875,353</u></b>	<b><u>97,796,832</u></b>	<b><u>3,289,797</u></b>	<b><u>3,981,935</u></b>	<b><u>102,165,150</u></b>	<b><u>101,778,767</u></b>
<b>Expenses</b>						
Instruction						
Regular	23,235,106	21,018,953			23,235,106	21,018,953
Other Special Instruction	342,757	295,508			342,757	295,508
Vocational Education	23,863,733	23,231,923			23,863,733	23,231,923
Other Instruction	3,887,441	4,180,965			3,887,441	4,180,965
Adult/Continuing Education	935,980	1,029,777			935,980	1,029,777
Support Services						
Student and Instruction Related Services	13,747,836	18,931,748			13,747,836	18,931,748
School Administrative Services	4,077,780	3,936,436			4,077,780	3,936,436
General Administrative Services	3,385,925	3,490,562			3,385,925	3,490,562
Business/Central Other Support Services	8,770,787	8,422,209			8,770,787	8,422,209
Plant Operations and Maintenance	11,148,328	10,656,523			11,148,328	10,656,523
Pupil Transportation	961,096	969,586			961,096	969,586
Food Services			649,514	915,513	649,514	915,513
Other-Business Activities	-	-	2,905,336	2,923,271	2,905,336	2,923,271
<b>Total Expenses</b>	<b><u>94,356,769</u></b>	<b><u>96,164,190</u></b>	<b><u>3,554,850</u></b>	<b><u>3,838,784</u></b>	<b><u>97,911,619</u></b>	<b><u>100,002,974</u></b>
<b>Change in Net Position Before Transfers</b>	<b>4,518,584</b>	<b>1,632,642</b>	<b>(265,053)</b>	<b>143,151</b>	<b>4,253,531</b>	<b>1,775,793</b>
<b>Transfer</b>	<b><u>(225,000)</u></b>	<b><u>-</u></b>	<b><u>225,000</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Change in Net Position</b>	<b>4,293,584</b>	<b>1,632,642</b>	<b>(40,053)</b>	<b>143,151</b>	<b>4,253,531</b>	<b>1,775,793</b>
<b>Net Position, Beginning of Year</b>	<b><u>19,579,054</u></b>	<b><u>17,946,412</u></b>	<b><u>1,263,180</u></b>	<b><u>1,120,029</u></b>	<b><u>20,842,234</u></b>	<b><u>19,066,441</u></b>
<b>Net Position, End of Year</b>	<b><u>\$ 23,872,638</u></b>	<b><u>\$ 19,579,054</u></b>	<b><u>\$ 1,223,127</u></b>	<b><u>\$ 1,263,180</u></b>	<b><u>\$ 25,095,765</u></b>	<b><u>\$ 20,842,234</u></b>



# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

**Governmental Activities.** The District's total governmental activities revenues were \$98,875,353 for the year ended June 30, 2020. Tuition and other charges to districts accounted for 34 percent of total revenues. County taxes and aid account for 39 percent of total revenue for the year. Operating grants and contributions account for 22 percent of revenues. Another 4 percent came from other operating revenues consisting of unrestricted and restricted federal/state aid for capital outlay. The remaining 1 percent of revenues include investment earnings and other miscellaneous revenues.

The total cost of all governmental activities programs and services and transfers was \$94,581,769. The District's expenses are predominantly related to educating and caring for students.

Total governmental activities revenues were more than expenses and transfers increasing net position \$4,293,584 from the last year.

Table A-3 Revenues by Source- Governmental Activities  
For Fiscal Year 2020

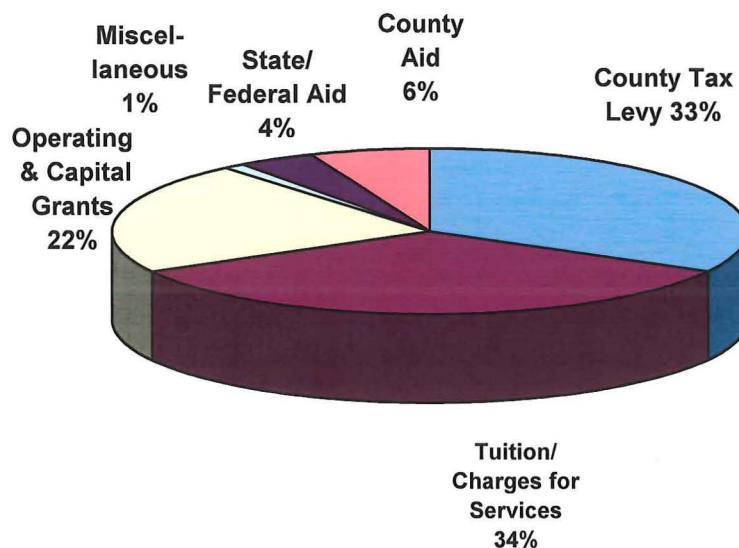
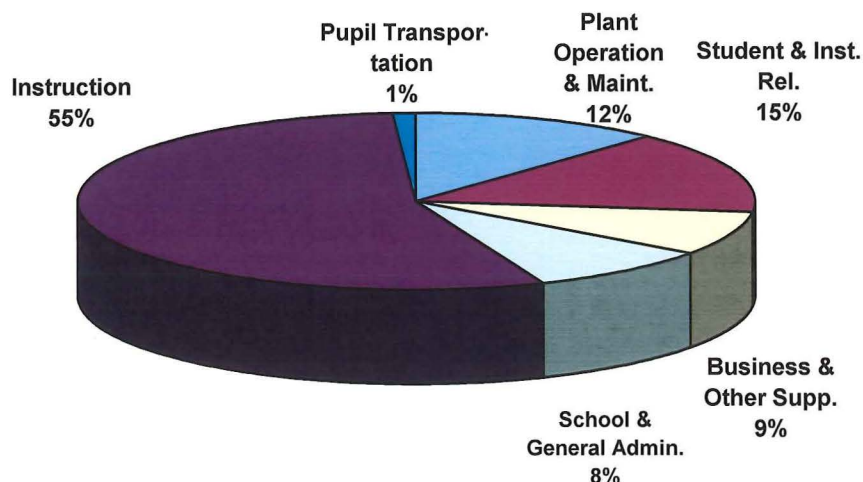


Table A-4 Expenditures by Type- Governmental Activities  
For Fiscal Year 2020



# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

**Total and Net Cost of Governmental Activities.** The District's total cost of services was \$94,356,769 for the fiscal year ended June 30, 2020. After applying program revenues, derived from tuition and charges for services of \$33,503,329 and operating grants and contributions of \$22,226,079 the net cost of services of the District was \$38,627,361 for the fiscal year ended June 30, 2020. See Table A-5.

**Table A-5  
Total and Net Cost of Governmental Activities  
For the Fiscal Years Ended June 30, 2020 and 2019**

	<u>Total Cost of Services</u>		<u>Net Cost/(Revenue) of Services</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Instruction				
Regular	\$ 23,235,106	\$ 21,018,953	\$ 4,235,014	\$ 4,131,569
Other Special Instruction	342,757	295,508	(1,387,920)	(1,353,233)
Vocational Education	23,863,733	23,231,923	(2,182,148)	(1,542,473)
Other Instruction	3,887,441	4,180,965	2,431,993	2,831,041
Adult/Continuing Education	935,980	1,029,777	544,406	(26,289)
Support Services				
Student and Instruction Related Services	13,747,836	18,931,748	9,939,910	11,390,887
School Administrative Services	4,077,780	3,936,436	3,215,757	2,921,952
General Administrative Services	3,385,925	3,490,562	2,535,548	2,603,585
Business and Other Support Services	8,770,787	8,422,209	7,699,880	6,966,001
Plant Operations and Maintenance	11,148,328	10,656,423	10,745,383	10,100,137
Pupil Transportation	961,096	969,586	849,538	841,238
<b>Total</b>	<b>\$ 94,356,769</b>	<b>\$ 96,164,090</b>	<b>\$ 38,627,361</b>	<b>\$ 38,864,415</b>

**Business-Type Activities** – The District's total business-type activities revenues were \$3,289,797 for the fiscal year ended June 30, 2020. Charges for services accounted for 4% of total revenues. Operating and capital grants and contributions accounted for 96% of total revenue for the year.

The total cost of all business-type activities programs and services was \$3,554,850 for the fiscal year ended June 30, 2020. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and various other business type services.

Total business-type activities revenues and transfers were less than expenses, decreasing net position by \$40,053 from the prior year.

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

#### Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$15,189,646, which is \$1,483,678 more than last year's fund balance of \$13,705,968.

Revenues for the District's governmental funds were \$93,129,146 while total expenses were \$91,103,894 resulting in an increase of \$2,025,252 in fund balance. Transfers to the Compensated Absences Internal Service Fund and Business-Type activities fund of \$541,574 resulted in a total net increase of \$ \$1,483,678 fund balance.

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

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

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019	Amount of Increase (Decrease)	Percent Increase (Decrease)
Local Sources				
County Property Taxes	\$ 32,614,409	\$ 31,818,936	\$ 795,473	3%
Tuition	31,036,851	29,821,663	1,215,188	4%
Miscellaneous	579,330	969,406	(390,076)	-40%
State/Federal Sources	<u>15,110,501</u>	<u>14,498,533</u>	<u>611,968</u>	4%
Total General Fund Revenues	<u>\$ 79,341,091</u>	<u>\$ 77,108,538</u>	<u>\$ 2,232,553</u>	<u>3%</u>

Total General Fund Revenues increased by \$2,232,553 or 3% over the previous year.

County property taxes increased by 3%. Tuition, which represents 39% of total general fund revenues, increased by 4%.

Miscellaneous revenues decreased by \$390,076.

State/Federal sources increased by \$611,968 or 4% from the previous year. The increase was mainly due to an increase of State on-behalf TPAF contributions/reimbursements.

## BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

### Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

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

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction and Support Services	\$ 76,227,714	\$ 73,996,325	\$ 2,231,389	3%
Capital Outlay	<u>1,420,240</u>	<u>1,269,915</u>	<u>150,325</u>	12%
Total Expenditures	<u>\$ 77,647,954</u>	<u>\$ 75,266,240</u>	<u>\$ 2,381,714</u>	<u>3%</u>

Total General Fund expenditures increased \$2,381,714 or 3% from the previous year, mainly due to an increase of capital expenditures.

In 2019-2020 General Fund revenues were more than expenditures by \$1,693,137 before net transfers out of \$713,399. Therefore, total fund balance increased by \$979,738. The fund balance increased from \$11,542,949 at June 30, 2019 to \$12,522,687 at June 30, 2020.

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

Revenues of the Special Revenue Fund were \$7,752,939, for the year ended June 30, 2020. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 77% of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$331,028 or 4% from the previous year. State sources decreased \$67,048 or 4%, while Federal sources decreased \$218,103 or 4%. Revenues from local sources decreased \$45,877.

Expenditures of the Special Revenue Fund were \$7,752,939.

**Capital Projects** - The capital projects revenues and transfers were more than expenses by \$503,697 increasing fund balance to \$2,565,671 at June 30, 2020.

**Permanent Fund** - The Permanent Fund accounts for the assets held under the terms of a formal trust agreement. In the case of the District, the principal portion is reserved for scholarships. The total fund balance at June 30, 2020 is \$101,288 of which \$100,000 is nonspendable and \$1,288 is restricted for scholarships.

# **BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

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

### **Proprietary Funds**

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

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

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

The internal service fund has a fund balance of \$595,315 at June 30, 2020.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

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

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

# BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2020 amounts to \$54,482,476 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2019-2020 amounted to \$4,123,566 for governmental activities and \$37,160 for business-type activities.

Table 6  
Capital assets at June 30, 2020 and 2019  
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land Improvements	\$ 805,639	\$ 529,804			\$ 805,639	\$ 529,804
Building and Building Improvements	46,438,159	44,347,764			46,438,159	44,347,764
Machinery and Equipment	<u>7,008,998</u>	<u>6,304,692</u>	<u>\$ 229,680</u>	<u>\$ 266,840</u>	<u>7,238,678</u>	<u>6,571,532</u>
<b>Total Capital Assets, Net</b>	<u>\$ 54,252,796</u>	<u>\$ 51,182,260</u>	<u>\$ 229,680</u>	<u>\$ 266,840</u>	<u>\$ 54,482,476</u>	<u>\$ 51,449,100</u>

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

### LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences of \$3,393,064 and net pension liability of \$37,360,811.

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

# **BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL**

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

### ***ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES***

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

### ***CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT***

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

## **BASIC FINANCIAL STATEMENTS**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2020**

	<b><u>Governmental</u></b> <b><u>Activities</u></b>	<b><u>Business-Type</u></b> <b><u>Activities</u></b>	<b><u>Total</u></b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 8,190,761	\$ 872,877	\$ 9,063,638
Receivables, Net	13,502,888	349,925	13,852,813
Internal Balances	8,500	(8,500)	-
Inventories		19,285	19,285
Capital Assets, Being Depreciated	<u>54,252,796</u>	<u>229,680</u>	<u>54,482,476</u>
Total Assets	<u>75,954,945</u>	<u>1,463,267</u>	<u>77,418,212</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>5,405,200</u>	<u>-</u>	<u>5,405,200</u>
Total Assets and Deferred Outflow of Resources	<u>81,360,145</u>	<u>1,463,267</u>	<u>82,823,412</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	2,174,639	120,296	2,294,935
Intergovernmental Advances and Payables	4,700	3,238	7,938
Unearned Revenue	416,209	111,750	527,959
Noncurrent Liabilities			
Due within one year			-
Due beyond one year	<u>40,753,875</u>	<u>-</u>	<u>40,753,875</u>
Total Liabilities	<u>43,349,423</u>	<u>235,284</u>	<u>43,584,707</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Commodities Revenue		4,856	4,856
Deferred Amounts on Net Pension Liability	<u>14,138,084</u>	<u>-</u>	<u>14,138,084</u>
Total Liabilities and Deferred Inflow of Resources	<u>57,487,507</u>	<u>240,140</u>	<u>57,727,647</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	54,252,796	229,680	54,482,476
Restricted for:			
Capital Projects	8,642,867		8,642,867
Maintenance	706,524		706,524
Other Purposes- Permanent Endowment	101,288		101,288
Unrestricted	<u>(39,830,837)</u>	<u>993,447</u>	<u>(38,837,390)</u>
Total Net Position	<u>\$ 23,872,638</u>	<u>\$ 1,223,127</u>	<u>\$ 25,095,765</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	<u>Program Revenues</u>		Capital Grants and Contributions	<u>Net (Expense) Revenue and Changes in Net Position</u>		
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business Type Activities	Total
<b>Governmental activities</b>							
Instruction:							
Regular	\$ 23,235,106	\$ 10,376,522	\$ 8,623,570		\$ (4,235,014)		\$ (4,235,014)
Other Special Instruction	342,757		1,730,677		1,387,920		1,387,920
Vocational	23,863,733	19,720,635	6,325,246		2,182,148		2,182,148
Other Instruction	3,887,441	576,317	879,131		(2,431,993)		(2,431,993)
Adult/Continuing Education Programs	935,980	391,574			(544,406)		(544,406)
Support Services:							
Student & Instruction Related Services	13,747,836	330,454	3,477,472		(9,939,910)		(9,939,910)
School Administrative Services	4,077,780	3,702	858,321		(3,215,757)		(3,215,757)
General Administrative Services	3,385,925	842,417	7,960		(2,535,548)		(2,535,548)
Business/Central & Other Support Services	8,770,787	1,015,869	55,038		(7,699,880)		(7,699,880)
Plant Operations and Maintenance	11,148,328	140,627	262,318		(10,745,383)		(10,745,383)
Pupil Transportation	961,096	105,212	6,346	-	(849,538)	-	(849,538)
<b>Total Governmental Activities</b>	<b>94,356,769</b>	<b>33,503,329</b>	<b>22,226,079</b>	<b>-</b>	<b>(38,627,361)</b>	<b>-</b>	<b>(38,627,361)</b>
<b>Business - Type Activities</b>							
Food Service	649,514	468,555	126,907			\$ (54,052)	(54,052)
Other	2,905,336	2,694,335	-	-	-	(211,001)	(211,001)
<b>Total Business Type Activities</b>	<b>3,554,850</b>	<b>3,162,890</b>	<b>126,907</b>	<b>-</b>	<b>-</b>	<b>(265,053)</b>	<b>(265,053)</b>
<b>Total Primary Government</b>	<b>\$ 97,911,619</b>	<b>\$ 36,666,219</b>	<b>\$ 22,352,986</b>	<b>\$ -</b>	<b>(38,627,361)</b>	<b>(265,053)</b>	<b>(38,892,414)</b>
<b>General Revenues:</b>							
		County Property Tax Levy			32,614,409		32,614,409
		County Aid			6,034,873		6,034,873
		Federal and State aid unrestricted			3,452,071		3,452,071
		Federal and State aid restricted			759,216		759,216
		Investment Earnings			120,127		120,127
		Miscellaneous Income			165,249		165,249
		Transfers			(225,000)	225,000	-
<b>Total General Revenues and Transfers</b>					<b>42,920,945</b>	<b>225,000</b>	<b>43,145,945</b>
<b>Change in Net Position</b>					<b>4,293,584</b>	<b>(40,053)</b>	<b>4,253,531</b>
<b>Net Position - Beginning</b>					<b>19,579,054</b>	<b>1,263,180</b>	<b>20,842,234</b>
<b>Net Position - Ending</b>					<b>\$ 23,872,638</b>	<b>\$ 1,223,127</b>	<b>\$ 25,095,765</b>

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

## **FUND FINANCIAL STATEMENTS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2020**

**EXHIBIT B-1**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Assets					
Cash and Cash Equivalents	\$ 7,591,828	\$ 2,144	\$ 2,017	\$ 101,288	\$ 7,697,277
Due from Other Governments					
State	105,474	570,385			675,859
Federal		1,394,280			1,394,280
Other	6,412,469		4,100,040		10,512,509
Due from BCSSD	44,333				44,333
Security Deposits	3,500				3,500
Due from Other Funds	<u>2,875,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,875,500</u>
Total Assets	<u>\$ 17,033,104</u>	<u>\$ 1,966,809</u>	<u>\$ 4,102,057</u>	<u>\$ 101,288</u>	<u>\$ 23,203,258</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities					
Accounts Payable	\$ 1,057,910	\$ 719,495	\$ 336,386		\$ 2,113,791
Due to Other Governments					
State		4,219			4,219
Federal		481			481
Due to Other Funds	3,393,064	825,000	1,200,000		5,418,064
Other Payable	59,443	1,405			60,848
Unearned Revenue	<u>-</u>	<u>416,209</u>	<u>-</u>	<u>-</u>	<u>416,209</u>
Total Liabilities	<u>4,510,417</u>	<u>1,966,809</u>	<u>1,536,386</u>	<u>-</u>	<u>8,013,612</u>
Fund Balances:					
Nonspendable					
Permanent Fund - Principal Portion				\$ 100,000	100,000
Restricted					
Capital Reserve	6,077,196				6,077,196
Maintenance Reserve	606,524				606,524
Maintenance Reserve - Designated for Subsequent Year's Budget	100,000				100,000
Permanent Fund				1,288	1,288
Capital Projects Fund			2,565,671		2,565,671
Assigned					
Year-End Encumbrances	3,964,952				3,964,952
Designated for Subsequent Year's Budget	700,000				700,000
Unassigned					
General Fund	<u>1,074,015</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,074,015</u>
Total Fund Balances	<u>12,522,687</u>	<u>-</u>	<u>2,565,671</u>	<u>101,288</u>	<u>15,189,646</u>
Total Liabilities and Fund Balances	<u>\$ 17,033,104</u>	<u>\$ 1,966,809</u>	<u>\$ 4,102,057</u>	<u>\$ 101,288</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$118,649,610 and the accumulated depreciation is \$64,468,238.

54,181,372

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	\$ 5,405,200
Deferred Inflows of Resources	<u>(14,138,084)</u>

(8,732,884)

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

Net Pension Liability	<u>(37,360,811)</u>
-----------------------	---------------------

(37,360,811)

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

595,315

Net position of governmental activities

\$ 23,872,638

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
County Property Tax Levy	\$ 32,614,409				\$ 32,614,409
County Aid			\$ 6,034,873		6,034,873
Tuition	31,036,851				31,036,851
GED Fees	28,197				28,197
Technology Agreement	266,000				266,000
Interest on Investments	119,884			\$ 243	120,127
Miscellaneous	165,249	\$ 22,894	-	-	188,143
Total Local Sources	64,230,590	22,894	6,034,873	243	70,288,600
State Sources	15,096,425	1,766,194			16,862,619
Federal Sources	14,076	5,963,851	-	-	5,977,927
Total Revenues	79,341,091	7,752,939	6,034,873	243	93,129,146
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	17,045,423	3,579,084			20,624,507
Other Special Instruction	316,902				316,902
Vocational Education	21,022,785				21,022,785
Other Instruction	3,654,682				3,654,682
Adult/Continuing Education Programs	935,980				935,980
Support Services and Undistributed Costs					
Student & Instruction Related Services	8,264,246	3,414,639			11,678,885
School Administrative Services	3,779,977				3,779,977
General Administrative Services	2,574,192				2,574,192
Plant Operations and Maintenance	9,996,752		688,355		10,685,107
Pupil Transportation	776,466				776,466
Business /Central Svcs./ Admin. Info Technology	7,860,309				7,860,309
Capital Outlay	1,420,240	759,216	5,014,646	-	7,194,102
Total Expenditures	77,647,954	7,752,939	5,703,001	-	91,103,894
Excess/(Deficiency) of Revenues over/(under) Expenditures	1,693,137	-	331,872	243	2,025,252
<b>OTHER FINANCING SOURCES</b>					
Transfers Out	(713,399)				(713,399)
Transfers In	-	-	171,825	-	171,825
Total Other Financing Sources	(713,399)	-	171,825	-	(541,574)
Net Change in Fund Balances	979,738	-	503,697	243	1,483,678
Fund Balance, Beginning of Year	11,542,949	-	2,061,974	101,045	13,705,968
Fund Balance, End of Year	\$ 12,522,687	\$ -	\$ 2,565,671	\$ 101,288	\$ 15,189,646

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Total Net Change in Fund Balances - Governmental Funds (B-2)** **\$ 1,483,678**

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

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

Depreciation Expense	\$ (4,116,048)	
Capital Outlays	<u>7,194,102</u>	3,078,054

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

Increase in Pension Expenses		(284,042)
------------------------------	--	-----------

Internal Service funds are used by the District's management to charge the costs of various programs/ services to other governmental activities. The net loss of the internal service fund is reported with governmental activities.

Net Loss Before Transfers	(300,680)	
Transfers from General Fund	<u>316,574</u>	15,894
Change in Net Position		<u>15,894</u>

**Change in Net Position of Governmental Activities** **\$ 4,293,584**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2020**

**EXHIBIT B-4**

	Business Type Activities														Governmental Internal Service Funds Other Governmental Services
	Food Service	Day Care	Summer- Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Exnlorations	Tech Camp	Auditorium Rentals	Totals	
ASSETS															
Current Assets															
Cash and Cash Equivalents	\$ 87,154	\$ 23,123	\$ 12,523	\$ 58,428	\$ 326,820	\$ 653	\$ 15,140	\$ 283,910	\$ 505	\$ 49,299	\$ 7,245	\$ 7,810	\$ 267	\$ 872,877	\$ 493,484
Intergovernmental Receivable	-	-	-	-	253,823	-	-	-	-	-	-	-	-	253,823	-
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	96,102	96,102	-
Due from B.C.S.S.D.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	830,007
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,400
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,393,064
Inventories	19,285	-	-	-	-	-	-	-	-	-	-	-	-	19,285	-
Total Current Assets	106,439	23,123	12,523	58,428	580,643	653	15,140	283,910	505	49,299	7,245	7,810	96,369	1,242,087	4,751,955
Capital Assets															
Furniture, machinery & equipment	668,272	-	-	871	1,233,536	-	-	-	-	-	-	-	88,164	1,990,843	90,219
Less: Accumulated Depreciation	(538,836)	-	-	(871)	(1,163,104)	-	-	-	-	-	-	-	(58,352)	(1,761,163)	(18,795)
Total Capital Assets, Net	129,436	-	-	-	70,432	-	-	-	-	-	-	-	29,812	229,680	71,424
Total Assets	235,875	23,123	12,523	58,428	651,075	653	15,140	283,910	505	49,299	7,245	7,810	126,181	1,471,767	4,823,379
LIABILITIES															
Current Liabilities															
Accounts Payable	37,813	-	-	-	82,483	-	-	-	-	-	-	-	-	120,296	-
Other Payable	23	-	-	-	3,215	-	-	-	-	-	-	-	-	3,238	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	8,500	8,500	835,000
Due to B.C.S.S.D.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	11,970	-	39,880	-	-	59,900	111,750	-
Total Current Liabilities	37,836	-	-	-	85,698	-	-	11,970	-	39,880	-	-	68,400	243,784	835,000
Noncurrent Liabilities															
Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,393,064
Total Noncurrent Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,393,064
Total Liabilities	37,836	-	-	-	85,698	-	-	11,970	-	39,880	-	-	68,400	243,784	4,228,064
DEFERRED INFLOW OF RESOURCES															
Deferred Commodities Revenue	4,856	-	-	-	-	-	-	-	-	-	-	-	-	4,856	-
Total Liabilities and Deferred Inflow of Resources	42,692	-	-	-	85,698	-	-	11,970	-	39,880	-	-	68,400	248,640	4,228,064
NET POSITION															
Net Investment in Capital Assets	129,436	-	-	-	70,432	-	-	-	-	-	-	-	29,812	229,680	71,424
Unrestricted	63,747	23,123	12,523	58,428	494,945	653	15,140	271,940	505	9,419	7,245	7,810	27,969	993,447	523,891
Total Net Position	\$ 193,183	\$ 23,123	\$ 12,523	\$ 58,428	\$ 565,377	\$ 653	\$ 15,140	\$ 271,940	\$ 505	\$ 9,419	\$ 7,245	\$ 7,810	\$ 57,781	\$ 1,223,127	\$ 595,315

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

EXHIBIT B-5

	Business Type Activities														Governmental Activities
	Food Service	Day Care	Summer-Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals	Internal Service Funds
OPERATING REVENUES															
Charges for Services															
Daily sales - reimbursable programs															
Lunch Program	\$ 246,741	-	-	-	-	-	-	-	-	-	-	-	-	\$ 246,741	
Breakfast Program	5,039	-	-	-	-	-	-	-	-	-	-	-	-	5,039	
Daily sales - nonreimbursable programs	171,927													171,927	
Special Functions	44,848	-	-	-	-	-	-	-	-	-	-	-	-	44,848	
Charges and Fees	-	\$ 309,774	\$ 41,034	\$ 166,899	\$ 1,842,586	\$ 4,892	\$ 18,125	\$ 110,863	-	\$ 35,016	-	\$ 15,117	\$ 150,029	2,694,335	\$ 2,172,281
Total Operating Revenues	468,555	309,774	41,034	166,899	1,842,586	4,892	18,125	110,863	-	35,016	-	15,117	150,029	3,162,890	2,172,281
OPERATING EXPENSES															
Cost of Sales - reimburseable programs	185,629	-	-	-	-	-	-	-	-	-	-	-	-	185,629	-
Cost of Sales - nonreimbursable programs	68,275													68,275	-
Salaries/Salaries of Teachers	242,341	190,992	34,284	89,225	1,177,848	7,442	10,176	76,129	-	31,778	-	12,421	283,166	2,155,802	1,661,545
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	316,574
Employee Benefits	73,905	104,611	-	5,862	509,978	569	-	-	-	-	-	950	21,662	717,537	393,471
Tuition Reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Prof-Educ. Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Purchased Services	50,023	4,441			102,650	1,500	7,250	1,905	-	-	-	-	2,719	170,488	86,932
Supplies and Materials	15,648	730	1,688	300	196,914	573	-	-	-	-	-	-	1,993	217,846	6,921
Textbooks	-	-	-	-	-	-	-	1,699	-	-	-	-	-	1,699	-
Depreciation	13,693	-	-	-	16,514	-	-	-	-	-	-	-	6,953	37,160	7,518
Other Objects	-	315	-	-	-	99	-	-	-	-	-	-	-	414	-
Total Operating Expenses	649,514	301,089	35,972	95,387	2,003,904	10,183	17,426	79,733	-	31,778	-	13,371	316,493	3,554,850	2,472,961
Operating Income (Loss)	(180,959)	8,685	5,062	71,512	(161,318)	(5,291)	699	31,130	-	3,238	-	1,746	(166,464)	(391,960)	(300,680)
NONOPERATING REVENUES															
State Sources															
State School Lunch Program	3,985													3,985	
Federal Sources															
National School Lunch Program	74,746													74,746	
National School Lunch Program - PB	5,462													5,462	
Commodities Program	34,896													34,896	
National School Breakfast Program	7,818	-	-	-	-	-	-	-	-	-	-	-	-	7,818	-
Total Non-Operating Revenues	126,907	-	-	-	-	-	-	-	-	-	-	-	-	126,907	-
Net Income (Loss)	(54,052)	8,685	5,062	71,512	(161,318)	(5,291)	699	31,130	-	3,238	-	1,746	(166,464)	(265,053)	(300,680)
Transfers															
Transfers In(Out)	150,000	-	-	-	-	-	-	-	-	-	-	-	75,000	225,000	316,574
Change in Net Position	95,948	8,685	5,062	71,512	(161,318)	(5,291)	699	31,130	-	3,238	-	1,746	(91,464)	(40,053)	15,894
Total Net Position - Beginning	97,235	14,438	7,461	(13,084)	726,695	5,944	14,441	240,810	\$ 505	6,181	\$ 7,245	\$ 6,064	149,245	1,263,180	579,421
Total Net Position - Ending	\$ 193,183	\$ 23,123	\$ 12,523	\$ 58,428	\$ 565,377	\$ 653	\$ 15,140	\$ 271,940	\$ 505	\$ 9,419	\$ 7,245	\$ 7,810	\$ 57,781	\$ 1,223,127	\$ 595,315



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT B-6**

	Business Type Activities													Governmental Internal Service Funds
	Food Service	Day Care	Summer- Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Exploration	Tech Camp	Auditorium Rentals	Other Governmental Services
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>														
Receipts from Customers	\$ 429,507	\$ 309,774	\$ 41,034	\$ 128,199	\$ 1,785,291	\$ 4,892	721	\$ 9,463		\$ 37,592	-	\$ 802	\$ 137,207	\$ 2,884,482
Payments to Employees	(242,341)	(190,992)	(34,284)	(89,225)	(1,177,848)	(7,442)	(10,176)	(76,129)		(21,778)	-	(12,421)	(283,166)	(2,055,016)
Payments for Health Benefits	(73,905)	(104,611)	-	(5,862)	(509,978)	(569)	-	-		-	-	(950)	(21,662)	(316,574)
Payments to Suppliers	(339,205)	(5,734)	(1,688)	(300)	(224,692)	(2,172)	(9,250)	(3,604)	-	-	-	-	(4,712)	(991,357)
Net Cash Provided by(Used for) operating activities	(225,944)	8,437	5,062	32,812	(127,227)	(5,291)	(18,705)	(70,270)	-	5,814	-	(12,569)	(172,333)	(1,133,807)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>														
State Sources	4,352	-	-	-	-	-	-	-	-	-	-	-	-	4,352
Federal Sources	97,855	-	-	-	-	-	-	-	-	-	-	-	-	97,855
Operating Subsidies and transfers to/from other funds	150,020	-	-	-	-	-	-	-	-	-	-	-	83,500	233,500
Net cash provided by (used for) noncapital financing activities	252,207	-	-	-	-	-	-	-	-	-	-	-	83,500	1,150,587
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>														
Purchases of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by(used for) capital and related financing activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	26,263	8,437	5,062	32,812	(127,227)	(5,291)	(18,705)	(70,270)	-	5,814	-	(12,569)	(88,833)	16,780
Cash and Cash Equivalents - Beginning of Year	60,891	14,686	7,461	25,616	454,047	5,944	33,845	354,180	\$ 505	43,485	\$ 7,245	20,379	89,100	476,704
Cash and Cash Equivalents - End of Year	\$ 87,154	\$ 23,123	\$ 12,523	\$ 58,428	\$ 326,820	\$ 653	\$ 15,140	\$ 283,910	\$ 505	\$ 49,299	\$ 7,245	\$ 7,810	\$ 267	\$ 493,484
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities														
Operating Income(Loss)	\$ (180,959)	\$ 8,685	\$ 5,062	\$ 71,512	\$ (161,318)	\$ (5,291)	\$ 699	\$ 31,130	\$ -	\$ 3,238	\$ -	\$ 1,746	\$ (166,464)	\$ (300,680)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities														
Depreciation	13,693	-	-	-	16,514	-	-	-	-	-	-	-	6,953	7,518
Food Distribution (USDA Commodities)- National School Lunch Program	34,232	-	-	-	-	-	-	-	-	-	-	-	-	-
(Increase) Decrease in accounts receivable, net	-	-	-	-	24,581	-	(2,000)	-	-	-	-	-	(62,607)	99,037
(Increase) Decrease in inventories	(9,912)	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/(Decrease) in unearned revenue	4,192	-	-	(38,700)	(81,876)	-	(17,404)	(101,400)	-	2,576	-	(14,315)	49,785	-
(Increase)/Decrease in Other Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/(Decrease) in accounts payable	(48,142)	(248)	-	-	74,872	-	-	-	-	-	-	-	-	(939,682)
Total adjustments	(44,985)	(248)	-	(38,700)	34,091	-	(19,404)	(101,400)	-	2,576	-	(14,315)	(5,869)	(833,127)
Net cash provided by (used for) operating activities	\$ (225,944)	\$ 8,437	\$ 5,062	\$ 32,812	\$ (127,227)	\$ (5,291)	\$ (18,705)	\$ (70,270)	\$ -	\$ 5,814	\$ -	\$ (12,569)	\$ (172,333)	\$ (1,133,807)
Noncash Investing, Capital and Financing Activities														
Fair Value of Food Distribution Program- National School Lunch	\$ 34,232													

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AS OF JUNE 30, 2020**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 391,290	\$ 25,930	\$ 1,122,951
Due from Other Funds	<u>61,779</u>	<u>-</u>	<u>-</u>
Total Assets	<u>453,069</u>	<u>\$ 25,930</u>	<u>\$ 1,122,951</u>
<b>LIABILITIES</b>			
Due to State of New Jersey	22,652		
Payroll deductions and withholdings			\$ 167,494
Due to Other Funds			7,000
Payable to student groups	<u>-</u>	<u>-</u>	<u>948,457</u>
Total Liabilities	<u>22,652</u>	<u>-</u>	<u>\$ 1,122,951</u>
<b>NET POSITION</b>			
Held in trust for unemployment claims and other purposes	<u>\$ 430,417</u>		
Reserved for scholarships		<u>\$ 25,930</u>	

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Scholarship Fund</b>
<b>ADDITIONS</b>		
Contributions:		
Plan Member	\$ 61,779	
Donations	<u>-</u>	\$ 2,301
Total Contributions	<u>61,779</u>	<u>2,301</u>
Investment Earnings:		
Interest	<u>981</u>	<u>64</u>
Net investment earnings	<u>981</u>	<u>64</u>
Total Additions	<u>62,760</u>	<u>2,365</u>
<b>DEDUCTIONS</b>		
Unemployment Claims	88,657	-
Withdrawals	<u>-</u>	<u>2,204</u>
Total Deductions	<u>88,657</u>	<u>2,204</u>
Change in Net Position	(25,897)	161
Net Position, Beginning of Year	<u>456,314</u>	<u>25,769</u>
Net Position, End of the Year	<u><u>\$ 430,417</u></u>	<u><u>\$ 25,930</u></u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

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

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

**B. New Accounting Standards**

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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**District-Wide Financial Statements**

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

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

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

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 *permanent fund* accounts for the proceeds from scholarship donations held under the terms of a formal trust agreement whereby the District is under obligation to maintain the principal.

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

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

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

Additionally, the government reports the following fund types:

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

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

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.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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)**

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

**Reclassifications**

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

**D. Measurement Focus and Basis of Accounting**

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

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

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

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

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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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**

***1. Cash, Cash Equivalents and Investments***

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

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

***2. Receivables***

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

***3. Inventories***

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

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

***4. Capital Assets***

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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***

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

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

***6. Compensated Absences***

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

***7. Pensions***

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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)**

***8. Long-Term Obligations***

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

***9. Net Position/Fund Balance***

**District-Wide Statements**

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

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

**Governmental Fund Statements**

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

**Nonspendable Fund Balance** – Amounts that are not in a spendable form or are required to be maintained intact.

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

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

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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)**

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

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

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

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

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

***10. Fund Balance Policies***

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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**

**1. *Program Revenues***

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

**2. *Property Taxes***

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

**3. *Tuition Revenues and Expenditures***

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

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 budget by \$4,956,766. The increase was funded by the additional revenue, capital reserve, maintenance reserve, grant awards and the reappropriation of prior year general fund encumbrances.

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

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

**B. Capital Reserve**

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Capital Reserve (Continued)**

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

Balance, July 1, 2019		\$ 5,433,468
Increased by:		
Deposits Approved by Board Resolution	\$ 850,000	
Interest	<u>11,330</u>	
		<u>861,330</u>
		6,294,798
Decreased by:		
Withdrawal Approved by Board Resolution		<u>(217,602)</u>
Balance, June 30, 2020		<u>\$ 6,077,196</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.

**C. Maintenance Reserve**

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

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

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

Balance, July 1, 2019	\$ 881,419
Increased by	
Deposits Approved by Board Resolution	<u>100,000</u>
Total Increases	981,419
Withdrawals	
Approved by Board Resolution	<u>(274,895)</u>
Balance, June 30, 2020	<u>\$ 706,524</u>

The June 30, 2020 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,514,455. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities. \$100,000 of the maintenance reserve balance at June 30, 2020 was designated and appropriated for use in the 2020/2021 original budget certified for taxes.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2020, the book value of the Board's deposits were \$10,603,809 and bank and brokerage firm balances of the Board's deposits amounted to \$13,119,239. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<b><u>Depository Account</u></b>	<b><u>Bank Balance</u></b>
Insured	\$ <u>13,119,239</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2020 none of the Board's bank balances were exposed to custodial credit risk.

**Investments**

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**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	Balance, June 30, 2020
<b>Governmental Activities:</b>				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 1,958,520	\$ 319,936		\$ 2,278,456
Buildings and Building Improvements	79,658,975	4,800,335		84,459,310
Machinery and Equipment	29,928,232	2,073,831	-	32,002,063
Total Capital Assets Being Depreciated	<u>111,545,727</u>	<u>7,194,102</u>	<u>-</u>	<u>118,739,829</u>
Less Accumulated Depreciation for:				
Land and Land Improvements	(1,428,716)	(44,101)		(1,472,817)
Buildings and Building Improvements	(35,311,211)	(2,709,940)		(38,021,151)
Machinery and Equipment	<u>(23,623,540)</u>	<u>(1,369,525)</u>	<u>-</u>	<u>(24,993,065)</u>
Total Accumulated Depreciation	<u>(60,363,467)</u>	<u>(4,123,566)</u>	<u>-</u>	<u>(64,487,033)</u>
Total Capital Assets, Being Depreciated, Net	<u>51,182,260</u>	<u>3,070,536</u>	<u>-</u>	<u>54,252,796</u>
Governmental Activities Capital Assets, Net	<u>\$ 51,182,260</u>	<u>\$ 3,070,536</u>	<u>\$ -</u>	<u>\$ 54,252,796</u>
	Balance, July 1, 2019	Increases	Decreases	Balance, June 30, 2020
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 1,990,843	\$ -	-	\$ 1,990,843
Total Capital Assets Being Depreciated	<u>1,990,843</u>	<u>-</u>	<u>-</u>	<u>1,990,843</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(1,724,003)</u>	<u>(37,160)</u>	<u>-</u>	<u>(1,761,163)</u>
Total Accumulated Depreciation	<u>(1,724,003)</u>	<u>(37,160)</u>	<u>-</u>	<u>(1,761,163)</u>
Total Capital Assets, Being Depreciated, Net	<u>266,840</u>	<u>(37,160)</u>	<u>-</u>	<u>229,680</u>
Business-Type Activities Capital Assets, Net	<u>\$ 266,840</u>	<u>\$ (37,160)</u>	<u>\$ -</u>	<u>\$ 229,680</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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	\$ 1,275,017
Vocational Education	<u>1,275,017</u>

Total Instruction	<u>2,550,034</u>
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Support Services

Student and Instruction Related Services	1,328,102
General Administrative Services	17,296
School Administrative Services	17,296
Plant Operations and Maintenance of Plant	105,211
Pupil Transportation	63,517
Business/Central and Other Support Services	<u>34,592</u>

Total Support Services	<u>1,566,014</u>
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Total Governmental Funds	<u>4,116,048</u>
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Capital assets held by the government's internal  
service funds are charged to the various functions  
based on their usage of the assets

7,518

Total Depreciation Expense - Governmental Activities	<u>\$ 4,123,566</u>
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**Business-Type Activities:**

Food Service Fund	\$ 13,693
Technology Services Fund	16,514
Auditorium Rentals Fund	<u>6,953</u>

Total Depreciation Expense-Business-Type Activities	<u>\$ 37,160</u>
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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

**Construction and Other Significant Commitments**

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

<u>Project</u>	<u>Remaining Commitment</u>
Expansion of the Girls Locker Room at Bergen County Academies	\$ 1,654,163
Furnish and Provide Automotive Spray Booth at Paramus	191,883
2020 International Chassis Complete with New Century Model 2465	
Integrated Wrecker Body with Accessories	165,840
Science Lab Renovations at Bergen County Academies	<u>119,123</u>
	<u>\$ 2,131,009</u>

**E. Interfund Receivables, Payables, and Transfers**

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

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 825,000
General Fund	Capital Projects Fund	1,200,000
General Fund	Internal Service Funds	835,000
General Fund	Enterprise Funds	8,500
General Fund	Agency Funds	<u>7,000</u>
		<u>\$ 2,875,500</u>
Compensated Absences - Internal Service Fund	General Fund	<u>\$ 3,393,064</u>

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 (Continued)**

**Interfund transfers**

	<u>Enterprise Funds</u>	<u>Transfer In: Capital Projects Fund</u>	<u>Compensated Absenced Internal Service Fund</u>	<u>Total</u>
Transfer Out:				
General Fund	\$ 225,000	\$ 171,825	\$ 316,574	\$ 713,399
	<u>\$ 225,000</u>	<u>\$ 171,825</u>	<u>\$ 316,574</u>	<u>\$ 713,399</u>

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

**F. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 3,076,490	\$ 316,574	-	\$ 3,393,064	
Net Pension Liability	<u>40,845,470</u>	<u>-</u>	<u>\$ 3,484,659</u>	<u>37,360,811</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 43,921,960</u>	<u>\$ 316,574</u>	<u>\$ 3,484,659</u>	<u>\$ 40,753,875</u>	<u>\$ -</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

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

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

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2020		\$ 61,779	\$ 88,657	\$ 430,417
2019	-	66,378	64,239	456,314
2018	-	59,500	37,666	453,175

**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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans**

**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](http://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:

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

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

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



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and 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 PERS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

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

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

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

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

**Actuarial Methods and Assumptions**

In the July 1, 2018 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2020.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2020 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than the actuarial determined amount. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2020, 2019 and 2018 were equal to the required contributions.

During the fiscal years ended June 30, 2020, 2019 and 2018 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2020	\$ 2,016,887	\$ 5,425,055	\$ 7,827
2019	2,063,437	4,707,958	10,709
2018	1,947,075	3,627,476	11,896

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions (Continued)**

In addition for fiscal years 2020, 2019 and 2018 the District contributed \$8,282, \$8,660 and \$26,563, respectively for PERS and the State contributed \$4,163, \$4,238 and \$4,715, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,959,064 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 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 \$37,360,811 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2019. At June 30, 2019, the District's proportionate share was 0.20734 percent, which was a decrease of 0.00011 percent from its proportionate share measured as of June 30, 2018 of 0.20745 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,300,929 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:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 670,578	\$ 165,044
Changes of Assumptions	3,730,614	12,967,819
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		589,755
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>1,004,008</u>	<u>415,466</u>
Total	<u>\$ 5,405,200</u>	<u>\$ 14,138,084</u>

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

Year Ending <u>December 31,</u>	<u>Total</u>
2021	\$ (605,529)
2022	(3,262,500)
2023	(3,157,809)
2024	(1,554,485)
2025	(152,561)
Thereafter	<u>-</u>
	<u>\$ (8,732,884)</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Actuarial Assumptions***

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

	<b><u>PERS</u></b>
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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
US Equity	28.00%	8.26%
Non-US Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
High Yield	2.00%	5.37%
Real Assets	2.50%	9.31%
Private Credit	6.00%	7.92%
Real Estate	7.50%	8.33%
Private Equity	12.00%	10.85%

***Discount Rate***

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2019	6.28%
2019	June 30, 2018	5.66%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate (Continued)***

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

Period of Projected Benefit

Payments for which the Following

Rates were Applied:

Long-Term Expected Rate of Return                      Through June 30, 2057

Municipal Bond Rate \*                                      From July 1, 2057  
and Thereafter

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

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>5.28%</u></b>	<b>Current Discount Rate <u>6.28%</u></b>	<b>1% Increase <u>7.28%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 47,192,775</u>	<u>\$ 37,360,811</u>	<u>\$ 29,075,988</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](http://www.state.nj.us/treasury/pensions).



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF)**

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2018 through June 30, 2019. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2019, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2020, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$8,487,344 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 \$143,895,542. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2019. At June 30, 2019, the State's share of the net pension liability attributable to the District was 0.23446 percent, which was a decrease of 0.00603 percent from its proportionate share measured as of June 30, 2018 of 0.24049 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Actuarial Assumptions**

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

	<b><u>TPAF</u></b>
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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
US Equity	28.00%	8.26%
Non-US Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
High Yield	2.00%	5.37%
Real Assets	2.50%	9.31%
Private Credit	6.00%	7.92%
Real Estate	7.50%	8.33%
Private Equity	12.00%	10.85%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Discount Rate***

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

<b>Fiscal Year</b>	<b><u>Measurement Date</u></b>	<b><u>Discount Rate</u></b>
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:

	<b>1% Decrease <u>(4.60%)</u></b>	<b>Current Discount Rate <u>(5.60%)</u></b>	<b>1% Increase <u>(6.60%)</u></b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 169,684,693</u>	<u>\$ 143,895,542</u>	<u>\$ 122,498,690</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Pension Plan Fiduciary Net Position***

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

**D. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

**Actuarial Methods and Assumptions**

In the June 30, 2018 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.28 billion to the OPEB plan in fiscal year 2019.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. over a period not to exceed thirty years. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2020, 2019 and 2018 were \$2,012,596, \$2,135,522 and \$2,342,909, 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 \$2,524,233. 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 \$88,564,198. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2019 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2019. At June 30, 2019, the state's share of the OPEB liability attributable to the District was 0.21224 percent, which was an increase of 0.00278 percent from its proportionate share measured as of June 30, 2018 of 0.20945 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**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%.



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**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:

<b><u>Fiscal Year</u></b>	<b><u>Measurement Date</u></b>	<b><u>Discount Rate</u></b>
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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**Changes in the Total OPEB Liability**

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2018 Measurement Date	\$ 96,580,693
Changes Recognized for the Fiscal Year:	
Service Cost	3,781,142
Interest on the Total OPEB Liability	3,833,441
Differences Between Expected and Actual Experience	(14,313,509)
Changes of Assumptions	1,320,499
Gross Benefit Payments	(2,718,657)
Contributions from the Member	80,589
<b>Net Changes</b>	<b>\$ (8,016,495)</b>
Balance, June 30, 2019 Measurement Date	\$ 88,564,198

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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.50%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current rate:

	<b>1% Decrease <u>(2.50%)</u></b>	<b>Current Discount Rate <u>(3.50%)</u></b>	<b>1% Increase <u>(4.50%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 104,629,316</u>	<u>\$ 88,564,198</u>	<u>\$ 75,802,949</u>

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

	<b>1% Decrease <u></u></b>	<b>Healthcare Cost Trend Rates <u></u></b>	<b>1% Increase <u></u></b>
Total OPEB Liability (School Retirees)	<u>\$ 72,972,952</u>	<u>\$ 88,564,198</u>	<u>\$ 109,203,807</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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 County. 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 its facilities either before or after an outbreak of an infectious disease.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**EXHIBIT C-1**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
<b>Local Sources</b>					
County Property Tax Levy	\$ 32,614,409		\$ 32,614,409	\$ 32,614,409	-
Tuition-Other LEAs	28,720,008	\$ 500,000	29,220,008	29,447,141	\$ 227,133
Tuition - Post Secondary	600,000		600,000	650,016	50,016
Tuition - EMS	450,000		450,000	576,317	126,317
Tuition - Adult Evening	450,000		450,000	363,377	(86,623)
Interest on Investments	75,000		75,000	108,554	33,554
Interest on Capital Reserve	10,000		10,000	11,330	1,330
GED Testing Fees	121,493		121,493	28,197	(93,296)
One to One Aides	-		-	14,240	14,240
Lab Research Fee	20,000		20,000	34,471	14,471
Technology Agreement	266,000		266,000	266,000	-
Miscellaneous	175,569	-	175,569	116,538	(59,031)
<b>Total Local Sources</b>	<b>63,502,479</b>	<b>500,000</b>	<b>64,002,479</b>	<b>64,230,590</b>	<b>228,111</b>
<b>State Sources</b>					
Adjustment Aid	3,452,071		3,452,071	3,452,071	-
Categorical Special Education Aid	1,618,948		1,618,948	1,618,948	-
Voc Expansion Stabilization Aid	410,733		410,733	410,733	-
Categorical Security Aid	213,795		213,795	213,795	-
On-Behalf TPAF Pension System Contributions- NCGI (Non-Budgeted)				95,526	95,526
On-Behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				4,163	4,163
On-Behalf TPAF Pension System Contributions- Normal Contributions (Non-Budgeted)				5,329,529	5,329,529
On-Behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,012,596	2,012,596
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,959,064	1,959,064
<b>Total State Sources</b>	<b>5,695,547</b>	<b>-</b>	<b>5,695,547</b>	<b>15,096,425</b>	<b>9,400,878</b>
<b>Federal Sources</b>					
Medicaid Reimbursement	23,974	-	23,974	14,076	(9,898)
<b>Total Federal Sources</b>	<b>23,974</b>	<b>-</b>	<b>23,974</b>	<b>14,076</b>	<b>(9,898)</b>
<b>Total Revenues</b>	<b>69,222,000</b>	<b>500,000</b>	<b>69,722,000</b>	<b>79,341,091</b>	<b>9,619,091</b>
<b>EXPENDITURES:</b>					
<b>Regular Programs- Instruction</b>					
Salaries of Teachers	9,835,798	(80,000)	9,755,798	9,703,901	51,897
Other Salaries for Instruction	213,928	(29,000)	184,928	184,392	536
Purchased Prof. - Educ. Service	115,000	-	115,000	96,400	18,600
Rentals	25,000	-	25,000	24,306	694
Travel	10,000	3,064	13,064	3,589	9,475
General Supplies	664,000	56,563	720,563	446,009	274,554
Textbooks	100,000	-	100,000	85,997	14,003
Other Objects	15,000	-	15,000	2,878	12,122
<b>Total Regular Programs- Instruction</b>	<b>10,978,726</b>	<b>(49,373)</b>	<b>10,929,353</b>	<b>10,547,472</b>	<b>381,881</b>
<b>Regular Programs- Home Instruction</b>					
Salaries of Teachers	45,000	9,400	54,400	54,394	6
Purchased Professional Educational Service	25,000	-	25,000	15,934	9,066
<b>Total Regular Programs- Home Instruction</b>	<b>70,000</b>	<b>9,400</b>	<b>79,400</b>	<b>70,328</b>	<b>9,072</b>
<b>Total Regular Programs- Instruction</b>	<b>11,048,726</b>	<b>(39,973)</b>	<b>11,008,753</b>	<b>10,617,800</b>	<b>390,953</b>
<b>Basic Skills/Remedial</b>					
Salaries of Teachers	83,900	4,400	88,300	88,256	44
<b>Total Basic Skills/Remedial</b>	<b>83,900</b>	<b>4,400</b>	<b>88,300</b>	<b>88,256</b>	<b>44</b>
<b>Bilingual Education</b>					
Salaries of Teachers	96,454	7,800	104,254	104,218	36
<b>Total Bilingual Education</b>	<b>96,454</b>	<b>7,800</b>	<b>104,254</b>	<b>104,218</b>	<b>36</b>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Other Special Programs					
Regular Vocational Programs- Instruction					
Salaries of Teachers	\$ 6,505,365	\$ (140,600)	\$ 6,364,765	\$ 6,340,351	\$ 24,414
Purchased Professional Educational Services	102,000	110,047	212,047	210,046	2,001
Rentals	49,000	-	49,000	33,766	15,234
Travel	7,500	148	7,648	78	7,570
General Supplies	817,000	143,566	960,566	696,984	263,582
Textbooks	158,600	(50,559)	108,041	103,926	4,115
Other Objects	17,000	-	17,000	7,151	9,849
Total Regular Vocational Programs- Instruction	7,656,465	62,602	7,719,067	7,392,302	326,765
Special Vocational Programs- Instruction					
Salaries of Teachers	5,344,801	(27,647)	5,317,154	5,317,154	-
Purchased Professional Educational Services	600,000	1,044	601,044	601,044	-
Travel	4,000	(3,060)	940	940	-
General Supplies	195,000	255,441	450,441	133,814	316,627
Textbooks	30,000	11,078	41,078	35,554	5,524
Other Objects	15,000	(9,219)	5,781	5,781	-
Total Special Vocational Programs- Instruction	6,188,801	227,637	6,416,438	6,094,287	322,151
Total Vocational Programs	13,845,266	290,239	14,135,505	13,486,589	648,916
Other Instructional Programs					
School Sponsored Co/Extra Curricular Activities					
Salaries	760,000	-	760,000	750,195	9,805
Travel	1,700	-	1,700	-	1,700
Other Objects	35,500	-	35,500	16,623	18,877
Total School Sponsored Co/Extra Curricular Activities	797,200	-	797,200	766,818	30,382
School Sponsored Athletics					
Salaries	611,586	12,891	624,477	624,477	-
Purchased Services	80,000	(12,891)	67,109	55,922	11,187
Travel	4,000	-	4,000	918	3,082
Supplies and Materials	125,000	32,199	157,199	115,705	41,494
Other Objects	50,000	(14,730)	35,270	25,050	10,220
Total School Sponsored Athletics	870,586	17,469	888,055	822,072	65,983
Other Instructional Programs- Instruction					
Salaries	365,000	-	365,000	358,095	6,905
Total Other Instructional Programs	365,000	-	365,000	358,095	6,905
Total Instruction	27,107,132	279,935	27,387,067	26,243,848	1,143,219
Attendance & Social Work					
Salaries	120,041	600	120,641	120,597	44
Total Attendance & Social Work	120,041	600	120,641	120,597	44
Health Services					
Salaries	440,582	22,743	463,325	463,178	147
Purchased Professional and Technical Services	44,500	(8,162)	36,338	36,338	-
Supplies and Materials	9,500	(2,355)	7,145	7,145	-
Other Objects	17,500	(7,076)	10,424	10,424	-
Total Health Services	512,082	5,150	517,232	517,085	147



BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Speech, OT, PT and Related Services					
Salaries of Other Professional Staff	\$ 252,994	\$ 8,000	\$ 260,994	\$ 260,961	\$ 33
Total Speech, OT, PT and Related Services	252,994	8,000	260,994	260,961	33
Guidance					
Salaries of Other Professional Staff	1,786,016	2,001	1,788,017	1,788,017	-
Salaries of Secretarial and Clerical Assistants	183,584	1,780	185,364	185,364	-
Purchased Professional Education Services	-	63,589	63,589	63,480	109
Total Guidance	1,969,600	67,370	2,036,970	2,036,861	109
Child Study Teams					
Salaries of Other Professional Staff	684,701	3,700	688,401	688,351	50
Salaries of Secretarial and Clerical Assistants	164,139	2,750	166,889	166,802	87
Purchased Professional Education Services	22,500	-	22,500	21,647	853
Other Purchased Professional & Technical Services	2,000	-	2,000	240	1,760
Travel	4,000	42	4,042	2,263	1,779
Supplies and Materials	40,000	4,191	44,191	32,825	11,366
Other Objects	8,000	-	8,000	2,128	5,872
Total Child Study Teams	925,340	10,683	936,023	914,256	21,767
Improvement of Instruction Services					
Salaries of Other Professional Staff	974,537		974,537	969,271	5,266
Salaries of Secretarial and Clerical Assistants	207,336		207,336	200,832	6,504
Purchased Professional Educational Services	45,000	7,000	52,000	42,265	9,735
Rentals	3,500		3,500	3,048	452
Other Purchased Services	36,000	1,500	37,500	33,611	3,889
Travel	11,000	35	11,035	5,966	5,069
Supplies and Materials	28,000	41	28,041	5,628	22,413
Other Objects	70,000	3,300	73,300	59,608	13,692
Total Improvement of Instruction Services	1,375,373	11,876	1,387,249	1,320,229	67,020
Educational Media Service/School Library					
Salaries	59,209	157	59,366	59,366	-
Other Purchased Services	65,000	2,000	67,000	66,887	113
Supplies and Materials	10,000	(157)	9,843	870	8,973
Total Educational Media Services/School Library	134,209	2,000	136,209	127,123	9,086
Instructional Staff Training Services					
Travel	67,500	13,140	80,640	34,973	45,667
Other Objects	46,500	2,300	48,800	12,775	36,025
Total Instructional Staff Training Services	114,000	15,440	129,440	47,748	81,692
Support Services General Administration					
Salaries	609,896	11,250	621,146	621,110	36
Legal Services	275,000		275,000	228,275	46,725
Audit Fees	60,000	5,500	65,500	63,610	1,890
Expenditure and Internal Control	10,000		10,000	10,000	-
Architect/Engineering Fees	50,000	356,288	406,288	176,048	230,240
Other Purchased Professional Services	187,500	(20,000)	167,500	164,236	3,264
Rentals	2,000		2,000	1,620	380
Communications/Telephone	350,000	(151,250)	198,750	198,622	128
Travel	15,000	72	15,072	6,030	9,042
Other Purchased Services	188,700	1,878	190,578	158,963	31,615
Supplies and Materials	13,000	(651)	12,349	579	11,770
Miscellaneous Expenditures	56,000	273	56,273	56,273	-
BOE Membership Dues and Fees	1,000	-	1,000	500	500
Total Support Services General Administration	1,818,096	203,360	2,021,456	1,685,866	335,590
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,721,153	-	1,721,153	1,676,069	45,084
Salaries of Secretarial and Clerical Assistants	640,714		640,714	620,735	19,979
Travel	6,750	(155)	6,595	2,915	3,680
Other Purchased Services	7,600	(5,000)	2,600	110	2,490
Supplies and Materials	39,450	26,218	65,668	59,358	6,310
Other Objects	23,000	9,363	32,363	20,002	12,361
Total Support Services School Administration	2,438,667	30,426	2,469,093	2,379,189	89,904

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Central Services					
Salaries	\$ 1,303,889	\$ (18,000)	\$ 1,285,889	\$ 1,163,136	\$ 122,753
Purchased Technical Services	153,700	33,700	187,400	177,846	9,554
Rentals	7,500		7,500	7,164	336
Travel	8,500	239	8,739	4,355	4,384
Supplies and Materials	32,000	948	32,948	9,191	23,757
Miscellaneous Expenditures	10,500	-	10,500	7,516	2,984
Total Central Services	1,516,089	16,887	1,532,976	1,369,208	163,768
Admin. Info. Technology					
Salaries	3,116,875	14,523	3,131,398	3,131,398	-
Purchased Professional Technical Services	125,000	(44,952)	80,048	80,048	-
Other Purchased Services	1,200,000	111,208	1,311,208	1,202,119	109,089
Travel	20,000	(8,021)	11,979	9,579	2,400
General Supplies	270,000	551,876	821,876	373,652	448,224
Other Objects	5,000	(3,434)	1,566	1,566	-
Total Admin. Info. Technology	4,736,875	621,200	5,358,075	4,798,362	559,713
Required Maintenance for School Facilities					
Salaries	545,839	85,385	631,224	631,224	-
Cleaning, Repair and Maintenance Services	425,000	69,414	494,414	485,255	9,159
Lead Testing of Drinking Water	-	-	-	-	-
Cleaning, Repair and Maintenance Services-Maintenance Reserve	-	277,013	277,013	277,013	-
General Supplies	165,000	101,700	266,700	209,179	57,521
Total Required Maintenance for School Facilities	1,135,839	533,512	1,669,351	1,602,671	66,680
Custodial Services					
Salaries	2,947,016	(5,063)	2,941,953	2,941,953	-
Purchased Professional & Technical Services	275,000	(52,713)	222,287	222,287	-
Cleaning, Repair and Maintenance Services	633,000	87,691	720,691	641,015	79,676
Other Purchased Property Services	110,000	872	110,872	110,872	-
Insurance	475,000	(22,000)	453,000	445,000	8,000
Travel	2,500	-	2,500	1,420	1,080
General Supplies	355,000	102,815	457,815	400,229	57,586
Energy (Natural Gas)	400,000	(147,100)	252,900	252,722	178
Energy (Electricity)	1,300,000	(120,000)	1,180,000	1,178,904	1,096
Energy (Gasoline)	30,000	-	30,000	25,175	4,825
Other Objects	15,000	900	15,900	11,501	4,399
Total Custodial Services	6,542,516	(154,598)	6,387,918	6,231,078	156,840
Care and Upkeep of Grounds					
Salaries	255,157	(55,000)	200,157	198,115	2,042
Cleaning, Repair and Maintenance Services	40,000	256,753	296,753	291,398	5,355
General Supplies	5,000	13,920	18,920	11,371	7,549
Total Care and Upkeep of Grounds	300,157	215,673	515,830	500,884	14,946
Security					
Salaries	35,000	(20,000)	15,000	14,815	185
Cleaning, Repair and Maintenance Services	165,000	1,000	166,000	164,351	1,649
General Supplies	5,000	(5,000)	-	-	-
Total Security	205,000	(24,000)	181,000	179,166	1,834
Total Oper & Maint of Plant Services	8,183,512	570,587	8,754,099	8,513,799	240,300
Student Transportation Services					
Salaries for Pupil Transp (Oth. Than Bet. Home & School)	530,784	-	530,784	465,194	65,590
Cleaning, Repair and Maintenance Services	9,000	-	9,000	2,265	6,735
Contr. Services- Other- Vendors	210,000	(67,687)	142,313	28,068	114,245
Insurance	84,000	(1,000)	83,000	80,000	3,000
Travel	-	-	-	-	-
Supplies and Materials	8,000	(2,000)	6,000	466	5,534
Miscellaneous Expenditures	3,000	3,518	6,518	6,514	4
Total Student Transportation Services	844,784	(67,169)	777,615	582,507	195,108
Unallocated Benefits- Employee Benefits					
Social Security Contributions	1,305,000	3,910	1,308,910	1,308,910	-
Other Retirement Contribution- Regular	2,325,000	(287,500)	2,037,500	2,032,996	4,504
Workman's Compensation	600,000	(20,000)	580,000	576,300	3,700
Health Benefits	9,775,299	(1,604,084)	8,171,215	8,157,798	13,417
Tuition Reimbursement	120,000	1,000	121,000	94,128	26,872
Other Employee Benefits	252,000	234,673	486,673	486,673	-
Total Unallocated Benefits- Employee Benefits	14,377,299	(1,672,001)	12,705,298	12,656,805	48,493

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
On-behalf TPAF Pension System Contributions- NCGI Premium (Non-Budgeted)				\$ 95,526	\$ (95,526)
On-behalf TPAF Pension System Contributions- LTDI (Non-Budgeted)				4,163	(4,163)
On-behalf TPAF Pension System Contributions- Normal Contribution (Non-Budgeted)				5,329,529	(5,329,529)
On-behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,012,596	(2,012,596)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,959,064	(1,959,064)
Total Undistributed Expenditures	\$ 39,318,961	\$ (175,591)	\$ 39,143,370	46,731,474	(146,290)
Total Expenditures - Current	66,426,093	104,344	66,530,437	72,975,322	(6,444,885)
<b>CAPITAL OUTLAY</b>					
Equipment					
Instruction		647,391	647,391	390,056	257,335
Non-Instructional Equipment		-	-	-	-
Admin Info Technology		352,197	352,197	58,823	293,374
Operations and Maintenance of Plant		96,147	96,147	75,130	21,017
Care and Upkeep of Grounds		123,160	123,160	4,160	119,000
Security		283,646	283,646	166,576	117,070
Student Transportation		209,411	209,411	-	209,411
Special Schools	-	102,428	102,428	6,669	95,759
Total Equipment	-	1,814,380	1,814,380	701,414	1,112,966
Facilities Acquisition and Construction Services					
Architect Fees		47,350	47,350	41,530	5,820
Construction Services		1,000,000	1,000,000	-	1,000,000
Construction Services-Capital Reserve		677,396	677,396	677,296	100
Other Objects	10,000	-	10,000	-	10,000
Assessment for Debt Service	47,894	-	47,894	47,894	-
Total Facilities and Construction Services	57,894	1,724,746	1,782,640	766,720	1,015,920
Total Capital Outlay	57,894	3,539,126	3,597,020	1,468,134	2,128,886
<b>SPECIAL SCHOOLS</b>					
Post- Secondary Programs - Instruction					
Salaries of Teachers	371,459		371,459	369,724	1,735
Other Purchased Services	4,500	2,000	6,500	1,620	4,880
Travel	1,100	2,500	3,600	35	3,565
General Supplies	62,000	23,596	85,596	84,753	843
Textbooks	15,000	(7,500)	7,500	6,901	599
Other Objects	7,000	400	7,400	5,383	2,017
Total Post- Secondary Programs -Instruction	461,059	20,996	482,055	468,416	13,639
Post- Secondary Programs- Support Services					
Personal Services-Employee Benefits	115,000	10,400	125,400	125,400	-
Total Post Secondary Programs - Support Services	115,000	10,400	125,400	125,400	-
Total Post Secondary Programs	576,059	31,396	607,455	593,816	13,639
Other Special Schools - Instruction					
Salaries of Teachers	630,483	-	630,483	479,306	151,177
General Supplies	326,000	130,307	456,307	293,399	162,908
Textbooks	-	-	-	-	-
Total Other Special Schools - Instruction	956,483	130,307	1,086,790	772,705	314,085
Other Special Schools - Support Services					
Salaries	469,058	-	469,058	436,909	32,149
Employee Benefits	155,000	9,500	164,500	164,500	-
Purchased Professional and Technical Services	15,600	7,980	23,580	11,918	11,662
Other Purchased Services	40,000	12,278	52,278	29,419	22,859
Travel	3,000	155	3,155	604	2,551
Supplies and Materials	6,800	4,285	11,085	10,855	230
Other Objects	9,500	-	9,500	5,196	4,304
Total Other Special Schools - Support Services	698,958	34,198	733,156	659,401	73,755
Total Other Special Schools	1,655,441	164,505	1,819,946	1,432,106	387,840
Vocational Evening - Local - Instruction					
Salaries of Teachers	422,012	(105,375)	316,637	313,346	3,291
Purchased Professional and Technical Services			-	-	-
Travel			-	-	-
General Supplies	28,500	(4,700)	23,800	7,470	16,330
Textbooks	1,000		1,000		1,000
Other Objects	-	-	-	-	-
Total Vocational Evening - Local - Instruction	451,512	(110,075)	341,437	320,816	20,621

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Vocational Evening - Local - Support Services					
Salaries	\$ 459,708	\$ 27,458	\$ 487,166	\$ 487,166	\$ -
Employee Benefits	210,000	(10,400)	199,600	198,413	1,187
Rentals	6,800	-	6,800	6,768	32
Other Purchased Services	45,000	5,062	50,062	49,942	120
Travel	1,000	-	1,000	130	870
General Supplies	7,000	-	7,000	5,975	1,025
Other Objects	4,000	-	4,000	3,848	152
Total Vocational Evening - Local - Support Services	733,508	22,120	755,628	752,242	3,386
Total Vocational Evening	1,185,020	(87,955)	1,097,065	1,073,058	24,007
GED Testing Center (Other Special Schools)					
Salaries	77,493	-	77,493	76,407	1,086
Other Purchased Services	1,500	-	1,500	961	539
Travel	500	-	500	-	500
Supplies and Materials	42,000	(11,000)	31,000	28,150	2,850
Total Other Special Schools - Support Services	121,493	(11,000)	110,493	105,518	4,975
Total Special Schools	3,538,013	96,946	3,634,959	3,204,498	430,461
Total Expenditures	70,022,000	3,740,416	73,762,416	77,647,954	(3,885,538)
Excess (Deficiency) of Revenues and Over/(Under) Expenditures	(800,000)	(3,240,416)	(4,040,416)	1,693,137	5,733,553
Other Financing Sources/(Uses)					
Transfers out - Enterprise	-	(225,000)	(225,000)	(225,000)	-
Transfers out - Capital Projects	-	(171,825)	(171,825)	(171,825)	-
Transfers out - Internal Service	-	(316,574)	(316,574)	(316,574)	-
Total Other Financing Sources/(Uses)	-	(713,399)	(713,399)	(713,399)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources/(Uses)	(800,000)	(3,953,815)	(4,753,815)	979,738	5,733,553
Fund Balance, Beginning of Year	12,107,714	-	12,107,714	12,107,714	-
Fund Balance, End of Year	\$ 11,307,714	\$ (3,953,815)	\$ 7,353,899	\$ 13,087,452	\$ 5,733,553
Recapitulation:					
Restricted					
Capital Reserve				\$ 6,077,196	
Maintenance Reserve				606,524	
Maintenance Reserve - Designated for Subsequent Year's Budget				100,000	
Assigned					
Year End Encumbrances				3,964,952	
Designated for Subsequent Year's Budget				700,000	
Unassigned					
Unrestricted Fund Balance				1,638,780	
				13,087,452	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis				(564,765)	
Fund Balance per Governmental Funds (GAAP):				\$ 12,522,687	

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**BUDGET (NON-GAAP) AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
State Sources:	\$ 2,040,000	\$ 600,490	\$ 2,640,490	\$ 1,847,334	\$ (793,156)
Federal Sources	7,520,000	325,687	7,845,687	5,903,764	(1,941,923)
Local Sources	30,000	76,774	106,774	33,652	(73,122)
Total Revenues	9,590,000	1,002,951	10,592,951	7,784,750	(2,808,201)
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	9,200,000	(7,446,617)	1,753,383	1,532,428	220,955
Purchased Professional Services	205,000	2,533,224	2,738,224	1,582,522	1,155,702
Other Purchased Services	10,000	202,863	212,863	159,468	53,395
Personal Services Employee Benefits		394,388	394,388	235,966	158,422
Rentals		247,870	247,870	190,065	57,805
Travel		2,975	2,975	171	2,804
General Supplies	-	290,663	290,663	192,991	97,672
Other Objects	-	323,972	323,972	95,215	228,757
Total Instruction	9,415,000	(3,450,662)	5,964,338	3,988,826	1,975,512
Support Services					
Salaries	175,000	1,083,150	1,258,150	1,190,410	67,740
Personnel Services Employee Benefits		616,204	616,204	545,208	70,996
Purchased Professional Education Services		1,345,694	1,345,694	907,728	437,966
Purchased Professional Technical Services		148,421	148,421	53,756	94,665
Other Purchased Services		162,725	162,725	66,940	95,785
Rental		153,152	153,152	143,440	9,712
Travel		6,746	6,746	2,046	4,700
Supplies and Materials		118,995	118,995	93,981	25,014
Other Objects	-	33,199	33,199	33,199	-
Total Support Services	175,000	3,668,286	3,843,286	3,036,708	806,578
Facilities Acquisition and Construction					
Instructional Equipment	-	760,207	760,207	759,216	991
Non-Instructional Equipment	-	25,120	25,120	-	25,120
Total Facilities Acquisition and Construction	-	785,327	785,327	759,216	26,111
Total Expenditures	9,590,000	1,002,951	10,592,951	7,784,750	2,808,201
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Source/Inflows of Resources</b>		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 79,341,091	\$ 7,784,750
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2019		324,775
Encumbrances, June 30, 2020		(356,586)
Last State Aid payments recognized for GAAP purposes, not recognized for budgetary statements (2018/2019 State Aid)	564,765	
Last State Aid payments recognized for Budgetary purposes, not recognized for GAAP statements (2019/2020 State Aid)	<u>(564,765)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 79,341,091</u>	<u>\$ 7,752,939</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts(budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 77,647,954	\$ 7,784,750
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2019		324,775
Encumbrances, June 30, 2020	<u>-</u>	<u>(356,586)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 77,647,954</u>	<u>\$ 7,752,939</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**



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

**Public Employees Retirement System**

**Last 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)	0.20734	%	0.20745	%	0.21017	%	0.20574	%	0.19847	%	0.19306	%	0.19087	%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 37,360,811		\$ 40,845,470		\$ 48,926,086		\$ 60,935,261		\$ 44,554,713		\$ 36,146,276		\$ 36,480,813	
District's Covered Payroll	\$ 14,521,657		\$ 14,470,006		\$ 14,465,635		\$ 14,265,980		\$ 13,751,772		\$ 13,433,021		\$ 12,960,436	
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	257.28%		282.28%		338.22%		427.14%		323.99%		269.09%		281.48%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27	%	53.60	%	48.10	%	40.14	%	47.93	%	52.08	%	48.72	%

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

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

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

**Public Employees Retirement System**

**Last Seven Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 2,016,887	\$ 2,063,437	\$ 1,947,075	\$ 1,827,794	\$ 1,706,393	\$ 1,048,496	\$ 1,567,180
Contributions in Relation to the Contractually Required Contribution	<u>2,016,887</u>	<u>2,063,437</u>	<u>1,947,075</u>	<u>1,827,794</u>	<u>1,706,393</u>	<u>1,048,496</u>	<u>1,567,180</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$14,812,788	\$14,521,657	\$14,465,635	\$14,265,980	\$13,751,772	\$13,433,021	\$12,960,436
Contributions as a Percentage of Covered Payroll	13.62%	14.21%	13.46%	12.81%	12.41%	7.81%	12.09%

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

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

**Teachers Pension and Annuity Fund**

**Last Seven Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 143,895,542</u>	<u>\$ 152,992,971</u>	<u>\$ 161,676,127</u>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
Total	<u>\$ 143,895,542</u>	<u>\$ 152,992,971</u>	<u>\$ 161,676,127</u>	<u>\$ 187,305,346</u>	<u>\$ 149,367,323</u>	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
District's Covered Payroll	\$ 26,806,784	\$ 25,797,432	\$ 24,928,054	\$ 24,753,579	\$ 24,304,151	\$ 23,902,723	\$ 23,580,067
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll		0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.95%	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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 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 4.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**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>
<b>Total OPEB Liability</b>			
Service Cost	\$ 3,781,142	\$ 4,367,402	\$ 5,356,667
Interest on Total OPEB Liability	3,833,441	4,138,804	3,531,499
Differences Between Expected and Actual Experiences	(14,313,509)	(10,826,441)	-
Changes of Assumptions	1,320,499	(11,083,118)	(14,859,882)
Gross Benefit Payments	(2,718,657)	(2,582,533)	(1,793,443)
Contribution from the Member	<u>80,589</u>	<u>89,256</u>	<u>66,039</u>
<b>Net Change in Total OPEB Liability</b>	(8,016,495)	(15,896,630)	(7,699,120)
<b>Total OPEB Liability - Beginning</b>	<u>96,580,693</u>	<u>112,477,323</u>	<u>120,176,443</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 88,564,198</u>	<u>\$ 96,580,693</u>	<u>\$ 112,477,323</u>
 District's Proportionate Share of OPEB Liability	 \$ -	 \$ -	 \$ -
State's Proportionate Share of OPEB Liability	<u>88,564,198</u>	<u>96,580,693</u>	<u>112,477,323</u>
Total OPEB Liability - Ending	<u>\$ 88,564,198</u>	<u>\$ 96,580,693</u>	<u>\$ 112,477,323</u>
 District's Covered- Payroll	 <u>\$ 41,328,441</u>	 <u>\$ 40,267,438</u>	 <u>\$ 39,393,689</u>
 District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Payroll	   0%	   0%	   0%

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

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

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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

**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Total Page 2</u>	<u>Adult Basic Education</u>	<u>Displaced Homemaker</u>	<u>Apprentice Coordinator</u>	<u>TARGET Field Trips</u>	<u>ESEA Title I</u>	<u>IDEIA Part B Basic</u>	<u>NCLB Title II-Pt A</u>	<u>Russ Berrie Foundation</u>	<u>Totals</u>
<b>REVENUES</b>										
State Sources	\$ 1,683,832		\$ 145,781	\$ 17,721						\$ 1,847,334
Federal Sources	4,071,060	\$ 1,143,950				\$ 171,895	\$ 491,764	\$ 25,095		5,903,764
Local Sources	31,988	-	-	-	\$ 143	-	-	-	\$ 1,521	33,652
Total Revenues	<u>\$ 5,786,880</u>	<u>\$ 1,143,950</u>	<u>\$ 145,781</u>	<u>\$ 17,721</u>	<u>\$ 143</u>	<u>\$ 171,895</u>	<u>\$ 491,764</u>	<u>\$ 25,095</u>	<u>\$ 1,521</u>	<u>\$ 7,784,750</u>
<b>EXPENDITURES</b>										
Instruction										
Salaries of Teachers	\$ 961,714	\$ 426,110				\$ 127,438	\$ 17,166			\$ 1,532,428
Purchased Prof./Tech Services	1,582,522									1,582,522
Other Purchased Services	159,468									159,468
Personal Services Employee Benefits	235,966									235,966
Rentals	190,065									190,065
Travel	171									171
General Supplies	155,074	37,917	-	-	-	-	-	-	-	192,991
Other Objects	95,215	-	-	-	-	-	-	-	-	95,215
Total Instruction	<u>3,380,195</u>	<u>464,027</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,438</u>	<u>17,166</u>	<u>-</u>	<u>-</u>	<u>3,988,826</u>
Support Services										
Salaries	757,568		\$ 94,711	\$ 15,184			322,767		180	\$ 1,190,410
Purchased Prof. Ed. Services	347,663	\$ 560,065								907,728
Purchased Prof. Tech Services	28,661							\$ 25,095		53,756
Other Purchased Services	34,847		29,234	1,375	143.00				1,341	66,940
Personal Services Employee Benefits	275,379	79,332	21,258	1,162		44,457	123,620			545,208
Rentals	143,440									143,440
Travel	1,384	400	262							2,046
Supplies and Materials	58,527	6,927	316				28,211			93,981
Other Objects	-	33,199	-	-	-	-	-	-	-	33,199
Total Support Services	<u>1,647,469</u>	<u>679,923</u>	<u>145,781</u>	<u>17,721</u>	<u>143</u>	<u>44,457</u>	<u>474,598</u>	<u>25,095</u>	<u>1,521</u>	<u>3,036,708</u>
Facilities Acquisition and Construction										
Instructional Equipment	759,216	-	-	-	-	-	-	-	-	759,216
Total Facilities Acquisition and Construction	<u>759,216</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>759,216</u>
Total Expenditures	<u>\$ 5,786,880</u>	<u>\$ 1,143,950</u>	<u>\$ 145,781</u>	<u>\$ 17,721</u>	<u>\$ 143</u>	<u>\$ 171,895</u>	<u>\$ 491,764</u>	<u>\$ 25,095</u>	<u>\$ 1,521</u>	<u>\$ 7,784,750</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Total Exhibit Page 3</u>	<u>County Vocational Partnership</u>	<u>WFNJ Program</u>	<u>WFNJ Admin</u>	<u>Community Library</u>	<u>Foundation Funds</u>	<u>Perkins Post- Secondary</u>	<u>Perkins Secondary</u>	<u>Perkins Secondary Reserve</u>	<u>Total Page 2</u>
<b>REVENUES</b>										
State	\$ 310,484	\$ 188,849	\$ 1,014,327	\$ 170,172						\$ 1,683,832
Federal	3,149,111						\$ 136,185	\$ 699,103	\$ 86,661	4,071,060
Other	20,266	-	-	-	\$ 10,501	\$ 1,221	-	-	-	31,988
	-									
Total Revenues	<u>\$ 3,479,861</u>	<u>\$ 188,849</u>	<u>\$ 1,014,327</u>	<u>\$ 170,172</u>	<u>\$ 10,501</u>	<u>\$ 1,221</u>	<u>\$ 136,185</u>	<u>\$ 699,103</u>	<u>\$ 86,661</u>	<u>\$ 5,786,880</u>
<b>EXPENDITURES</b>										
Instruction										
Salaries of Teachers	\$ 839,154	\$ 111,851			\$ 9,488	\$ 1,221				\$ 961,714
Purchased Prof./Tech Services	1,551,162	31,110			250					1,582,522
Other Purchased Services	159,468									159,468
Personal Services Employee Benefits	235,966									235,966
Rentals	190,065									190,065
Travel	171									171
General Supplies	45,958	10,863.00	-	-	-	\$ -	\$ 21,860	76,393	-	155,074
Other Objects	95,215	-	-	-	-	-	-	-	-	95,215
Total Instruction	<u>3,117,159</u>	<u>153,824</u>	<u>-</u>	<u>-</u>	<u>9,738</u>	<u>1,221</u>	<u>21,860</u>	<u>76,393</u>	<u>-</u>	<u>3,380,195</u>
Support Services										
Salaries	224,333	5,375	\$ 378,898	\$ 109,154			36,225	3,583		757,568
Purchased Prof. Ed. Services	4,975		335,688					7,000		347,663
Purchased Prof. Tech Services	12,172			16,489						28,661
Other Purchased Services	9,656		22,108	3,083						34,847
Personal Services Employee Benefits	50,484	29,650	161,084	25,058	726		8,103	274		275,379
Rentals	22,802		106,162	14,476						143,440
Travel	527		474	346	37					1,384
Supplies and Materials	37,753	-	9,913	1,566	-	-	-	9,295	-	58,527
Total Support Services	<u>362,702</u>	<u>35,025</u>	<u>1,014,327</u>	<u>170,172</u>	<u>763</u>	<u>-</u>	<u>44,328</u>	<u>20,152</u>	<u>-</u>	<u>1,647,469</u>
Facilities Acquisition and Construction										
Buildings	-									-
Instructional Equipment	-	-	-	-	-	-	69,997	602,558	\$ 86,661	759,216
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,997</u>	<u>602,558</u>	<u>86,661</u>	<u>759,216</u>
Total Expenditures	<u>\$ 3,479,861</u>	<u>\$ 188,849</u>	<u>\$ 1,014,327</u>	<u>\$ 170,172</u>	<u>\$ 10,501</u>	<u>\$ 1,221</u>	<u>\$ 136,185</u>	<u>\$ 699,103</u>	<u>\$ 86,661</u>	<u>\$ 5,786,880</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>ESEA Title IV</u>	<u>Shaping NJ Healthy Community</u>	<u>Workforce Learning Link</u>	<u>WIA Adult</u>	<u>Project Search</u>	<u>WIA Youth</u>	<u>WIA Dislocated</u>	<u>WIOA Small Business Develop</u>	<u>Port Authority Pre-Apprentice</u>	<u>Coronavirus Relief Fund</u>	<u>Total Page 3</u>
<b>REVENUES</b>											
State		\$ 6,744	\$ 218,273					\$ 85,467			\$ 310,484
Federal	\$ 10,713			\$ 749,974		\$ 874,859	\$ 1,478,530			35,035	3,149,111
Other	-	-	-	-	\$ 6,837	-	-	-	13,429	-	20,266
Total Revenues	<u>\$ 10,713</u>	<u>\$ 6,744</u>	<u>\$ 218,273</u>	<u>\$ 749,974</u>	<u>\$ 6,837</u>	<u>\$ 874,859</u>	<u>\$ 1,478,530</u>	<u>\$ 85,467</u>	<u>\$ 13,429</u>	<u>\$ 35,035</u>	<u>\$ 3,479,861</u>
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers			\$ 33,855	229,033		\$ 162,732	413,534				\$ 839,154
Purchased Prof./Tech Services	\$ 10,713			165,500		516,512	772,696	85,467	274		1,551,162
Other Purchased Services			123,896	7,078	6,837	6,402	15,255				159,468
Personal Services Employee Benefits			13,730	99,569		70,390	52,277				235,966
Rentals			9,249	56,330		37,867	86,619				190,065
Travel				171							171
General Supplies	-	\$ -	29,953	851	-	475	1,524		13,155		45,958
Other Objects	-	-	-	95,215	-	-	-	-	-	-	95,215
Total Instruction	<u>10,713</u>	<u>-</u>	<u>210,683</u>	<u>653,747</u>	<u>6,837</u>	<u>794,378</u>	<u>1,341,905</u>	<u>85,467</u>	<u>13,429</u>	<u>-</u>	<u>3,117,159</u>
Support Services											
Salaries		2,866	\$ 5,839	\$ 66,551		\$ 56,816	\$ 92,261				224,333
Purchased Prof. Ed. Services			614	4,361							4,975
Purchased Prof. Tech Services				450		3,600	8,122				12,172
Other Purchased Services		3,659	28	1,668		1,513	2,788				9,656
Personal Services Employee Benefits		219	1,100	15,534		12,946	20,685				50,484
Rentals				6,567		4,907	11,328				22,802
Travel			9	237			281				527
Supplies and Materials				859		699	1,160			35,035	37,753
Other Objects	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	<u>-</u>	<u>6,744</u>	<u>7,590</u>	<u>96,227</u>	<u>-</u>	<u>80,481</u>	<u>136,625</u>	<u>-</u>	<u>-</u>	<u>35,035</u>	<u>362,702</u>
Facilities Acquisition and Construction											
Buildings											-
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 10,713</u>	<u>\$ 6,744</u>	<u>\$ 218,273</u>	<u>\$ 749,974</u>	<u>\$ 6,837</u>	<u>\$ 874,859</u>	<u>\$ 1,478,530</u>	<u>\$ 85,467</u>	<u>\$ 13,429</u>	<u>\$ 35,035</u>	<u>\$ 3,479,861</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOT APPLICABLE

## **CAPITAL PROJECTS FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>Issue/Project Title</u>			<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance</u>
				<u>Prior Years</u>	<u>Current Year</u>	<u>June 30, 2020</u>
30-424	Acq of Equipment and Various Improvements	6/8/2006	\$ 4,878,921	\$ 4,789,626	\$ 89,295	\$ -
30-425	Acq of Equipment and Various Improvements	9/8/2006	4,356,000	4,354,785	-	1,215
30-426	Acq of Equipment and Various Improvements	7/11/2007	5,073,650	4,996,302	46,253	31,095
30-428	Acq of Equipment and Various Improvements	8/13/2008	11,371,280	11,209,724	52,263	109,293
30-429	Acq of Equipment and Various Improvements	7/7/2010	2,033,000	1,979,924	-	53,076
30-430	Acq of Equipment and Various Improvements	12/1/2010	2,715,000	2,700,737	1,922	12,341
30-431	Acq of Equipment and Various Improvements	12/1/2011	715,000	627,076	84,935	2,989
30-432	Acq of Equipment and Various Improvements	7/11/2012	735,000	684,760	20,200	30,040
30-433	Acq of Equipment and Various Improvements	7/10/2013	1,268,000	1,045,827	91,402	130,771
30-413	Acq of Equipment and Various Improvements	7/2014	1,205,000	1,056,105	123,112	25,783
30-414	Acq of Equipment and Various Improvements	10/14/2015	1,392,481	1,315,131	21,667	55,683
30-415	Acq of Equipment and Various Improvements	10/19/2016	1,685,000	1,237,230	374,157	73,613
30-416	Acq of Equipment and Various Improvements	10/18/2017	3,842,209	3,038,730	527,561	275,918
30-417	Acq of Equipment and Various Improvements	2018/19	5,193,847	684,428	2,542,868	1,966,551
30-418	Acq of Equipment and Various Improvements	2018/19	266,500	137,696	105,146	23,658
30-419	Acq of Equipment and Various Improvements	2019/20	<u>4,050,000</u>	<u>-</u>	<u>1,622,220</u>	<u>2,427,780</u>
Fund Total			<u>\$ 50,780,888</u>	<u>\$ 39,858,081</u>	<u>\$ 5,703,001</u>	<u>\$ 5,219,806</u>
Project Balance, June 30, 2020						\$ 5,219,806
Unrealized Revenue - Authorized by the County of Bergen						<u>(2,654,135)</u>
Fund Balance, June 30, 2020						<u>\$ 2,565,671</u>
Encumbrances Payable						\$ 2,554,106
Project Balances						<u>11,565</u>
						<u>\$ 2,565,671</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Revenues and Other Financing Sources**

Transfer from General Fund - Capital Reserve	\$ 171,825
County Aid	<u>6,034,873</u>

Total Revenues	<u>6,206,698</u>
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**Expenditures and Other Financing Uses**

Construction Services	4,159,740
Purchased Professional and Technical Services	241,705
Equipment	613,201
Supplies and Materials	<u>688,355</u>

Total Expenditures	<u>5,703,001</u>
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Deficiency of Revenues Under Expenditures	503,697
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Fund Balance - Beginning of Year	<u>2,061,974</u>
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Fund Balance - End of Year	<u>\$ 2,565,671</u>
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## **ENTERPRISE FUNDS**



BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2020

EXHIBIT G-1

	Business Type Activities													
	<u>Food Service</u>	<u>Day Care</u>	<u>Summer Science Funds</u>	<u>Academy After Hours</u>	<u>Technology Services</u>	<u>Makerspace</u>	<u>Summer Writing</u>	<u>Math Camp Funds</u>	<u>High School Enrichment</u>	<u>Teterboro Summer</u>	<u>Explorations</u>	<u>Tech Camp</u>	<u>Auditorium Rentals</u>	<u>Totals</u>
<b>ASSETS</b>														
Current Assets														
Cash and Cash Equivalents	\$ 87,154	\$ 23,123	\$ 12,523	\$ 58,428	\$ 326,820	\$ 653	\$ 15,140	\$ 283,910	\$ 505	\$ 49,299	\$ 7,245	\$ 7,810	\$ 267	\$ 872,877
Intergovernmental Receivable	-	-	-	-	253,823	-	-	-	-	-	-	-	96,102	253,823
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	96,102
Inventories	19,285	-	-	-	-	-	-	-	-	-	-	-	-	19,285
Total Current Assets	106,439	23,123	12,523	58,428	580,643	653	15,140	283,910	505	49,299	7,245	7,810	96,369	1,242,087
Capital Assets														
Furniture, Machinery & Equipment	668,272	-	-	871	1,233,536	-	-	-	-	-	-	-	88,164	1,990,843
Less: Accumulated Depreciation	(538,836)	-	-	(871)	(1,163,104)	-	-	-	-	-	-	-	(58,352)	(1,761,163)
Total Capital Assets	129,436	-	-	-	70,432	-	-	-	-	-	-	-	29,812	229,680
Total Assets	235,875	23,123	12,523	58,428	651,075	653	15,140	283,910	505	49,299	7,245	7,810	126,181	1,471,767
<b>LIABILITIES</b>														
Current Liabilities														
Accounts Payable	37,813	-	-	-	82,483	-	-	-	-	-	-	-	-	120,296
Other Payable	23	-	-	-	3,215	-	-	-	-	-	-	-	-	3,238
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	8,500	8,500
Due to B.C.S.S.D.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	11,970	-	39,880	-	-	59,900	111,750
Total Current Liabilities	37,836	-	-	-	85,698	-	-	11,970	-	39,880	-	-	68,400	243,784
Total Liabilities	37,836	-	-	-	85,698	-	-	11,970	-	39,880	-	-	68,400	243,784
<b>DEFERRED INFLOW OF RESOURCES</b>														
Deferred Commodities Revenue	4,856	-	-	-	-	-	-	-	-	-	-	-	-	4,856
Total Liabilities and Deferred Inflow of Resources	42,692	-	-	-	85,698	-	-	11,970	-	39,880	-	-	68,400	248,640
<b>NET POSITION</b>														
Net Investment in Capital Assets	129,436	-	-	-	70,432	-	-	-	-	-	-	-	29,812	229,680
Unrestricted	63,747	23,123	12,523	58,428	494,945	653	15,140	271,940	505	9,419	7,245	7,810	27,969	993,447
Total Net Position	\$ 193,183	\$ 23,123	\$ 12,523	\$ 58,428	\$ 565,377	\$ 653	\$ 15,140	\$ 271,940	\$ 505	\$ 9,419	\$ 7,245	\$ 7,810	\$ 57,781	\$ 1,223,127

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Business Type Activities**

	<u>Food Service</u>	<u>Day Care</u>	<u>Summer Science Funds</u>	<u>Academy After Hours</u>	<u>Technology Services</u>	<u>Makerspace</u>	<u>Summer Writing</u>	<u>Math Camp Funds</u>	<u>High School Enrichment</u>	<u>Teterboro Summer</u>	<u>Explorations</u>	<u>Tech Camp</u>	<u>Auditorium Rentals</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>														
Charges for Services														
Daily sales - reimbursable programs														
Lunch Program	\$ 246,741													\$ 246,741
Breakfast Program	5,039													5,039
Daily sales - nonreimbursable programs	171,927													171,927
Special Functions	44,848													44,848
Charges and Fees	-	\$ 309,774	\$ 41,034	\$ 166,899	\$ 1,842,586	\$ 4,892	\$ 18,125	\$ 110,863	-	\$ 35,016	-	\$ 15,117	\$ 150,029	2,694,335
Total Operating Revenues	468,555	309,774	41,034	166,899	1,842,586	4,892	18,125	110,863	-	35,016	-	15,117	150,029	3,162,890
<b>OPERATING EXPENSES</b>														
Cost of Sales - reimbursable programs	185,629													185,629
Cost of Sales - nonreimbursable programs	68,275													68,275
Salaries	242,341	190,992	34,284	89,225	1,177,848	7,442	10,176	76,129		31,778		12,421	283,166	2,155,802
Employee Benefits	73,905	104,611		5,862	509,978	569						950	21,662	717,537
Other Purchased Services	50,023	4,441			102,650	1,500	7,250	1,905					2,719	170,488
Supplies and Materials	15,648	730	1,688	300	196,914	573							1,993	217,846
Textbooks								1,699						1,699
Depreciation	13,693				16,514								6,953	37,160
Other Objects	-	315	-	-	-	99	-	-	-	-	-	-	-	414
Total Operating Expenses	649,514	301,089	35,972	95,387	2,003,904	10,183	17,426	79,733	-	31,778	-	13,371	316,493	3,554,850
Operating Income (Loss)	(180,959)	8,685	5,062	71,512	(161,318)	(5,291)	699	31,130	-	3,238	-	1,746	(166,464)	(391,960)
<b>NONOPERATING REVENUES</b>														
State Sources														
State School Lunch Program	3,985													3,985
Federal Sources														
National School Lunch Program	74,746													74,746
National School Lunch Program-PB	5,462													5,462
Commodities Program	34,896													34,896
National School Breakfast Program	7,818	-	-	-	-	-	-	-	-	-	-	-	-	7,818
Total Non-Operating Revenues	126,907	-	-	-	-	-	-	-	-	-	-	-	-	126,907
Net Income (Loss) Before Contributions & Transfers	(54,052)	8,685	5,062	71,512	(161,318)	(5,291)	699	31,130	-	3,238	-	1,746	(166,464)	(265,053)
Transfers														
Transfers In	150,000	-	-	-	-	-	-	-	-	-	-	-	75,000	225,000
Change in Net Position	95,948	8,685	5,062	71,512	(161,318)	(5,291)	699	31,130	-	3,238	-	1,746	(91,464)	(40,053)
Total Net Position - Beginning of Year	97,235	14,438	7,461	(13,084)	726,695	5,944	14,441	240,810	\$ 505	6,181	\$ 7,245	6,064	149,245	1,263,180
Total Net Position - Ending of Year	\$ 193,183	\$ 23,123	\$ 12,523	\$ 58,428	\$ 565,377	\$ 653	\$ 15,140	\$ 271,940	\$ 505	\$ 9,419	\$ 7,245	\$ 7,810	\$ 57,781	\$ 1,223,127

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

## Business Type Activities

	Food Service	Day Care	Summer Science Funds	Academy After Hours	Technology Services	Makerspace	Summer Writing	Math Camp Funds	High School Enrichment	Teterboro Summer	Explorations	Tech Camp	Auditorium Rentals	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>														
Receipts from Customers	\$ 429,507	\$ 309,774	41,034	\$ 128,199	\$ 1,785,291	\$ 4,892	\$ 721	\$ 9,463		\$ 37,592		\$ 802	\$ 137,207	\$ 2,884,482
Payments to Employees	(242,341)	(190,992)	(34,284)	(89,225)	(1,177,848)	(7,442)	(10,176)	(76,129)		(31,778)		(12,421)	(283,166)	(2,155,802)
Payments for Health Benefits	(73,905)	(104,611)		(5,862)	(509,978)	(569)						(950)	(21,662)	(717,537)
Payments to Suppliers	(339,205)	(5,734)	(1,688)	(300)	(224,692)	(2,172)	(9,250)	(3,604)	-	-	-	-	(4,712)	(591,357)
Net Cash Provided by(Used for) operating activities	(225,944)	8,437	5,062	32,812	(127,227)	(5,291)	(18,705)	(70,270)	-	5,814	-	(12,569)	(172,333)	(580,214)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>														
State Sources	4,352													4,352
Federal Sources	97,855	-	-	-	-	-	-	-	-	-	-	-	-	97,855
Operating Subsidies and transfers to/from other funds	150,000	-	-	-	-	-	-	-	-	-	-	-	83,500	233,500
Net cash provided by (used for) Noncapital financing activities	252,207	-	-	-	-	-	-	-	-	-	-	-	83,500	335,707
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>														
Purchases of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by(used for) capital and related financing activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	26,263	8,437	5,062	32,812	(127,227)	(5,291)	(18,705)	(70,270)	-	5,814	-	(12,569)	(88,833)	(244,507)
Cash and Cash Equivalents - Beginning of Year	60,891	14,686	7,451	25,616	454,047	5,944	33,845	354,180	\$ 505	43,485	\$ 7,245	20,379	89,100	1,117,384
Cash and Cash Equivalents - End of Year	\$ 87,154	\$ 23,123	\$ 12,523	\$ 58,428	\$ 326,820	\$ 653	\$ 15,140	\$ 283,910	\$ 505	\$ 49,299	\$ 7,245	\$ 7,810	\$ 267	\$ 872,877
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities	-													
Operating Income(Loss)	\$ (180,959)	\$ 8,685	\$ 5,062	\$ 71,512	\$ (161,318)	\$ (5,291)	\$ 699	\$ 31,130	-	\$ 3,238	-	\$ 1,746	\$ (166,464)	\$ (391,960)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities														
Depreciation	13,693				16,514								6,953	37,160
Food Distribution (USDA Commodities) National School Lunch Program	34,232													34,232
(Increase) Decrease in accounts receivable, net	-				24,581		(2,000)						(62,607)	(40,026)
(Increase) Decrease in inventories	(9,912)													(9,912)
Increase(decrease) in deferred commodities revenue	4,192			(38,700)	(81,876)		(17,404)	(101,400)		2,576		(14,315)	49,785	(197,142)
Increase(decrease) in other payable	(39,048)													(39,048)
Increase(decrease) in accounts payable	(48,142)	(248)	-	-	74,872	-	-	-	-	-	-	-	-	26,482
Total adjustments	(44,985)	(248)	-	(38,700)	34,091	-	(19,404)	(101,400)	-	2,576	-	(14,315)	(5,869)	(188,254)
Net cash provided by (used for) operating activities	\$ (225,944)	\$ 8,437	\$ 5,062	\$ 32,812	\$ (127,227)	\$ (5,291)	\$ (18,705)	\$ (70,270)	\$ -	\$ 5,814	\$ -	\$ (12,569)	\$ (172,333)	\$ (580,214)
Noncash Investing, Capital and Financing Activities														
Fair Value of Food Distribution Program- National School Lunch	\$ 34,232													

## **INTERNAL SERVICE FUND**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2020**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>Total</u>
<b>ASSETS</b>					
Current Assets					
Cash		\$ 4,993	-	\$ 488,491	\$ 493,484
Intergovernmental Receivable					
Due from B.C.S.S.D		830,007			830,007
Other				35,400	35,400
Interfund Receivable	\$ 3,393,064	-	-	-	3,393,064
 Total Current Assets	 3,393,064	 835,000	 -	 523,891	 4,751,955
Capital Assets					
Furniture, Machinery and Equipment				90,219	90,219
Less: Accumulated Depreciation	-	-	-	(18,795)	(18,795)
Total Capital Assets	-	-	-	71,424	71,424
 Total Assets	 3,393,064	 835,000	 -	 595,315	 4,823,379
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable					-
Interfunds Payable	-	835,000	\$ -	-	835,000
 Total Current Liabilities	 -	 835,000	 -	 -	 835,000
Noncurrent Liabilities					
Compensated Absences	3,393,064	-	-	-	3,393,064
 Total Liabilities	 3,393,064	 835,000	 -	 -	 4,228,064
<b>NET POSITION</b>					
New Investment in Capital Assets				71,424	71,424
Unrestricted	-	-	-	523,891	523,891
Total net position	\$ -	\$ -	\$ -	\$ 595,315	\$ 595,315

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>Total</u>
OPERATING REVENUES					
Charges and Fees	-	\$ 1,996,181	-	\$ 176,100	\$ 2,172,281
Total Operating Revenues	-	1,996,181	-	176,100	2,172,281
OPERATING EXPENSES					
Salaries		1,528,569		132,976	1,661,545
Employee Benefits		381,005		12,466	393,471
Compensated Absences	\$ 316,574				316,574
Other Purchased Services		141			141
Communications - Telephone		86,466			86,466
Travel				325	325
Supplies and Materials				6,921	6,921
Depreciation	-	-	-	7,518	7,518
Total Operating Expenses	316,574	1,996,181	-	160,206	2,472,961
Operating Income	(316,574)	0	-	15,894	(300,680)
Other Financing Sources					
Transfer In	316,574	-	987	-	317,561
Transfer Out	-	-	-	(987)	(987)
Net Position, Beginning of Year	-	-	\$ (987)	580,408	579,421
Net Position, End of Year	\$ -	\$ 0	\$ -	\$ 595,315	\$ 595,315

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers		\$ 2,100,618		\$ 170,700	\$ 2,271,318
Cash Payments for Salaries and Benefits	\$ (316,574)	(1,909,574)		(145,442)	(2,371,590)
Cash Payments to Suppliers for Goods and Services	<u>-</u>	<u>(1,024,458)</u>	<u>-</u>	<u>(9,077)</u>	<u>(1,033,535)</u>
Net Cash Provided (Used) by Operating Activities	<u>(316,574)</u>	<u>(833,414)</u>	<u>-</u>	<u>16,181</u>	<u>(1,133,807)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Interfund Transfers - General Fund	<u>316,574</u>	<u>835,000</u>	<u>-</u>	<u>(987)</u>	<u>1,150,587</u>
Net Cash Provided(Used) by Noncapital Financing activities	<u>316,574</u>	<u>835,000</u>	<u>-</u>	<u>(987)</u>	<u>1,150,587</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	1,586	-	15,194	16,780
Cash and Cash Equivalents, Beginning of Year	<u>-</u>	<u>3,407</u>	<u>-</u>	<u>473,297</u>	<u>476,704</u>
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ 4,993</u>	<u>\$ -</u>	<u>\$ 488,491</u>	<u>\$ 493,484</u>
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities					
Operating Income (Loss)	\$ (316,574)	0	-	\$ 15,894	\$ (300,680)
Adjustments to reconcile operating income to net cash provided(used) by operating activities:					
Depreciation				7,518	7,518
(Increase)/Decrease in Intergovernmental Receivable	-	\$ 104,437		(5,400)	99,037
Increase/(Decrease) in Accounts Payable	<u>-</u>	<u>(937,851)</u>	<u>-</u>	<u>(1,831)</u>	<u>(939,682)</u>
Total Adjustments	<u>-</u>	<u>(833,414)</u>	<u>-</u>	<u>287</u>	<u>(833,127)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (316,574)</u>	<u>\$ (833,414)</u>	<u>\$ -</u>	<u>\$ 16,181</u>	<u>\$ (1,133,807)</u>

**FIDUCIARY FUNDS**



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AS OF JUNE 30, 2020**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 948,457	\$ 174,494	\$ 1,122,951
Total Assets	<u>\$ 948,457</u>	<u>\$ 174,494</u>	<u>\$ 1,122,951</u>
<b>LIABILITIES</b>			
Payroll deductions and withholdings		\$ 167,494	\$ 167,494
Due to Other Funds		7,000	7,000
Payable to student groups	\$ 948,457	-	948,457
Total Liabilities	<u>\$ 948,457</u>	<u>\$ 174,494</u>	<u>\$ 1,122,951</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Balance July 1, <u>2019</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash Disburse- <u>ments</u></b>	<b>Balance June 30, <u>2020</u></b>
<b>SCHOOLS</b>				
Applied Technical High School	\$ 8,325	\$ 30,164	\$ 29,366	\$ 9,123
Academy for the Advancement of Science and Technology	602,708	1,099,423	1,085,208	616,923
Teterboro Technical High School	130,777	245,084	127,733	248,128
Paramus Vocational High School	36,623	47,896	41,585	42,934
Athletic Account	<u>8,722</u>	<u>135,371</u>	<u>112,744</u>	<u>31,349</u>
	<u>\$ 787,155</u>	<u>\$ 1,557,938</u>	<u>\$ 1,396,636</u>	<u>\$ 948,457</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Balance July 1, <u>2019</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash Disburse- <u>ments</u></b>	<b>Balance June 30, <u>2020</u></b>
Payroll Deductions and Withholdings	\$ 37,387	\$ 26,008,557	\$ 25,878,450	\$ 167,494
Due to Other Funds	7,000	-	-	7,000
Accrued Salaries and Wages	<u>-</u>	<u>28,574,850</u>	<u>28,574,850</u>	<u>-</u>
	<u>\$ 44,387</u>	<u>\$ 54,583,407</u>	<u>\$ 54,453,300</u>	<u>\$ 174,494</u>

## **LONG-TERM DEBT**

**EXHIBIT I-1**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF PAYABLE BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOT APPLICABLE**

**EXHIBIT I-2**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOT APPLICABLE**

**EXHIBIT I-3**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOT APPLICABLE**

## STATISTICAL SECTION

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

### **Contents**

### **Exhibits**

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	(Restated)									
Governmental Activities										
Net Investment in Capital Assets	\$ 43,421,022	\$ 50,008,514	\$ 50,867,900	\$ 49,277,231	\$ 49,479,630	\$ 50,030,937	\$ 48,611,395	\$ 47,399,005	\$ 51,182,260	\$ 54,252,796
Restricted	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989	10,645,647	8,477,906	9,450,679
Unrestricted	<u>2,836,911</u>	<u>2,631,444</u>	<u>4,704,881</u>	<u>(32,517,594)</u>	<u>(33,085,751)</u>	<u>(35,125,320)</u>	<u>(38,748,085)</u>	<u>(40,098,240)</u>	<u>(40,081,112)</u>	<u>(39,830,837)</u>
Total Governmental Activities Net Position	<u>\$ 47,727,938</u>	<u>\$ 54,111,948</u>	<u>\$ 57,954,657</u>	<u>\$ 20,862,313</u>	<u>\$ 22,551,432</u>	<u>\$ 19,450,242</u>	<u>\$ 15,609,299</u>	<u>\$ 17,946,412</u>	<u>\$ 19,579,054</u>	<u>\$ 23,872,638</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 521,640	\$ 467,977	\$ 418,441	\$ 497,126	\$ 417,011	\$ 367,596	\$ 320,044	\$ 287,017	\$ 266,840	\$ 229,680
Restricted										
Unrestricted	<u>1,196,433</u>	<u>1,378,912</u>	<u>1,840,925</u>	<u>1,081,403</u>	<u>937,336</u>	<u>846,906</u>	<u>749,499</u>	<u>833,012</u>	<u>996,340</u>	<u>993,447</u>
Total Business-Type Activities Net Position	<u>\$ 1,718,073</u>	<u>\$ 1,846,889</u>	<u>\$ 2,259,366</u>	<u>\$ 1,578,529</u>	<u>\$ 1,354,347</u>	<u>\$ 1,214,502</u>	<u>\$ 1,069,543</u>	<u>\$ 1,120,029</u>	<u>\$ 1,263,180</u>	<u>\$ 1,223,127</u>
District-Wide										
Net Investment in Capital Assets	\$ 43,942,662	\$ 50,476,491	\$ 51,286,341	\$ 49,774,357	\$ 49,896,641	\$ 50,398,533	\$ 48,931,439	\$ 47,686,022	\$ 51,449,100	\$ 54,482,476
Restricted	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553	4,544,625	5,745,989	10,645,647	8,477,906	9,450,679
Unrestricted	<u>4,033,344</u>	<u>4,010,356</u>	<u>6,545,806</u>	<u>(31,436,191)</u>	<u>(32,148,415)</u>	<u>(34,278,414)</u>	<u>(37,998,586)</u>	<u>(39,265,228)</u>	<u>(39,084,772)</u>	<u>(38,837,390)</u>
Total District Net Position	<u>\$ 49,446,011</u>	<u>\$ 55,958,837</u>	<u>\$ 60,214,023</u>	<u>\$ 22,440,842</u>	<u>\$ 23,905,779</u>	<u>\$ 20,664,744</u>	<u>\$ 16,678,842</u>	<u>\$ 19,066,441</u>	<u>\$ 20,842,234</u>	<u>\$ 25,095,765</u>

Source: District's financial statements



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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental Activities										
Instruction										
Regular	\$ 15,488,402	\$ 16,296,880	\$ 15,766,744	\$ 16,175,172	\$ 19,292,897	\$ 21,615,596	\$ 23,771,123	\$ 22,652,497	\$ 21,018,953	\$ 23,235,106
Other Special Education	1,273,493	1,623,324	1,361,059	1,202,646	1,207,686	1,417,698	1,259,523	455,157	295,508	342,757
Vocational	15,694,495	16,425,873	17,385,957	17,203,275	20,727,275	23,049,247	24,578,919	24,590,842	23,231,923	23,863,733
Other Instruction	2,584,804	2,350,887	2,145,071	2,101,112	2,738,122	3,083,333	3,809,101	4,344,779	4,180,965	3,887,441
Adult/Continuing Education Programs	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306	994,264	1,029,777	935,980
Support Services:										
Student & Instruction Related Services	20,918,305	20,864,055	20,722,030	21,284,694	15,081,857	14,820,193	15,353,581	17,014,460	18,931,748	13,747,836
School Administrative Services	2,663,009	2,721,457	3,128,511	3,439,812	3,929,539	4,534,126	4,827,057	4,480,170	3,936,436	4,077,780
General Administration	2,648,016	3,501,311	3,994,765	3,582,717	3,507,357	2,674,123	2,882,626	3,438,716	3,490,562	3,385,925
Plant Operations And Maintenance	9,604,982	9,365,347	9,288,606	10,238,259	10,604,646	10,594,482	10,947,900	11,192,029	10,656,523	11,148,328
Pupil Transportation	565,186	628,964	643,447	641,645	2,581,110	1,080,865	1,136,645	1,099,529	969,586	961,096
Other Support Services	2,202,175	2,223,643	2,360,112	2,583,940	6,819,158	8,481,150	9,163,851	9,916,291	8,422,209	8,770,787
Interest	-	-	-	-	-	5,539	-	-	-	-
Total Governmental Activities Expenses	74,650,646	76,908,085	77,286,567	78,989,534	87,024,378	91,987,134	98,644,632	100,178,734	96,164,190	94,356,769
Business-Type Activities:										
Food Service	675,057	766,982	704,383	673,446	742,604	754,158	807,823	834,407	915,513	649,514
Other	1,334,412	1,633,916	2,098,622	2,970,621	2,411,056	2,730,645	2,475,140	2,797,107	2,923,271	2,905,336
Total Business-Type Activities Expense	2,009,469	2,400,898	2,803,005	3,644,067	3,153,660	3,484,803	3,282,963	3,631,514	3,838,784	3,554,850
Total District Expenses	\$ 76,660,115	\$ 79,308,983	\$ 80,089,572	\$ 82,633,601	\$ 90,178,038	\$ 95,471,937	\$ 101,927,595	\$ 103,810,248	\$ 100,002,974	\$ 97,911,619
<b>Program Revenues</b>										
Governmental Activities:										
Charges For Services:										
Regular	\$ 8,422,313	\$ 8,304,719	\$ 8,532,347	\$ 8,763,830	\$ 16,470,979	\$ 8,994,884	\$ 9,862,770	\$ 9,567,603	\$ 10,045,687	\$ 10,376,522
Other Special Education										
Vocational	13,526,775	14,275,079	14,898,221	15,140,793	7,756,795	15,520,538	15,546,249	16,790,824	17,458,518	19,720,635
Other Instruction	474,370	480,111	438,572	201,995	245,530	491,371	512,980	331,603	425,098	576,317
Adult/Continuing Education Programs	933,644	1,100,066	1,234,779	1,207,791	1,258,720	1,063,649	1,058,901	1,037,414	1,014,690	391,574
Support Services:										
Student & Instruction Related Services	786,578	882,931	843,261	541,878	265,644	359,592	312,320	392,741	451,934	330,454
School Administrative Services	162,146	164,997			17,715	50,643	42,478	56,472	58,014	3,702
General Administration	1,092,432	922,340	777,998	783,994	729,192	707,152	770,064	753,749	756,041	842,417
Plant Operations And Maintenance	449,417	575,377	283,443	159,057	365,823	218,494	254,746	201,944	159,828	140,627
Pupil Transportation	96,568	110,161	125,210	129,140	95,531	93,078	100,436	99,504	98,659	105,212
Other Support Services	556,444	460,510	644,358	641,665	712,557	723,359	1,067,340	1,286,780	1,270,016	1,015,869
Operating Grants And Contributions	12,215,539	11,669,272	12,623,275	14,793,654	15,054,363	20,642,137	23,441,351	27,954,315	30,360,529	22,226,079
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	38,716,226	38,945,563	40,401,464	42,363,797	42,972,849	48,864,897	52,969,635	58,472,949	62,099,014	55,729,408

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Business-Type Activities:</b>										
Charges For Services										
Food Service	\$ 602,963	\$ 542,448	\$ 761,349	\$ 557,432	\$ 558,872	\$ 576,814	\$ 576,329	\$ 614,017	\$ 612,582	\$ 468,555
Other	1,152,365	1,648,019	1,675,776	2,558,055	2,310,881	2,250,018	2,655,247	2,366,881	2,731,576	2,694,335
Operating Grants And Contributions	131,368	136,125	142,589	149,995	143,477	152,646	163,382	157,106	162,842	126,907
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Business Type Activities Program Revenues</b>	<b>1,886,696</b>	<b>2,326,592</b>	<b>2,579,714</b>	<b>3,265,482</b>	<b>3,013,230</b>	<b>2,979,478</b>	<b>3,394,958</b>	<b>3,138,004</b>	<b>3,507,000</b>	<b>3,289,797</b>
<b>Total District Program Revenues</b>	<b>\$ 40,602,922</b>	<b>\$ 41,272,155</b>	<b>\$ 42,981,178</b>	<b>\$ 45,629,279</b>	<b>\$ 45,986,079</b>	<b>\$ 51,844,375</b>	<b>\$ 56,364,593</b>	<b>\$ 61,610,953</b>	<b>\$ 65,606,014</b>	<b>\$ 59,019,205</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (35,934,420)	\$ (37,962,522)	\$ (36,885,103)	\$ (36,625,737)	\$ (44,051,529)	\$ (43,122,237)	\$ (45,674,997)	\$ (41,705,785)	\$ (34,065,176)	\$ (38,627,361)
Business-Type Activities	(122,773)	(74,306)	(223,291)	(378,585)	(140,430)	(505,325)	111,995	(493,510)	(331,784)	(265,053)
<b>Total District-Wide Net Expense</b>	<b>\$ (36,057,193)</b>	<b>\$ (38,036,828)</b>	<b>\$ (37,108,394)</b>	<b>\$ (37,004,322)</b>	<b>\$ (44,191,959)</b>	<b>\$ (43,627,562)</b>	<b>\$ (45,563,002)</b>	<b>\$ (42,199,295)</b>	<b>\$ (34,396,960)</b>	<b>\$ (38,892,414)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
County Property Tax Levy	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408	\$ 30,910,722	\$ 32,614,409
County Aid	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577	4,774,827	6,034,873
Federal and State Aid Unrestricted	6,660,479	4,375,445	5,135,736	4,121,860	4,268,255	4,233,029	4,090,475	4,403,793	4,110,588	3,452,071
Federal and State Aid Restricted	494,647	515,468	879,418	654,679	571,595	646,224	990,341	718,461	582,891	759,216
Investment Earnings	20,019	12,430	26,228	36,529	48,295	36,669	27,661	24,071	51,954	120,127
Miscellaneous Income	1,057,341	641,636	765,811	218,274	322,331	561,317	354,393	133,830	160,851	165,249
Transfers	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	(175,000)	(225,000)
Loss on Disposal of Capital Assets	-	-	-	(6,634)	-	-	-	(170,400)	-	-
<b>Total Governmental Activities</b>	<b>40,644,881</b>	<b>36,452,090</b>	<b>42,890,331</b>	<b>38,765,779</b>	<b>35,405,154</b>	<b>39,848,600</b>	<b>35,916,309</b>	<b>36,330,740</b>	<b>40,416,833</b>	<b>42,920,945</b>
<b>Business-Type Activities:</b>										
Transfers	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	-	175,000	225,000
<b>Total Business-Type Activities</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>-</b>	<b>175,000</b>	<b>225,000</b>
<b>Total District-Wide</b>	<b>\$ 40,594,881</b>	<b>\$ 36,402,090</b>	<b>\$ 42,840,331</b>	<b>\$ 38,715,779</b>	<b>\$ 35,355,154</b>	<b>\$ 39,798,600</b>	<b>\$ 35,866,309</b>	<b>\$ 36,330,740</b>	<b>\$ 40,591,833</b>	<b>\$ 43,145,945</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 4,710,461	\$ (1,510,432)	\$ 6,005,228	\$ 2,140,042	\$ (8,646,375)	\$ (3,273,637)	\$ (9,758,688)	\$ (5,375,045)	\$ 6,351,657	\$ 4,293,584
Business-Type Activities	(172,773)	(124,306)	(273,291)	(428,585)	(190,430)	(555,325)	61,995	(493,510)	(156,784)	(40,053)
<b>Total District</b>	<b>\$ 4,537,688</b>	<b>\$ (1,634,738)</b>	<b>\$ 5,731,937</b>	<b>\$ 1,711,457</b>	<b>\$ (8,836,805)</b>	<b>\$ (3,828,962)</b>	<b>\$ (9,696,693)</b>	<b>\$ (5,868,555)</b>	<b>\$ 6,194,873</b>	<b>\$ 4,253,531</b>

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted	\$ 1,369,001	\$ 1,371,667	\$ 2,676,695	\$ 4,001,915	\$ 2,831,174	\$ 3,410,171	\$ 4,757,456	\$ 5,597,098	\$ 6,314,887	\$ 6,783,720
Assigned	3,616,299	3,763,868	3,288,996	3,050,029	2,404,228	1,774,978	2,400,164	3,496,280	3,844,743	4,664,952
Unassigned	<u>1,388,774</u>	<u>2,075,886</u>	<u>2,141,872</u>	<u>1,772,575</u>	<u>1,892,562</u>	<u>1,574,623</u>	<u>1,351,845</u>	<u>1,081,297</u>	<u>1,383,319</u>	<u>1,074,015</u>
Total General Fund	<u>\$ 6,374,074</u>	<u>\$ 7,211,421</u>	<u>\$ 8,107,563</u>	<u>\$ 8,824,519</u>	<u>\$ 7,127,964</u>	<u>\$ 6,759,772</u>	<u>\$ 8,509,465</u>	<u>\$ 10,174,675</u>	<u>\$ 11,542,949</u>	<u>\$ 12,522,687</u>
All Other Governmental Funds										
Unassigned	\$ (856,175)	\$ (2,133,623)	\$ (295,398)	\$ (295,398)	\$ 3,226,167	\$ 1,034,092	\$ 890,616			
Nonspendable	100,000	100,000	100,000	100,000	100,000	100,000	100,000	\$ 100,000	\$ 100,000	\$ 100,000
Restricted	<u>1,004</u>	<u>323</u>	<u>579</u>	<u>761</u>	<u>212</u>	<u>362</u>	<u>541</u>	<u>4,948,549</u>	<u>2,063,019</u>	<u>2,566,959</u>
Total All Other Governmental Funds	<u>\$ (755,171)</u>	<u>\$ (2,033,300)</u>	<u>\$ (194,819)</u>	<u>\$ (194,637)</u>	<u>\$ 3,326,379</u>	<u>\$ 1,134,454</u>	<u>\$ 991,157</u>	<u>\$ 5,048,549</u>	<u>\$ 2,163,019</u>	<u>\$ 2,666,959</u>

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
County Property Tax Levy	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905	\$ 29,566,905	\$ 30,010,408	\$ 30,910,722	\$ 31,818,936	\$ 32,614,409
County Aid	1,667,013	6,843,040	4,500,973	954,580	4,754,456	836,534	1,210,577	4,774,827	3,412,480	6,034,873
Tuition - LEA's	24,159,975	25,103,919	25,225,197	25,661,833	26,007,132	26,904,443	27,666,393	28,943,993	29,821,663	31,036,851
Interest Earnings	12,430	26,228	36,529	48,295	36,669	27,661	24,071	53,473	119,528	120,127
Miscellaneous	654,787	793,612	398,416	500,345	627,600	788,688	561,785	500,142	918,902	482,340
State Sources	9,958,263	12,007,500	12,702,958	12,407,358	12,416,181	14,009,042	14,356,081	15,341,091	16,301,982	16,862,619
Federal Sources	6,588,771	6,603,128	6,776,305	7,379,032	7,281,286	7,181,683	7,243,377	7,131,336	6,211,747	5,977,927
<b>Total Revenue</b>	<b>72,231,337</b>	<b>80,567,525</b>	<b>78,830,476</b>	<b>76,141,541</b>	<b>80,690,229</b>	<b>79,314,956</b>	<b>81,072,692</b>	<b>87,655,584</b>	<b>88,605,238</b>	<b>93,129,146</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	14,379,171	15,127,953	14,603,327	14,862,533	15,440,334	16,687,000	16,280,816	16,631,710	17,501,638	20,624,507
Other Special Instruction	1,273,493	1,623,324	1,342,690	1,205,266	1,207,686	1,406,736	1,088,873	455,157	295,508	316,902
Vocational Education	14,624,818	15,306,181	16,186,718	15,913,948	16,572,066	17,769,053	16,743,166	18,012,791	19,462,218	21,022,785
Other Instruction	2,593,804	2,353,257	2,152,541	2,108,972	2,305,667	2,476,996	2,763,401	3,460,228	3,733,751	3,654,682
Adult/Continuing Education	1,007,779	906,344	490,265	536,262	534,731	630,782	914,306	994,264	1,029,777	935,980
Support Services:										
Student and Inst. Related Services	19,566,673	19,558,096	19,755,505	20,635,759	14,345,210	14,082,440	14,188,768	15,019,550	16,285,139	11,678,885
General Administration	2,494,442	2,629,178	3,152,218	2,832,404	2,665,676	1,819,055	2,039,452	2,508,498	2,513,520	2,574,192
School Administrative Services	1,640,449	2,688,484	3,046,780	3,344,141	3,395,276	3,900,015	3,727,076	3,494,656	3,427,799	3,779,977
Plant Operations And Maintenance	8,963,114	9,062,453	9,098,463	9,801,146	10,236,125	10,113,603	10,211,895	9,920,250	10,070,852	10,685,107
Pupil Transportation	403,808	452,657	459,844	488,295	2,427,018	934,573	950,997	848,254	793,368	776,466
Other Support Services	1,650,248	1,440,304	1,547,786	1,683,122	5,822,496	7,388,132	7,757,469	7,776,419	7,186,403	7,860,309
Debt Service						289,539	286,000	-	-	-
Capital Outlay	2,606,881	9,926,944	4,399,639	1,960,046	3,825,524	4,296,562	2,572,805	2,511,033	7,688,365	7,194,102
<b>Total Expenditures</b>	<b>71,204,680</b>	<b>81,075,175</b>	<b>76,235,776</b>	<b>75,371,894</b>	<b>78,777,809</b>	<b>81,794,486</b>	<b>79,525,024</b>	<b>81,632,810</b>	<b>89,988,338</b>	<b>91,103,894</b>
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	1,026,657	(507,650)	2,594,700	769,647	1,912,420	(2,479,530)	1,547,668	6,022,774	(1,383,100)	2,025,252
<b>Other Financing Sources (Uses)</b>										
Capital Leases (Non-Budgeted)										
Transfers In	50,000	66,868	139,923	50,000	1,337,113	150,087	485,724	854,463	339,868	171,825
Transfers Out	(167,262)	-	-	(102,509)	(1,425,072)	(230,674)	(426,996)	(1,154,635)	(474,024)	(713,399)
<b>Total Other Financing Sources (Uses)</b>	<b>(117,262)</b>	<b>66,868</b>	<b>139,923</b>	<b>(52,509)</b>	<b>(87,959)</b>	<b>(80,587)</b>	<b>58,728</b>	<b>(300,172)</b>	<b>(134,156)</b>	<b>(541,574)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 909,395</b>	<b>\$ (440,782)</b>	<b>\$ 2,734,623</b>	<b>\$ 717,138</b>	<b>\$ 1,824,461</b>	<b>\$ (2,560,117)</b>	<b>\$ 1,606,396</b>	<b>\$ 5,722,602</b>	<b>\$ (1,517,256)</b>	<b>\$ 1,483,678</b>
Debt Service as a Percentage of										
Noncapital Expenditures	N/A	N/A	N/A	N/A	N/A	0.35%	0.36%	0.00%	0.00%	0.00%

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

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

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

<b>Fiscal Year Ended June 30</b>	<b><u>Tuition</u></b>	<b><u>Interest</u></b>	<b><u>Miscellaneous</u></b>	<b>Special schools <u>Tuition and Fees</u></b>	<b><u>Total</u></b>
2020	\$ 31,036,851	\$ 119,884	\$ 165,249	\$ 294,197	\$ 31,616,181
2019	29,821,663	119,275	488,083	362,048	30,791,069
2018	28,943,993	51,703	160,851	319,473	29,476,020
2017	27,666,393	23,892	133,830	327,051	28,151,166
2016	25,383,307	27,511	683,845	1,508,429	27,603,092
2015	24,515,421	36,518	561,317	1,555,021	26,668,277
2014	24,227,774	47,063	322,331	1,504,250	26,101,418
2013	23,904,623	36,273	307,486	1,320,574	25,568,956
2012	23,430,568	25,909	765,811	1,673,351	25,895,639
2011	22,579,798	12,369	641,636	1,580,177	24,813,980

Source: School District's Financial Statements

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

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2011	\$ 83,995,183,645	\$ 75,287,323,039	\$ 159,282,506,684	\$ 265,906,193	\$ 159,548,412,877	\$ 173,258,537,441
2012	81,103,273,440	75,153,761,789	156,257,035,229	230,570,595	156,487,605,828	168,748,014,772
2013	79,070,936,935	75,049,684,025	154,120,620,960	129,981,494	154,250,602,454	165,008,934,260
2014	78,408,456,350	75,186,325,534	153,594,781,884	97,873,857	153,692,655,741	162,301,130,131
2015	77,512,874,732	75,335,444,029	152,828,462,316	96,580,480	152,925,042,796	163,570,157,295
2016	77,002,654,839	77,328,202,717	154,291,592,456	90,073,801	154,381,666,257	167,963,794,248
2017	77,502,137,732	79,190,477,789	156,692,615,521	90,385,516	156,783,001,037	172,030,836,227
2018	78,049,679,382	80,870,511,380	158,920,190,762	84,076,455	159,004,267,217	176,365,111,170
2019	78,392,045,418	82,037,285,718	160,429,331,136	79,624,118	160,508,955,254	180,143,991,705
2020	79,352,157,168	85,848,771,564	165,200,928,732	80,978,865	165,281,907,597	183,990,874,355

Source: County Abstract of Ratables

**EXHIBIT J-7****BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES****LAST TEN YEARS****(Unaudited)***(rate per \$100 of true value)*

Assessment Year	General	Open Space	Total County Tax Rate
2011	\$ 0.2032	\$ 0.0025	\$ 0.2057
2012	0.2178	0.0025	0.2203
2013	0.2248	0.0025	0.2273
2014	0.2312	0.0025	0.2337
2015	0.2377	0.0025	0.2402
2016	0.2434	0.0025	0.2459
2017	0.2417	0.0100	0.2517
2018	0.2351	0.0100	0.2451
2019	0.2338	0.0100	0.2438
2020	0.2384	0.0100	0.2484

Source: County Abstract of Ratables

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

	2019		2010	
	Assessed Valuation	% of County's Net Assessed Valuation	Assessed Valuation	% of County's Net Assessed Valuation
<u>Taxpayer</u>				

**INFORMATION NOT AVAILABLE**

Source: Bergen County



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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 29,190,098	\$ 29,190,098	100.00%	
2012	29,190,098	29,190,098	100.00%	
2013	29,190,098	29,190,098	100.00%	
2014	29,190,098	29,190,098	100.00%	
2015	29,566,905	29,566,905	100.00%	
2016	29,566,905	29,566,905	100.00%	
2017	30,010,408	30,010,408	100.00%	
2018	30,910,722	30,910,722	100.00%	
2019	31,818,936	31,818,936	100.00%	
2020	32,614,409	32,614,409	100.00%	

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Population</u>	<u>Per Capita</u>
	<u>Capital Leases</u>	<u>Total District</u>		
2011	-	-	911,994	-
2012	-	-	916,255	-
2013	-	-	919,951	-
2014	-	-	923,403	-
2015	-	-	926,391	-
2016	-	-	928,120	-
2017	-	-	932,420	-
2018	-	-	932,816	-
2019	-	-	932,202	-
2020	-	-	932,202 (1)	-

Source: District records

(1) Estimated

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

**NOT APPLICABLE**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2019  
(Unaudited)**

Net Direct Debt of School District  
as of June 30, 2020

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 855,398,427

Bergen County Utilities Authority - Water Pollution (100%)

132,517,773

\$ 987,916,200

Total Direct and Overlapping Debt

\$ 987,916,200

Source:

County of Bergen Annual Debt Statement

BCUA Audit and 2019 County Equalization Table

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

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Average equalized valuation of taxable property (last three years)	\$ 182,615,485,340	\$ 181,109,724,691	\$ 175,561,330,658	\$ 165,344,818,875	\$ 163,332,190,759	\$ 163,894,415,971	\$ 166,824,155,204	\$ 171,055,311,950	\$ 175,460,099,760	\$ 179,773,454,707
Debt limit (2% of average equalization value)	3,652,309,707	3,622,194,494	3,511,226,613	3,306,896,378	3,266,643,815	3,277,888,319	3,336,483,104	3,421,106,239	3,509,201,995	3,595,469,094
Net Debt Issued Outstanding and Authorized	<u>681,875,430</u>	<u>730,825,489</u>	<u>698,412,830</u>	<u>849,429,739</u>	<u>933,422,641</u>	<u>1,089,653,537</u>	<u>1,205,030,344</u>	<u>876,045,885</u>	<u>875,747,791</u>	<u>855,398,427</u>
Remaining Borrowing Capacity	<u>\$ 2,970,434,277</u>	<u>\$ 2,891,369,005</u>	<u>\$ 2,812,813,783</u>	<u>\$ 2,457,466,639</u>	<u>\$ 2,333,221,174</u>	<u>\$ 2,188,234,782</u>	<u>\$ 2,131,452,760</u>	<u>\$ 2,545,060,354</u>	<u>\$ 2,633,454,204</u>	<u>\$ 2,740,070,667</u>

Source: Annual Debt Statements

Note:

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

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

<u>Year</u>	<u>Population</u>		<u>Per Capita Personal Income**</u>	<u>Unemployment Rate*</u>
2020	932,202	(1)	N/A	N/A
2019	932,202		N/A	2.9%
2018	932,816	\$	85,951	3.4%
2017	932,420		81,483	3.9%
2016	928,120		79,145	4.2%
2015	926,391		77,666	4.6%
2014	923,403		74,452	5.4%
2013	919,951		71,679	7.1%
2012	916,255		72,152	8.1%
2011	911,994		69,053	7.9%

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

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

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

	2019		2011	
	Employees	% of Total County Employment	Employees	% of Total County Employment
<u>Taxpayer</u>				
		NOT AVAILABLE		NOT AVAILABLE

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b><u>Function/Program</u></b>										
Instruction										
Regular	225.6	100.5	97.5	97.1	100.2	99.7	99.7	100.7	102.6	103.6
Vocational		126.1	126.7	145.6	142.5	125.2	123.4	129.4	139.2	143.5
Other instruction	37.0	3.0	3.0	2.0	3.0	3.0	3.0	2.0	2.0	2.0
Adult/continuing education programs		37.5	45.8	20.3	20.3	20.0	20.6	21.0	21.2	22.0
Support Services:										
Attendance and Social Work	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Health Services	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0
Student & instruction related services	38.7	37.4	38.0	39.2	39.1	42.1	40.1	39.0	46.0	48.0
Educational Media Services	36.0	38.0	39.0	40.0	39.9	1.0	1.0	1.0	1.0	1.0
General administration	3.0	3.0	3.0	2.8	2.8	2.8	2.8	3.3	3.3	4.0
School administrative services	19.9	17.9	19.2	22.2	22.2	22.2	21.2	20.2	20.2	20.0
Central services	9.6	10.3	11.1	11.1	11.1	11.5	12.1	11.5	15.0	14.3
Administrative Information Technology	0.1	0.1	0.1	0.1	0.1	39.0	39.4	39.4	37.8	38.4
Plant operations and maintenance	50.3	51.7	51.5	49.3	56.0	51.3	51.3	50.8	50.5	50.5
Pupil transportation	0.7		1.8	6.8	6.8	6.8	6.8	6.8	6.80	6.80
Total	<u>427.9</u>	<u>432.5</u>	<u>442.7</u>	<u>442.5</u>	<u>450.0</u>	<u>430.6</u>	<u>427.4</u>	<u>431.1</u>	<u>452.6</u>	<u>461.1</u>

Source: District Personnel Records



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

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Pupil/ Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	High School				
2011	2,226	\$ 68,597,799	\$ 30,817	16.60%	278.00	8.01	2,096.10	2,013.50	1.95%	96.06%
2012	2,276	71,148,231	31,260	1.44%	281.00	8.10	2,125.50	2,042.10	1.40%	96.08%
2013	2,231	71,836,137	32,199	3.00%	273.00	8.17	2,105.00	2,017.70	-0.96%	95.85%
2014	2,260	73,411,848	32,483	0.88%	282.00	8.01	2,122.70	2,039.10	0.84%	96.06%
2015	2,208	74,952,285	33,946	4.50%	268.00	8.24	2,108.01	2,027.00	-0.69%	96.16%
2016	2,277	77,208,385	33,908	-0.11%	225.00	10.12	2,272.30	2,170.90	7.79%	95.54%
2017	2,221	76,666,219	34,519	1.80%	222.00	10.00	2,326.55	2,227.72	2.39%	95.75%
2018	2,283	79,121,777	34,657	0.40%	231.80	9.85	2,381.46	2,281.95	2.36%	95.82%
2019	2,339	82,299,973	35,186	1.53%	237.70	9.84	2,443.68	2,345.69	2.61%	95.99%
2020	2,378	83,909,792	35,286	0.28%	241.04	9.87	2,476.83	2,410.18	1.36%	97.31%

N/A - Not Applicable

Sources: District records

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

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b><u>District Building</u></b>										
<b><u>High School</u></b>										
Hackensack Campus										
Square Feet	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692	236,692
Capacity (students)										
Enrollment	1,063	1,063	1,061	1,052	1,044	1,058	1,069	1,091	1,099	1,087
Teterboro campus										
Square Feet	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974	114,974
Capacity (students)										
Enrollment	647	647	635	649	665	659	677	662	666	668
Paramus Campus										
Square Feet	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924	77,924
Capacity (students)										
Enrollment	516	516	535	546	499	529	531	534	423	441
Applied Tech High School @ BCC										
Square Feet						N/A	N/A	22,875	22,875	22,875
Capacity (students)										
Enrollment						31	59	87	151	182

Number of Schools at June 30, 2020  
 Senior High School = 4

Source: District Records

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

	<u>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>
<b>School Facilities</b>										
Bergen County Academies	\$ 308,240	\$ 493,638	\$ 497,096	\$ 740,465	\$ 765,127	\$ 915,851	\$ 859,152	\$ 774,488	\$ 710,155	\$ 820,256
Voc-Paramus Special Needs	44,447	71,189	71,679	106,772	110,328	132,061	123,880	111,678	102,401	118,277
Bergen County Technical HS Teterboro	149,728	239,779	241,466	359,684	371,663	444,864	417,306	376,211	344,960	398,442
Tech Ed Center Paramus	57,032	91,332	91,975	137,005	141,568	169,448	158,951	143,300	131,396	151,768
Applied Tech HS								74,850	68,633	79,273
Adult Education Hackensack	<u>13,024</u>	<u>20,857</u>	<u>21,002</u>	<u>31,284</u>	<u>32,326</u>	<u>38,716</u>	<u>36,283</u>	<u>32,721</u>	<u>30,003</u>	<u>34,655</u>
 Total School Facilities	 <u>\$ 572,471</u>	 <u>\$ 916,795</u>	 <u>\$ 923,218</u>	 <u>\$ 1,375,210</u>	 <u>\$ 1,421,012</u>	 <u>\$ 1,700,940</u>	 <u>\$ 1,595,572</u>	 <u>\$ 1,513,248</u>	 <u>\$ 1,387,548</u>	 <u>\$ 1,602,671</u>

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF INSURANCE  
AS OF JUNE 30, 2020**

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

Source: School District's records

**SINGLE AUDIT SECTION**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

ELIZABETH A. SHICK, CPA, RMA, PSA  
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DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRIS SOHN, CPA  
CHRISTOPHER M. VINCI, CPA

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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of and for the fiscal year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements and have issued our report thereon dated January 29, 2021.

**Internal Control Over Financial Reporting**

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

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

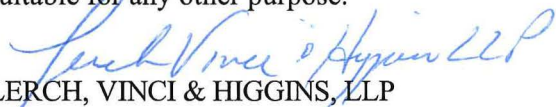
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### **Compliance and Other Matters**

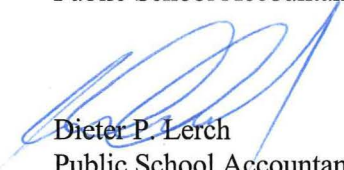
As part of obtaining reasonable assurance about whether the Bergen County Technical and Vocational High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance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

### **Purpose of this Report**

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



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 29, 2021





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

**INDEPENDENT AUDITOR'S REPORT**

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

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

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

The Bergen County Technical and Vocational High School District's financial statements include the operations of the Workforce Investment Act Programs, which expended \$3,103,363 in Federal awards and \$1,488,239 in State financial assistance which are reflected in Exhibits K-3 and K-4 during the year ended June 30, 2020. Our audit, described below, did not include the operations of the Workforce Investment Act Programs since the District has contracted for a separate audit of the component unit to be performed in accordance with Uniform Guidance and the regulatory requirements promulgated by the Department of Labor and Workforce Development.

***Management's Responsibility***

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



### ***Auditor's Responsibility***

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

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

### ***Opinion on Each Major Federal and State Program***

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we audited the Bergen County Technical and Vocational High School District's compliance with the requirements of the Department of Labor and Workforce Development, the Bergen County Technical and Vocational High School District complied, in all material respects, with the compliance requirements referred to above that have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2020.

### ***Report on Internal Control Over Compliance***

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

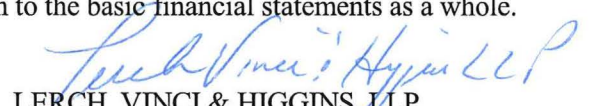
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

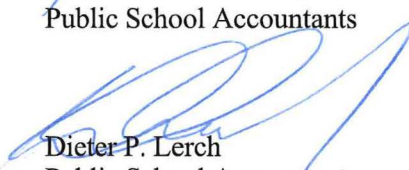
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 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 January 29, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 29, 2021

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	FAIN Number	Grant Number	Grant Period	Award Amount	Balance 30-Jun-19	Adjustment	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2020		
												(Accounts Receivable)	Unearned Revenues	Due to Grantor
U.S. Department of Agriculture Pass-through State Department of Agriculture														
<u>Enterprise Fund</u>														
National School Lunch Program	10.555		N/A											
Cash Assistance		S201NJ304N10		7/1/19 - 6/30/20	\$ 74,746				\$ 74,746	\$ 74,746		-		
Cash Assistance		S191NJ304N10		7/1/18 - 6/30/19	109,337	\$ (7,724)			7,724			-		
Cash Assistance-PB Program		S201NJ304N10		7/1/19 - 6/30/20	5,462				5,462	5,462		-		
Cash Assistance-PB Program		S191NJ304N10		7/1/18 - 6/30/19	6,033	(429)			429			-		
Non-Cash Assistance		S201NJ304N10		7/1/19 - 6/30/20	34,232	664			34,232	34,896		-	-	
School Breakfast Program	10.553	S201NJ304N10	N/A	7/1/19 - 6/30/20	7,818				7,818	7,818		-		
School Breakfast Program	10.553	S191NJ304N10	N/A	7/1/18 - 6/30/19	12,000	(1,012)	-	-	1,012	-	-	-	-	-
Total Enterprise Fund						(8,501)	-	-	131,423	122,922	-	-	-	-
U.S. Department of Education Pass-through State Department of Education														
<u>General Fund</u>														
Medical Assistance Program	93.778	2005NJ5MAP		7/1/19 - 6/30/20	14,076	-	-	-	14,076	14,076	-	-	-	-
Total General Fund						-	-	-	14,076	14,076	-	-	-	-
<u>Special Revenue Fund</u>														
ESEA Title I	84.010A	S010A150030	NCLB209018	7/1/19 - 6/30/20	171,895	-			158,748	171,895		(13,147)		
ESEA Title I, Carryover	84.010A	S010A150030	NCLB209018	7/1/18 - 6/30/19	183,505	(16,163)			16,163			-		
IDEIA Part B-Basic	84.027	H027A150100	IDEA029018	7/1/19 - 6/30/20	491,764				347,134	491,764		(144,630)		
ESEA-Title II Part A	84.361	S367A150029	NCLB209018	7/1/19 - 6/30/20	25,095	-			24,916	25,095		(179)		
ESEA-Title IV	84.424	S434A170031	NCLB209018	7/1/19 - 6/30/20	10,713	-			10,713	10,713		-		
Vocational (Perkins) Post Secondary	84.048		PKPP029019	7/1/19 - 6/30/20	136,185	-			136,185	136,185		-		
Vocational (Perkins) Secondary	84.048		PERK0220	7/1/19 - 6/30/20	699,103				686,910	699,103		(12,193)		
Vocational (Perkins) Secondary	84.048		PERK0219	7/1/18 - 6/30/19	676,200	(78,696)			78,696			-		
Vocational (Perkins) Secondary Reserve	84.048		PERK0220	7/1/19 - 6/30/20	86,661	-			86,661	86,661		-		
Adult Basic Education	84.002		194000251	7/1/19 - 6/30/20	1,143,950	-			840,733	1,143,950		(303,217)		
Adult Basic Education	84.002		184000251	7/1/18 - 6/30/19	1,132,160	(332,275)			332,275	-		-		
Coronavirus Relief Fund	84.425D			7/1/19 - 6/30/20	35,035	-	-	-	-	35,035	-	(35,035)	-	-
Total U.S. Department of Education						(427,134)	-	-	2,719,134	2,800,401	-	(508,401)	-	-
WIA - Adult Training	17.258			7/1/19 - 6/30/20		(339,063)			887,307	749,974		(201,730)		
WIA - Summer Youth	17.259			7/1/19 - 6/30/20		(365,085)			889,635	874,859		(350,309)		
WIA - Dislocated Worker	17.278			7/1/19 - 6/30/20		(401,500)	-	-	1,546,190	1,478,530	-	(333,840)	-	-
Total U.S. Department of Labor						(1,105,648)	-	-	3,323,132	3,103,363	-	(885,879)	-	-
Total Special Revenue Funds						(1,532,782)	-	-	6,042,266	5,903,764	\$ -	(1,394,280)	-	-
Total Federal Awards						\$ (1,541,283)	\$ -	\$ -	\$ 6,187,765	\$ 6,040,762	\$ -	\$ (1,394,280)	\$ -	\$ -

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2019	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2020			MEMO	
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education													
<u>General Fund</u>													
Adjustment Aid	20-495-034-5120-085	7/1/19-6/30/20	\$ 3,452,071			\$ 2,887,306	\$ 3,452,071		\$ (564,765)				\$ 3,452,071
Adjustment Aid	19-495-034-5120-085	7/1/18- 6/30/19	3,862,804	\$ (564,765)		564,765			-				
Categorical Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	1,618,948			1,618,948	1,618,948		-				1,618,948
Voc Expansion Stabilization Aid	20-495-034-5120-xxxx	7/1/19-6/30/20	410,733			410,733	410,733		-				410,733
Categorical Security Aid	20-495-034-5120-084	7/1/19-6/30/20	213,795			213,795	213,795		-		-	-	213,795
Total State Aid Public - Cluster				(564,765)	-	5,695,547	5,695,547	-	(564,765)	-	-	-	5,695,547
On-Behalf TPAF Pension System Contribution-NCGI Premium	20-495-034-5095-007	7/1/19-6/30/20	95,526			95,526	95,526						-
On-Behalf TPAF Pension System Contribution-LTDI	20-495-034-5095-007	7/1/19-6/30/20	4,163			4,163	4,163						95,526
On-Behalf TPAF Pension System Contribution-Normal Contribution	20-495-034-5095-006	7/1/19-6/30/20	5,329,529			5,329,529	5,329,529						4,163
On-Behalf TPAF Pension System Contribution-Post Retirement Medical	20-495-034-5095-001	7/1/19-6/30/20	2,012,596			2,012,596	2,012,596						-
TPAF Social Security Contributions	20-495-034-5095-002	7/1/19-6/30/20	1,959,064			1,853,590	1,959,064		(105,474)				5,329,529
TPAF Social Security Contributions	19-495-034-5095-002	7/1/18-6/30/19	1,920,639	(93,308)	-	93,308	-	-	-	-	-	\$ -	2,012,596
Total General Fund				(658,073)	-	15,084,259	15,096,425	-	(670,239)	-	-	-	1,959,064
<u>Special Revenue Fund</u>													
Apprentice Coordinator	20-100-034-5062-032	7/1/19 - 6/30/20	17,721			11,607	17,721		(6,114)			(6,114)	17,721
Apprentice Coordinator	19-100-034-5062-032	7/1/18 - 6/30/19	20,720	(3,652)		3,652			-			-	-
Div/Women - Displaced Homemaker	20-100-022-8051-036	7/1/19 - 6/30/20	145,781			150,000	145,781		-		\$ 4,219	-	145,781
Div/Women - Displaced Homemaker	19-100-022-8051-036	7/1/18 - 6/30/19	146,636	3,364				\$ 3,364	-		-	-	-
County Vocational Partnership	18500134	7/1/17-6/30/21	318,855	(14,299)		142,375	188,849		(60,773)			(60,773)	188,849
Shaping NJ/Healthy Community	BERG003	7/1/18 - 6/30/19	17,287	6,744	-	-	6,744	-	-	\$ -	-	-	6,744
Total State Department of Education-Special Revenue				(7,843)	-	307,634	359,095	3,364	(66,887)	-	4,219	(66,887)	359,095
U.S. Department of Labor													
Pass-through County of Bergen													
<u>Special Revenue Fund</u>													
Workforce Learning Link	4545-767-062-003	7/1/19 - 6/30/20	218,273			181,365	218,273		(36,908)			(36,908)	218,273
Workforce Learning Link	4545-767-062-003	7/1/18 - 6/30/19	201,689	(52,980)		52,980	-		-			-	-
WFNJ Administration 848V1	4545-100-062-313	7/1/19 - 6/30/20	170,172	(23,777)		168,487	170,172		(25,462)			(25,462)	170,172
WFNJ Program 849V1	4545-100-062-313	7/1/19 - 6/30/20	1,014,327			658,666	1,014,327		(355,661)			(355,661)	1,014,327
WFNJ Program 849V1	4545-100-062-313	7/1/18 - 6/30/19	1,139,788	(374,798)		374,798	-	-	-	-	-	-	-
WIA - Small Business Development		7/1/19 - 6/30/20	85,467	-	-	-	85,467	-	(85,467)	-	-	(85,467)	85,467
Total Department of Labor - Special Revenue				(451,555)	-	1,436,296	1,488,239	-	(503,498)	-	-	(503,498)	1,488,239
Total Special Revenue				(459,398)	-	1,743,930	1,847,334	3,364	(570,385)	-	4,219	(570,385)	1,847,334

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2019	Adjustment	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2020			MEMO	
									(Accounts Receivable)	Unearned Revenues	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture													
Enterprise Fund													
National School Lunch Program State Share	19-100-010-3350-023	7/1/18-6/30/19	\$ 5,514	\$ (367)		\$ 367			-			-	-
National School Lunch Program State Share	20-100-010-3350-023	7/1/19-6/30/20	3,985	-	-	3,985	3,985	-	-	-	-	-	\$ 3,985
Total Enterprise Fund				(367)	-	4,352	3,985	-	-	-	-	-	3,985
Total State Financial Assistance				\$ (1,117,838)	\$ -	\$ 16,832,541	16,947,744	\$ 3,364	\$ (1,240,624)	\$ -	\$ 4,219	\$ (570,385)	16,947,744
Less :State Financial Assistance Not Subject to Single Audit Determination													
General Fund													
On-Behalf TPAF Pension System Contribution-NCGI Premium		7/1/19-6/30/20	95,526			(95,526)	(95,526)						(95,526)
On-Behalf TPAF Pension System Contribution-LTDI		7/1/19-6/30/20	4,163			(4,163)	(4,163)						(4,163)
On-Behalf TPAF Pension System Contribution-Normal Contribution		7/1/19-6/30/20	5,329,529			(5,329,529)	(5,329,529)						(5,329,529)
On-Behalf TPAF Pension System Contribution-Post Retirement Med. Contrib.		7/1/19-6/30/20	2,012,596	-	-	(2,012,596)	(2,012,596)	-	-	-	-	-	(2,012,596)
Total State Financial Assistance Subject to Single Audit				\$ (1,117,838)	\$ -	\$ 9,390,727	\$ 9,505,930	\$ 3,364	\$ (1,240,624)	\$ -	\$ 4,219	\$ (570,385)	\$ 9,505,930

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

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

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$31,811 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 14,076	\$ 15,096,425	\$ 15,110,501
Special Revenue Fund	5,963,851	1,766,194	7,730,045
Food Service Fund	<u>122,922</u>	<u>3,985</u>	<u>126,907</u>
Total Financial Assistance	<u>\$ 6,100,849</u>	<u>\$ 16,866,604</u>	<u>\$ 22,967,453</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,959,064 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2020. The amount reported as TPAF Pension System Contributions in the amount of \$5,425,055, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,012,596 and TPAF Long-Term Disability Insurance in the amount of \$4,163 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.

**EXHIBIT K-6**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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 that are not considered to be material weaknesses?            yes       X       no

Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards Section**

Internal Control over major programs:

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

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

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

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

Identification of major programs:

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

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

Auditee qualified as low-risk auditee?       X       yes            no

Note 1 - Subject to a separate program specific audit



**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

*Part I – Summary of Auditor's Results*

**State Awards Section**

Dollar threshold used to determine Type A programs:

\$ 750,000

Auditee qualified as low-risk auditee?

      X       yes            no

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

Unmodified

Internal Control over major programs:

1) Material weakness(es) identified?

           yes       X       no

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

           yes       X       no

Any audit findings disclosed that are required to be reported  
in accordance with section .510(a) of NJ OMB 15-08?

           yes       X       no

Identification of major programs:

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

Note 1 - Subject to a separate program specific audit

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
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.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

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

**CURRENT YEAR STATE AWARDS**

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR 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 Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.