

CENTRAL REGIONAL SCHOOL DISTRICT

Bayville, New Jersey
County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2018**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CENTRAL REGIONAL SCHOOL DISTRICT
BAYVILLE, NEW JERSEY**

YEAR ENDED JUNE 30, 2018

**PREPARED BY DISTRICT FINANCE OFFICER
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY
KEVIN O'SHEA**

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION (First Section)	
Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION (Second Section)	
Independent Auditor's Report	11
REQUIRED SUPPLEMENTARY INFORMATION – PART I	
Management's Discussion and Analysis	17
BASIC FINANCIAL STATEMENTS	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	29
A-2 Statement of Activities	30
B. Fund Financial Statements:	
B-1 Balance Sheet	35
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	36
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	37
Proprietary Funds:	
B-4 Statement of Net Position	41
B-5 Statement of Revenues, Expenditures and Changes in Fund Net Position	42
B-6 Statement of Cash Flows	43
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	47
B-8 Statement of Changes in Fiduciary Net Position	48
Notes to Financial Statements	51
REQUIRED SUPPLEMENTARY INFORMATION – PART II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	93
C-2 Budgetary Comparison Schedule – Special Revenue Fund	105
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	109
REQUIRED SUPPLEMENTARY INFORMATION – PART III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	115
L-2 Schedule of the School District Contributions - PERS	116

TABLE OF CONTENTS

	PAGE
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF	117
M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)	
M-1 Schedule of Changes in the Net OPEB Liability and Related Ratios - OPEB	121
Notes to the Required Supplementary Information - Part III	125
OTHER SUPPLEMENTARY INFORMATION	
D. School Based Budget Schedules Fund (if applicable):	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues & Expenditures - Special Revenue Fund – Budgetary Basis	133
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	N/A
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	N/A
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	N/A
G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Position	N/A
G-3 Combining Schedule of Cash Flows	N/A
Internal Service Fund –	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	139
H-2 Combining Statement of Changes in Fiduciary Net Position	140
H-3 Student Activity Agency Fund - Schedule of Receipts & Disbursements	141
H-4 Payroll Agency Fund - Schedule of Receipts & Disbursements	141
H-5 Athletic Agency Fund - Schedule of Receipts and Disbursements	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds Payable	145
I-2 Schedule of Obligations Under Capital Leases	146
I-3 Debt Service Fund - Budgetary Comparison Schedule	147
I-4 Schedule of Early Retirement Incentive Plan Loans Payable	N/A

TABLE OF CONTENTS

PAGE

STATISTICAL SECTION (Unaudited)
(Third Section)

Financial Trends:

J-1	Net Position by Component	153
J-2	Changes in Net Position	154
J-3	Fund Balances – Governmental Funds	156
J-4	Changes in Fund Balances – Governmental Funds	157
J-5	General Fund - Other Local Revenue by Source	159

Revenue Capacity:

J-6	Assessed Value & Actual Value of Taxable Property	163
J-7	Direct and Overlapping Property Tax Rates	164
J-8	Principal Property Taxpayers	165
J-9	Property Tax Levies and Collections	166

Debt Capacity:

J-10	Ratios of Outstanding Debt by Type	169
J-11	Ratios of Net General Bonded Debt Outstanding	170
J-12	Ratios of Overlapping Governmental Activities Debt	171
J-13	Legal Debt Margin Information	172

Demographic & Economic Information:

J-14	Demographic & Economic Statistics	175
J-15	Principal Employers	176

Operating Information:

J-16	Full-Time Equivalent District Employees by Function/Program	176
J-17	Operating Statistics	179
J-18	School Building Information	180
J-19	Schedule of Required Maintenance	181
J-20	Insurance Schedule	182

SINGLE AUDIT SECTION
(Fourth Section)

K-1	Independent Auditor's 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	185
K-2	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with Uniform Guidance and New Jersey OMB Circular Letter 15-08	187
K-3	Schedule of Expenditures of Federal Awards, Schedule A	189
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	190
K-5	Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	191
K-6	Schedule of Findings and Questioned Cost - Part I	193
K-7	Schedule of Findings and Questioned Costs - Part II & III	195
K-8	Summary Schedule of Prior Year Audit Findings	197

This page intentionally left blank

INTRODUCTORY SECTION

This page intentionally left blank



Central Regional School District

P.O. Box C
Forest Hills Parkway
Bayville, New Jersey 08721

732-269-1100
www.centralreg.k12.nj.us

TRIANAFILLOS PARLAPANIDES, Ed.D.
Superintendent of Schools

KEVIN O'SHEA
Business Administrator/Board Secretary

February 25, 2019

Members of the Board of Education
Central Regional School District
Bayville, New Jersey 08721

Dear Board Member:

The Comprehensive Annual Financial Report (CAFR) for the Central Regional School District for the fiscal year ending June 30, 2018 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The CAFR is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of 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's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendation, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Central Regional School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. All funds and account groups of the District are included in this report. The Central Regional Board of Education and all its schools constitute the District's reporting entity.

2) ECONOMIC CONDITION AND OUTLOOK:

The Central Regional School District is located in the Central Eastern portion of Ocean County and consists, geographically, of five separate municipalities within its boundaries. These municipalities include Berkeley Township, Island Heights, Ocean Gate, Seaside Heights and Seaside Park. The district encompasses 43.95 square miles.

3) MAJOR INITIATIVES:

In the summer of 2017, the District replaced the roof on the middle school. In addition, it replaced a canopy at the front of the high school. The District funded this project in part with a \$725,000 ground lease.

4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

5) BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions, embodied in the annual appropriated budget approved by the voters, or the representatives of each municipality or the State of New Jersey. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2018.

6) ACCOUNTING SYSTEM AND REPORTS:

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

7) DEBT SERVICE

The Debt Service (principal and interest) is related to the renovations and additions to the Middle School and High School and district wide projects. Bonds were issued in 2011 and will be retired over a ten (10) year period.

8) CASH MANAGEMENT

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 1. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automotive liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

The District has an active Risk Management Committee that is instrumental in reducing exposure to employee injury and researching means to reduce exposure for the district to other types of risk. The district has a District Safety Committee comprised of three (3) Board Members who actively work to insure the safety of students and staff.

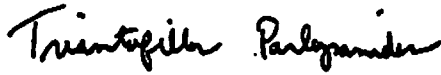
10) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of 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's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

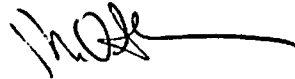
11) ACKNOWLEDGEMENTS

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

Respectfully submitted,

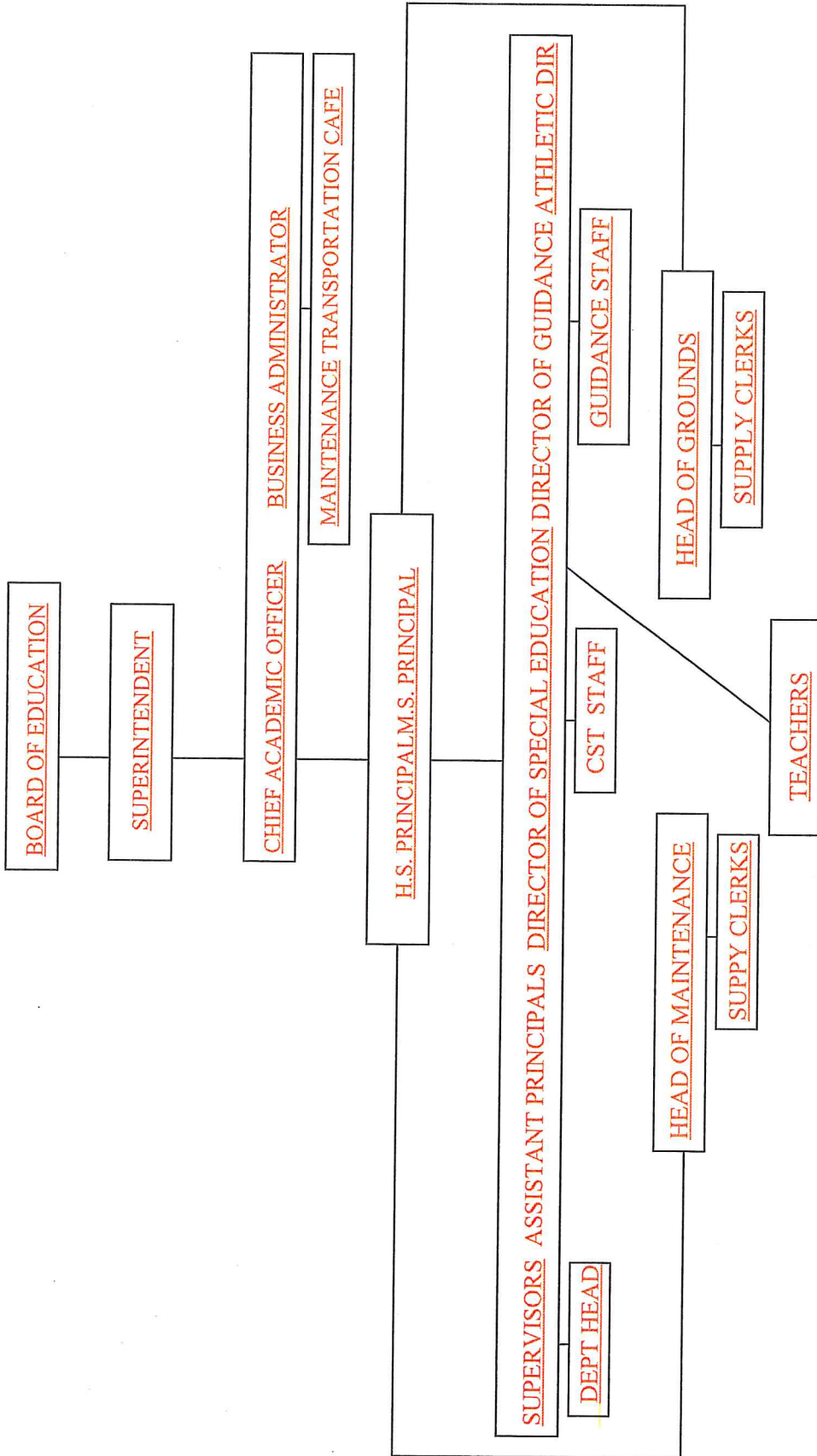


Triantafillos Parlapanides, Ed.D.
Superintendent of Schools



Kevin O'Shea
Business Administrator/Board Secretary

CHAIN OF COMMAND



**CENTRAL REGIONAL SCHOOL DISTRICT
BAYVILLE, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2018**

Members of the Board of Education

TERM EXPIRES

Louis Tuminaro, President	2019
Al Aires, Vice President	2018
Susan Cowdrick	2018
George Dohn	2018
Ralph Frulio	2019
Michael Graichen	2020
Robert Livingston	2020
Tracy Mianulli	2020
Denise Pavone-Wilson	2018

Other Officials

Triantafillos Parlapanides, ED.D., Superintendent of Schools

Kevin O'Shea, CPA, School Business Administrator/Board Secretary

Carmen Memoli, Treasurer of School Monies

Mark Toscano, Esq., Board Attorney

**CENTRAL REGIONAL SCHOOL DISTRICT
BAYVILLE, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2018**

AUDITOR/AUDIT FIRM

Jerry W. Conaty, CPA, PSA, CFE, RMA
Holman Frenia Allison, P. C.
680 Hooper Ave, Building B, Suite 201
Toms River, New Jersey 08753

ATTORNEY

Mark Toscano, Esq.
Comegno Law Group, P.C.
521 Pleasant Valley Ave
Moorestown, New Jersey 08057

OFFICIAL DEPOSITORY

Ocean First Bank
975 Hooper Ave
Toms River, New Jersey

This page intentionally left blank

FINANCIAL SECTION

Second Section

This page intentionally left blank

INDEPENDENT AUDITORS REPORT

Honorable President and Members
of the Board of Education
Central Regional School District
County of Ocean
Bayville, New Jersey 08721

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 Central Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended, June 30, 2018, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Central Regional School District, County of Ocean, State of New Jersey, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2018 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits Other than Pensions - an Amendment of GASB Statement No. 45, 57, & 74. Our opinion is not modified with respect to this matter.

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, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed in the table of contents 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 School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules, and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relates 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 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 accompanying combining statements and related major fund supporting statements and schedules and 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 and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 25, 2019 on our consideration of the 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 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 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, #2470

Toms River, New Jersey
February 25, 2019

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

This page intentionally left blank

CENTRAL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018
UNAUDITED

This section of the Central Regional School District's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2018. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2017-2018) and the prior fiscal year (2016-2017) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2018 are as follows:

- In total, net position of governmental activities decreased \$1,010,019, which represents a 7.64% decrease from 2017. Total net position of business-type activities increased \$27,926, which represents an 9.87% increase from 2017.
- General revenues accounted for \$36,980,492 in revenue or 72.07% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$14,332,846 or 27.93% of total revenues of \$51,313,338.
- Total assets of governmental activities decreased by \$359,951 as cash and cash equivalents increased by \$58,239, receivables decreased by \$360,914, restricted cash and cash equivalents decreased by \$144,750, and total capital assets increased by \$87,474.
- Total liabilities of governmental activities decreased by \$3,413,833 mainly as a result of non-current liabilities due beyond one year decreasing by \$3,806,151.
- The District had \$51,494,703 in governmental activity expenses; only \$13,427,192 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$37,057,492 were not adequate to provide for these programs, resulting in a decrease in net position for governmental activities of \$1,010,019.
- In the governmental funds, the general fund had \$41,385,716 in revenues and \$41,809,604 in expenditures. The general fund's fund balance decreased by \$423,888 over 2017.
- The District, utilizing Choice Aid and a lease purchase, completed the Middle School Roof project during the summer and fall of 2017. The total project cost was \$915,819. The District partially financed the project with a \$725,000 lease that will be repaid over the next three fiscal years.
- Superstorm Sandy hit the State of New Jersey on October 29, 2012. The municipalities of Seaside Heights, Seaside Park, Ocean Gate, and parts of Berkeley Township in particular were severely affected. The ratable base in which property taxes are levied have been, and will continue to be, affected for years to come. To mitigate the impact, the District applied for and qualified for a Loan through FEMA known as the Community Disaster Loan Program. The District was approved up to \$5,000,000 to be used towards stabilizing local property taxes levied on the four affected municipalities in the aftermath of the Storm. The District utilized \$1,977,153 from the loan program for the 2013-14 fiscal year and \$2,721,517 for the 2014-15 fiscal year. During the 2016-17 the District applied for cancellation and was approved by FEMA for cancellation of \$3,494,450 plus applicable accrued interest. As of June 30, 2017, the District applied for and received an extension to repay the loan and it is now due no later than July 11, 2023. The District plans on making incremental payments over the next several years for the remaining balance.

- The District applied for and was approved to be a Choice School District beginning in the 2011-12 school year. This program, authorized by State statute and administered by the NJ Department of Education, allows students from other towns to enroll at Central Regional. For each student enrolled through the program, the District receives additional state aid. For the 2017-18 school year, the program brought in \$1,337,047 in additional state aid. Over the last several years the District was able to utilize Choice Funds for various capital improvements, purchases of textbooks, equipment, and to finance some innovative programs such as our Humanities Academy through Georgian Court University (2012-13), as well as our the ROTC program (2013-14). These funds should hopefully mitigate, if not eliminate, the need to seek voter approval and issue bonds for capital improvements

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Central Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for student activities and groups, for payroll transactions, student scholarship fund and for the District's unemployment trust fund. The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other Information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

The District's financial position is the result of several types of financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2018 and 2017, respectively:

Net Position
June 30, 2018

	Governmental Activities		Business-Type Activities	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Assets				
Current and Other				
Assets	\$ 1,863,091	\$ 2,310,516	\$ 182,181	\$ 217,972
Capital Assets, Net	29,514,237	29,426,763	175,731	94,056
Total Assets	31,377,328	31,737,279	357,912	312,028
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	4,920,218	5,965,691	-	-
Total Assets and Deferred Outflows of Resources	4,920,218	5,965,691	-	-
Liabilities				
Long-Term Liabilities	20,086,323	23,539,430	-	-
Other Liabilities	987,427	948,153	47,000	29,042
Total Liabilities	21,073,750	24,487,583	47,000	29,042
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	3,018,425	-	-	-
Total Liabilities and Deferred Inflows of Resources	3,018,425	-	-	-
Net Position				
Net Investment in				
Capital Assets	26,675,446	26,464,786	175,731	94,056
Restricted	941,310	1,185,811	-	-
Unrestricted	(15,411,385)	(14,435,210)	135,181	188,930
Total Net Position	\$ 12,205,371	\$ 13,215,387	\$ 310,912	\$ 282,986

The District's largest net position component is the Restricted portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position decreased \$244,501 from the prior year to \$941,310 at June 30, 2018.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$15,411,385) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2018 and 2017. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	June 30, 2018		
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 543,389	\$ 543,389
Operating Grants and Contributions	13,427,192	362,265	13,789,457
General Revenues:			
Property Taxes	31,702,997	-	31,702,997
Federal and State Aid	4,483,733	-	4,483,733
Miscellaneous	870,762	-	870,762
Total Revenues	50,484,684	905,654	51,390,338
Expenses:			
Instructional Services	30,974,972	-	30,974,972
Support Services	20,314,718	800,728	21,115,446
Interest and Other Charges	205,013	77,000	282,013
Total Expenses	51,494,703	877,728	52,372,431
Change in Net Position	(1,010,019)	27,926	(982,093)
Net Position, Beginning	13,215,390	282,986	13,498,376
Net Position, Ending	\$ 12,205,371	\$ 310,912	\$ 12,516,283

	June 30, 2017		
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ 467,980	\$ 528,081	\$ 996,061
Operating Grants and Contributions	5,879,019	369,450	6,248,469
General Revenues:			
Property Taxes	31,309,199	-	31,309,199
Federal and State Aid	3,538,964	-	3,538,964
Miscellaneous	4,063,581	-	4,063,581
Total Revenues	45,258,743	897,531	46,156,274
Expenses:			
Instructional Services	14,821,413	-	14,821,413
Support Services	24,785,819	757,769	25,543,588
Interest and Other Charges	2,285,284	-	2,285,284
Total Expenses	41,892,516	757,769	42,650,285
Change in Net Position	3,366,227	139,762	3,505,989
Net Position, Beginning	9,849,163	143,224	9,992,387
Net Position, Ending	\$ 13,215,390	\$ 282,986	\$ 13,498,376

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. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2018 and 2017 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	June 30, 2018			
	Amount	Percent Of Total	Increase (Decrease) From 2017	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 15,160,840	34.67%	\$ 84,743	0.56%
Undistributed	25,201,861	57.63%	1,849,163	7.92%
Capital Outlay	2,493,585	5.70%	405,435	19.42%
Debt Service:				
Principal	769,527	1.76%	(80,473)	-9.47%
Interest	103,469	0.24%	339	0.33%
Total	\$ 43,729,282	100.00%	\$ 2,259,207	5.45%

	June 30, 2017			
	Amount	Percent Of Total	Increase (Decrease) From 2016	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 15,076,097	36.35%	\$ 402,635	2.74%
Undistributed	23,352,698	56.31%	1,216,381	5.49%
Capital Outlay	2,088,150	5.04%	47,446	2.32%
Debt Service:				
Principal	850,000	2.05%	(430,000)	-33.59%
Interest	103,130	0.25%	(21,022)	-16.93%
Total	\$ 41,470,075	100.00%	\$ 1,215,440	3.02%

Undistributed costs increased primarily due to pension and health benefit cost increases. Capital Outlay increased due to increased capital purchases during the fiscal year

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2017-2018 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2017-2018 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2017-2018 unassigned fund balance decreased by \$157,888 to \$320,256 (2% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of \$29,186 in 2017-2018 as compared to a change in net position of \$143,745 in 2016-2017. The food service fund transferred \$77,000 to the general fund in the 2017-2018 year and made no such transfer in 2016-2017 year.

The Community School Enterprise Fund showed a change in net position of (\$1,260) in 2017-2018 as compared to a change in net position of (\$3,983) in 2016-2017.

Capital Assets

At June 30, 2018 the District has capital assets of \$29,514,237, net of depreciation, which includes land, land improvements, buildings and improvements, and equipment.

	<u>June 30, 2018</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 1	\$ -
Buildings and improvements	22,004,208	-
Equipment	7,510,028	175,731
Total	<u>\$ 29,514,237</u>	<u>\$ 175,731</u>
	<u>June 30, 2017</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 1	\$ -
Buildings and improvements	23,328,074	-
Equipment	6,098,688	94,056
Total	<u>\$ 29,426,763</u>	<u>\$ 94,056</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2018 and 2017, the District’s outstanding debt issues included \$1,848,000 and \$2,598,000 respectively of general obligation bonds, \$990,791 and \$363,977 respectively in capital leases, and \$1,025,371 and \$899,133 respectively in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2018-2019 budget will be adequate to satisfy all 2018-2019 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2018-2019.
- The Board has its lone collective bargaining unit contract settled through June 30, 2019.
- The Districts enrollment has been fairly consistent over the past 3 school years. The District anticipates stable enrollment over the next several years

Requests for Information

This financial report is designed to provide a general overview of the Central Regional School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Central Regional Board of Education, 509 Forest Hills Parkway, Bayville, New Jersey 08721.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank

A. Government-Wide Financial Statements

This page intentionally left blank

CENTRAL REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 532,531	\$ 144,148	\$ 676,679
Receivables, Net (Note 4)	485,855	28,662	514,517
Restricted Assets (Note 3):			
Cash & Cash Equivalents	844,705	-	844,705
Inventory	-	9,371	9,371
Capital Assets, Net (Note 5)			
Non-depreciable	1	-	1
Depreciable	29,514,236	175,731	29,689,967
	<hr/>	<hr/>	<hr/>
Total Assets	31,377,328	357,912	31,735,240
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions (Note 8)	4,920,218	-	4,920,218
	<hr/>	<hr/>	<hr/>
Total Deferred Outflow of Resources	4,920,218	-	4,920,218
	<hr/>	<hr/>	<hr/>
Total Assets and Deferred Outflow of Resources	36,297,546	357,912	36,655,458
 LIABILITIES			
Accounts Payable & Accrued			
Expenses	285,913	13,341	299,254
Accrued Interest Payable	60,761	-	60,761
Internal Balances	(33,659)	33,659	-
Pensions Payable (Note 8)	674,412	-	674,412
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,336,640	-	1,336,640
Due Beyond One Year	18,749,683	-	18,749,683
	<hr/>	<hr/>	<hr/>
Total Liabilities	21,073,750	47,000	21,120,750
 DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	3,018,425	-	3,018,425
	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	3,018,425	-	3,018,425
	<hr/>	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	24,092,175	47,000	24,139,175
 NET POSITION			
Net Investment in Capital Assets	26,675,446	175,731	26,851,177
Restricted For:			
Capital Projects	447,357	-	447,357
Debt Service	1	-	1
Emergency Reserve	50,400	-	50,400
Maintenance Reserve	346,948	-	346,948
Excess Surplus	96,604	-	96,604
Unrestricted	(15,411,385)	135,181	(15,276,204)
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 12,205,371	\$ 310,912	\$ 12,516,283

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

**CENTRAL REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 19,243,402	\$ -	\$ 7,105,422	\$ -	\$ (12,137,980)	\$ -	\$ (12,137,980)
Special Education Instruction	8,428,542	-	2,720,755	-	(5,707,787)	-	(5,707,787)
Other Instruction	3,303,028	-	1,066,226	-	(2,236,802)	-	(2,236,802)
Support Services:							
Tuition	2,592,829	-	300,479	-	(2,292,350)	-	(2,292,350)
Student & Instruction Related Services	5,872,894	-	833,680	-	(5,039,214)	-	(5,039,214)
General Administrative	1,083,268	-	125,538	-	(957,730)	-	(957,730)
School Administrative Services	1,701,936	-	197,235	-	(1,504,701)	-	(1,504,701)
Central Services	690,651	-	80,039	-	(610,612)	-	(610,612)
Administrative Info. Technology	403,988	-	46,818	-	(357,170)	-	(357,170)
Plant Operations & Maintenance	4,170,554	-	510,788	-	(3,659,766)	-	(3,659,766)
Pupil Transportation	3,798,598	-	440,212	-	(3,358,386)	-	(3,358,386)
Interest & Other Charges	205,013	-	-	-	(205,013)	-	(205,013)
Total Governmental Activities	51,494,703	-	13,427,192	-	(38,067,511)	-	(38,067,511)
Business-Type Activities:							
Food Service	789,220	533,141	362,265	-	-	106,186	106,186
Community School	11,508	10,248	-	-	-	(1,260)	(1,260)
Total Business-Type Activities	800,728	543,389	362,265	-	-	104,926	104,926
Total Primary Government	\$ 52,295,431	\$ 543,389	\$ 13,789,457	\$ -	(38,067,511)	104,926	(37,962,585)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					30,830,000	-	30,830,000
Property Taxes, Levied for Debt Service					872,997	-	872,997
Federal & State Aid Not Restricted					4,483,733	-	4,483,733
Tuition Charges					237,924	-	237,924
Transportation Charges					305,942	-	305,942
Miscellaneous					249,896	-	249,896
Transfers to Other Funds					77,000	(77,000)	-
Total General Revenues					37,057,492	(77,000)	36,980,492
Change In Net Position					(1,010,019)	27,926	(982,093)
Net Position - Beginning					13,215,390	282,986	13,498,376
Net Position - Ending					\$ 12,205,371	\$ 310,912	\$ 12,516,283

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

B. Fund Financial Statements

This page intentionally left blank

Governmental Funds

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2018**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Cash & Cash Equivalents	\$ 486,293	\$ 46,237	\$ -	\$ 1	\$ 532,531
Receivables, Net					
Due from Other Funds	166,098	-	-	-	166,098
Due from Other Governments:					
Federal	8,114	81,202	-	-	89,316
State	336,244	-	-	-	336,244
Other	55,295	-	-	-	55,295
Restricted Cash & Cash Equivalents	844,705	-	-	-	844,705
Total Assets	\$ 1,896,749	\$ 127,439	\$ -	\$ 1	\$ 2,024,189
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 285,913	\$ -	\$ -	\$ -	\$ 285,913
Interfund Payable	-	127,439	-	-	127,439
Total Liabilities	285,913	127,439	-	-	413,352
Fund Balances:					
Restricted for:					
Maintenance Reserve	346,948	-	-	-	346,948
Emergency Reserve	50,400	-	-	-	50,400
Capital Reserve Account	447,357	-	-	-	447,357
Debt Service Fund	-	-	-	1	1
Excess Surplus Designated for Subsequent Year's Expenditures	96,604	-	-	-	96,604
Committed to:					
Other Purposes	20,875	-	-	-	20,875
Assigned to:					
Designated for Subsequent Year's Expenditures	328,396	-	-	-	328,396
Unassigned, Reported in:					
General Fund	320,256	-	-	-	320,256
Total Fund Balances	1,610,836	-	-	1	1,610,837
Total Liabilities & Fund Balances	\$ 1,896,749	\$ 127,439	\$ -	\$ 1	

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 \$67,499,758 and the accumulated depreciation is \$37,985,521.	29,514,237
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	1,901,793
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payables are not due in the period.	(60,761)
Accrued pension contributions for the June 30, 2018 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position	(674,412)
Long-term liabilities, including net pension liability, bonds payable, compensated absences payable, bond premium, other post employment benefits and capital leases payable are not due and payable in the current period and, therefore, are not reported as a liability in the funds.	<u>(20,086,323)</u>

Net Position of Governmental Activities \$ 12,205,371

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

**CENTRAL REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 30,830,000	\$ -	\$ -	\$ 872,997	\$ 31,702,997
Tuition	237,924	-	-	-	237,924
Transportation Fees from Other LEAs	305,942	-	-	-	305,942
Rents and Royalties	47,239	-	-	-	47,239
Miscellaneous	202,657	-	-	-	202,657
Total Local Sources	31,623,762	-	-	872,997	32,496,759
State Sources	8,774,001	-	-	-	8,774,001
Federal Sources	47,113	1,046,682	-	-	1,093,795
Total Revenues	40,444,876	1,046,682	-	872,997	42,364,555
Expenditures:					
Current Expense:					
Regular Instruction	8,840,678	385,743	-	-	9,226,421
Special Education Instruction	4,263,581	-	-	-	4,263,581
Other Special Instruction	117,455	-	-	-	117,455
Vocational Education	212,930	-	-	-	212,930
Other Instruction	1,340,453	-	-	-	1,340,453
Support Services:					
Tuition	1,712,331	505,960	-	-	2,218,291
Student & Instruction Related Services	3,725,440	15,709	-	-	3,741,149
School Administrative Services	1,123,976	-	-	-	1,123,976
General Administrative Services	715,401	-	-	-	715,401
Central Services	456,113	-	-	-	456,113
Administrative Information Technology	266,798	-	-	-	266,798
Plant Operations & Maintenance	2,910,811	-	-	-	2,910,811
Pupil Transportation	2,508,633	43,450	-	-	2,552,083
Employee Benefits	11,121,419	95,820	-	-	11,217,239
Capital Outlay	2,493,585	-	-	-	2,493,585
Debt Service:					
Principal	-	-	-	769,527	769,527
Interest & Other Charges	-	-	-	103,469	103,469
Total Expenditures	41,809,604	1,046,682	-	872,996	43,729,282
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,364,728)	-	-	1	(1,364,727)
Other Financing Sources/(Uses):					
Transfer from/(to) Other Funds	77,000	-	-	-	77,000
Capital Leases (Budgeted)	725,000	-	-	-	725,000
Capital Leases (Non-Budgeted)	138,840	-	-	-	138,840
Total Other Financing Sources/(Uses)	940,840	-	-	-	940,840
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing (Uses)	(423,888)	-	-	1	(423,887)
Fund Balances, July 1	2,034,724	-	-	-	2,034,724
Fund Balances, June 30	\$ 1,610,836	\$ -	\$ -	\$ 1	\$ 1,610,837

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

**CENTRAL REGIONAL 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, 2018**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (423,887)

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 outlays exceeded depreciation in the period:

Depreciation Expense	\$	(2,291,405)	
Capital Outlays		2,378,879	87,474

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. (703,245)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 769,527

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 237,026

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

Prior Year		73,924	
Current Year		(60,761)	13,163

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

Prior Year		899,133	
Current Year		(1,025,370)	(126,237)

Cancellation of Community Disaster Loan, is a revenue in the governmental funds, the cancellation reduces the amount of long term liabilities in the statement of net position.

The proceeds from the issuance of capital leases provide current financial resources and are reported in this fund financial statement, but they are presented as liabilities in the statement of net position. (863,840)

Change in Net Position of Governmental Activities \$ (1,010,019)

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

This page intentionally left blank

Proprietary Funds

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2018**

ASSETS	COMMUNITY SCHOOL	FOOD SERVICE FUND	<u>TOTALS</u>
Current Assets:			
Cash & Cash Equivalents	\$ 9,616	\$ 134,532	\$ 144,148
Accounts Receivable	-	28,662	28,662
Inventory	-	9,371	9,371
Total Current Assets	9,616	172,565	182,181
Capital Assets:			
Equipment	-	533,364	533,364
Accumulated Depreciation	-	(357,633)	(357,633)
Total Capital Assets	-	175,731	175,731
Total Assets	9,616	348,296	357,912
LIABILITIES			
Current Liabilities:			
Accounts Payable	-	13,341	13,341
Interfund Payable	-	33,659	33,659
Total Current Liabilities	-	47,000	47,000
NET POSITION			
Net Investment in Capital Assets	-	175,731	175,731
Unrestricted	9,616	125,565	135,181
Total Net Position	\$ 9,616	\$ 301,296	\$ 310,912

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

**CENTRAL REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	COMMUNITY SCHOOL	FOOD SERVICE FUND	<u>TOTALS</u>
Operating Revenue:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	\$ -	\$ 356,182	\$ 356,182
Total - Daily Sales - Reimbursable Programs:	-	356,182	356,182
Daily Sales - Nonreimbursable Programs:			
Fees	10,248	176,959	187,207
Total Operating Revenue	10,248	533,141	543,389
Operating Expenses:			
Salaries	3,400	264,249	267,649
Employee Benefits	-	72,450	72,450
Purchased Professional / Technical Services	-	5,903	5,903
Purchased Property Services	-	13,777	13,777
Supplies and Materials	8,108	6,990	15,098
Utilities	-	37,081	37,081
Depreciation	-	15,774	15,774
Miscellaneous	-	14,053	14,053
Cost of Sales - reimbursable programs	-	257,591	257,591
Cost of Sales - non-reimbursable programs	-	101,352	101,352
Total Operating Expenses	11,508	789,220	800,728
Operating Income/(Loss)	(1,260)	(256,079)	(257,339)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	-	6,856	6,856
Federal Sources:			
School Breakfast Program	-	45,445	45,445
National School Lunch Program	-	257,821	257,821
Food Distribution Program	-	51,817	51,817
Miscellaneous	-	326	326
Total Nonoperating Revenues	-	362,265	362,265
Other Financing Sources Over/(Under)			
Transfers Out	-	(77,000)	(77,000)
Total Other Financing Sources Over/(Under)	-	(77,000)	(77,000)
Change in Net Position	(1,260)	29,186	27,926
Total Net Position - Beginning	10,876	272,110	282,986
Total Net Position - Ending	\$ 9,616	\$ 301,296	\$ 310,912

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

**CENTRAL REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	COMMUNITY SCHOOL	FOOD SERVICE FUND	<u>TOTALS</u>
Cash Flows From Operating Activities:			
Receipts from Customers	\$ -	\$ 517,754	\$ 517,754
Payment to Employees, Payments for Employee Benefits and Payment to Suppliers	(7,060)	(695,563)	(702,623)
Net Cash Used by Operating Activities	<u>(7,060)</u>	<u>(177,809)</u>	<u>(184,869)</u>
Cash Flows From Capital and Related Financing Activities:			
Purchases of Capital Assets	-	(97,449)	(97,449)
Net Cash Used by Capital and Related Financing Activities	<u>-</u>	<u>(97,449)</u>	<u>(97,449)</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	-	6,856	6,856
Federal Sources	-	303,266	303,266
Transfers (to)/from Other Funds	-	(77,000)	(77,000)
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>233,122</u>	<u>233,122</u>
Cash Flows From Investing Activities:			
Interest	-	326	326
Net Cash Provided by Investing Activities	<u>-</u>	<u>326</u>	<u>326</u>
Net Increase/(Decrease) in Cash & Cash Equivalents Cash and Cash Equivalents, July 1	<u>(7,060)</u> <u>16,676</u>	<u>(41,810)</u> <u>176,342</u>	<u>(48,870)</u> <u>193,018</u>
Cash & Cash Equivalents, June 30	<u>\$ 9,616</u>	<u>\$ 134,532</u>	<u>\$ 144,148</u>

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Cash Used by Operating Activities:			
Operating Loss	\$ (1,260)	\$ (256,079)	\$ (257,339)
Adjustments to Reconcile Operating Loss to Cash Used by Operating Activities:			
Depreciation Expense	-	15,774	15,774
Food Distribution Program	-	51,817	51,817
Change in Assets & Liabilities:			
Increase in Accounts Receivable	-	(13,079)	(13,079)
Increase/(Decrease) in Accounts Payable	(5,800)	23,758	17,958
Total Adjustments	<u>(5,800)</u>	<u>78,270</u>	<u>72,470</u>
Net Cash Used by Operating Activities	<u>\$ (7,060)</u>	<u>\$ (177,809)</u>	<u>\$ (184,869)</u>

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

This page intentionally left blank

Fiduciary Fund

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018**

ASSETS	PRIVATE PURPOSE			TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	AGENCY FUNDS	
Cash & Cash Equivalents	\$ 29,309	\$ 300,551	\$ 696,953	\$ 1,026,813
Due from Other Funds	-	64,028	-	64,028
Total Assets	29,309	364,579	696,953	1,090,841
LIABILITIES				
Payroll Deductions & Withholdings	-	-	378,299	378,299
Interfunds Payable	-	-	69,028	69,028
Due to Student Groups	-	-	249,626	249,626
Total Liabilities	-	-	696,953	696,953
NET POSITION				
Reserved:				
Scholarships	29,309	-	-	29,309
Unemployment Claims	-	364,579	-	364,579
Total Net Position	\$ 29,309	\$ 364,579	\$ -	\$ 393,888

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

**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ADDITIONS:	PRIVATE PURPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Interest Earned	\$ 62	\$ 557	\$ 619
Donations	29,156	-	29,156
Plan Member	-	70,682	70,682
Total Additions	29,218	71,239	100,457
DEDUCTIONS:			
Unemployment Claims	-	44,459	44,459
Disbursements	29,476	-	29,476
Total Deductions	29,476	44,459	73,935
Change in Net Position	(258)	26,780	26,522
Net Position - July 1	29,567	337,799	367,366
Net Position - June 30	\$ 29,309	\$ 364,579	\$ 393,888

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

CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Central Regional School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to junior and senior high schools for students of the Boroughs of Island Heights, Ocean Gate, Seaside Heights, Seaside Park and the Township of Berkeley, Ocean County, New Jersey. These include regular as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2018 of 2,133 students.

The primary criterion for including activities within the School District’s reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards* , is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14. *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* . The School District had no component units as of for the year ended June 30, 2018.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 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.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, 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.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

Community School Program – The community school fund accounts for the financial transactions related to the District’s community education operations to the School District.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The School District’s fiduciary funds include Agency and Private-Purpose Trust Funds. Private Purpose Trust and Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Private Purpose Trust and Agency Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

The School District reports the following fiduciary funds:

Private Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The School District currently maintains the following private purpose trust funds:

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the School District. Expenditures consist of unemployment reimbursement claims.

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships provided to students.

Agency Funds - Agency funds (payroll and student activity funds) are assets held by a governmental entity either as trustee or as an agent for other parties and cannot be used to finance the governmental entities own operating programs.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are considered cash equivalents and stated at cost.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**CENTRAL REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net 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.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2018 and February 25, 2019, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2018:

Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans.

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 83, *Certain Asset Retirement Obligations*. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Statement No. 83 establishes guidance for determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to such obligations. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2018. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The Governmental Accounting Standards Board (GASB) has issued a new standard with guidance the GASB believes will enhance debt-related disclosures in notes to financial statements, including those addressing direct borrowings and direct placements. The new standard clarifies which liabilities governments should include in their note disclosures related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management has not yet determined the potential impact on the School District's financial statements.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2018, the School District's bank balance of \$3,499,321 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	2,368,235
Uninsured and Uncollateralized		1,131,086
Total	\$	3,499,321

Investments

The School District had no investments at June 30, 2018.

Note 3. Reserve Accounts

Capital Reserve

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 3. Reserve Accounts (Continued)

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School 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 *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning Balance, July 1, 2017	\$	447,257
Increased by:		
Interest Earnings		100
Ending Balance, June 30, 2018	\$	447,357

Emergency Reserve

The School District established an emergency reserve account in the 2012-2013 school year for the accumulation of funds for use in accordance with N.J.S.A. 18A: 7F-41c(1) to finance unanticipated general fund expenditures.

The activity of the emergency reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning Balance, July 1, 2017	\$	50,350
Increased by:		
Interest Earnings		50
Ending Balance, June 30, 2018	\$	50,400

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 3. Reserve Accounts (Continued)

Maintenance Reserve

The School District established a maintenance reserve account in June of 2011 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account 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. The balance in the account 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 July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning Balance, July 1, 2017	\$	491,848
Increased by:		
Interest Earnings		100
		491,948
Decreased by:		
Budget Withdrawals		(145,000)
Ending Balance, June 30, 2018	\$	346,948

Note 4. Accounts Receivable

Accounts receivable at June 30, 2018 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2018, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	General Fund	Special Revenue Fund	
Federal Awards	\$ 8,114	\$ 81,202	\$ 89,316
State Awards	336,244	-	336,244
Other	60,295	-	60,295
Total	\$ 404,653	\$ 81,202	\$ 485,855

<u>Description</u>	Proprietary Funds		Total Business-Type Activities
	Food Service Fund		
Federal Awards	\$	12,990	\$ 12,990
State Awards		285	285
Other		15,387	15,387
Total	\$	28,662	\$ 28,662

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2018 was as follows:

	Governmental Activities			
	Balance July 1, <u>2017</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2018</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1	\$ -	\$ -	\$ 1
Total Capital Assets not being depreciated	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Capital Assets being depreciated:				
Buildings and Improvements	50,344,283	-	-	50,344,283
Equipment	14,776,595	2,378,879	-	17,155,474
Total Capital Assets being depreciated	<u>65,120,878</u>	<u>2,378,879</u>	<u>-</u>	<u>67,499,757</u>
Less: Accumulated Depreciation:				
Buildings and Improvements	(27,016,209)	(1,323,866)	-	(28,340,075)
Equipment	(8,677,907)	(967,539)	-	(9,645,446)
Total Accumulated Depreciation	<u>(35,694,116)</u>	<u>(2,291,405)</u>	<u>-</u>	<u>(37,985,521)</u>
Total Capital Assets being depreciated, net	<u>29,426,762</u>	<u>87,474</u>	<u>-</u>	<u>29,514,236</u>
Total Governmental Activities Capital Assets, net	<u>\$ 29,426,763</u>	<u>\$ 87,474</u>	<u>\$ -</u>	<u>\$ 29,514,237</u>
Business-Type Activities				
	Balance July 1, <u>2017</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2018</u>
Business-Type Activities:				
Equipment	\$ 435,915	\$ 97,449	\$ -	\$ 533,364
Total Capital Assets being depreciated	<u>435,915</u>	<u>97,449</u>	<u>-</u>	<u>533,364</u>
Less: Accumulated Depreciation:				
Equipment	(341,859)	(15,774)	-	(357,633)
Total Capital Assets being depreciated, net	<u>(341,859)</u>	<u>(15,774)</u>	<u>-</u>	<u>(357,633)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 94,056</u>	<u>\$ 81,675</u>	<u>\$ -</u>	<u>\$ 175,731</u>

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 5. Capital Assets (Continued)

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

Governmental Activities

Instruction:

Regular Instruction	\$ 762,798
Special Education Instruction	334,103
Other Instruction	130,930

Support Services:

Tuition	134,182
Student & Instruction Related Services	303,928
General Administrative	56,060
School Administrative Services	88,077
Central Services	35,742
Administrative Info. Technology	20,907
Plant Operations & Maintenance	228,097
Pupil Transportation	196,581

Total Depreciation Expense - Governmental Activities	\$ 2,291,405
--	--------------

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2018 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 166,098	\$ -
Special Revenue Fund	-	127,439
Enterprise Fund	-	33,659
Fiduciary Fund	64,028	-
Agency Fund	-	69,028
	\$ 230,126	\$ 230,126

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 77,000	\$ 82,000
Agency Fund	82,000	-
Food Service Fund	-	77,000
	\$ 159,000	\$ 159,000

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2018 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2017</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2018</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 2,598,000	\$ -	\$ 750,000	\$ 1,848,000	\$ 675,000
Capital Leases	363,977	863,840	237,026	990,791	454,640
Compensated Absences	899,133	126,237	-	1,025,370	-
Net Pension Liability	18,474,100	-	3,436,630	15,037,470	-
FEMA CDL	1,204,220	-	19,528	1,184,692	207,000
	<u>\$ 23,539,430</u>	<u>990,077</u>	<u>\$ 4,443,184</u>	<u>\$ 20,086,323</u>	<u>\$ 1,336,640</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, capital leases, unamortized bond premiums, FEMA Loan, and the net pension liability are liquidated by the general fund.

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

During March 29, 2011, the School District issued \$4,113,000 of General Obligation Bonds. The General Obligation Bonds were issued at varying interest rates and mature on July 15, 2021.

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 675,000	\$ 49,880	\$ 724,880
2020	520,000	31,305	551,305
2021	400,000	15,855	415,855
2022	253,000	4,428	257,428
	<u>\$ 1,848,000</u>	<u>\$ 101,468</u>	<u>\$ 1,949,468</u>

FEMA Community Disaster Loan (CDL)

On May 31, 2013, the Central Regional School District submitted a formal request for a FEMA Community Disaster Loan (CDL) in the amount of \$5,000,000 in relation to Super Storm Sandy losses and expenditures. The District was approved for the full request of \$5,000,000. The District utilized these funds in each of the next two budget years - \$1,977,153 in the 2013-14 fiscal year and \$2,721,517 in the 2014-15 fiscal year. As of June 30, 2015, no further drawdowns on the CDL were made.

The School District applied for and received a CDL in response to the devastating effects on the property tax ratable base of the municipality due to Superstorm Sandy in October 2012. The School District was approved for \$5,000,000 but only drew down \$4,698,669 total loan. This loan was subject to FEMA review during the past few years and based on FEMA's calculation of the revenue loss that the District experienced over the specified period the District qualified for partial cancellation of \$3,494,450 in principal along with the corresponding interest of \$169,581, leaving an outstanding principal balance of \$1,204,220 and corresponding interest of \$30,135 as of June 30, 2017. The District made a payment of \$51,741, of both principal and interest, during the year ending June 30, 2018.

The District was granted an extension to repay the loan for five additional years which brings the due date to July 11, 2023 and the District budgeted \$207,000 in the 2018-2019 budget towards repayment of the loan. The cumulative amount of principal and interest accrued through June 30, 2018 is \$1,184,692 and \$16,261, respectively.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 7. Long-Term Obligations (Continued)

Capital Lease Payable

On October 2012, the School District entered into a lease purchase agreement in the amount of \$37,793 for a copier lease. On November 2014, the School District entered into a lease purchase agreement in the amount of \$768,690 for artificial turf. The lease obligations for both matured in the current fiscal year.

On August 2013, the School District entered into a lease purchase agreement in the amount of \$20,438 for a copier lease. The lease obligation matures on August 28, 2018.

On May 2015, the School District entered into a lease purchase agreement in the amount of \$23,864 for a copier lease. The lease obligation matures on June 28, 2020.

On March 2016, the School District entered into a lease purchase agreement in the amount of \$157,496 for a copier lease. The lease obligation matures on September, 2020.

On July 2016, the School District entered into a lease purchase agreement in the amount of \$40,546 for a copier lease. The lease obligation matures on September 2021. On February 2017, the School District entered into a lease purchase agreement in the amount of \$10,069 for a copier lease. The lease obligation matures on March 2022. Total amount of leases were \$50,615.

In the fiscal year ended June 30, 2018, the School District entered into two copier lease purchase agreements in the amount of \$38,472 and \$14,660. The lease obligations matures in 2023. The District also entered into two additional lease agreements, one for a phone system in the amount of \$85,708 and one for a roof lease in the amount of \$725,000. These leases begin in FY19 and mature in 2023 and 2021, respectively.

The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2018:

	Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
	2019	\$ 477,941
	2020	253,257
	2021	247,729
	2022	34,611
	2023	<u>26,112</u>
Total Minimum Lease Payments		1,039,650
Less: Amount Representing Interest		<u>(48,859)</u>
Present Value of Minimum Lease Payments		<u>\$ 990,791</u>

Amortization of the leased equipment and improvements under capital assets is included with depreciation expense.

Bonds Authorized but not Issued

As of June 30, 2018, the School District had no bonds authorized but not issued.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2018, the School District reported a liability of \$15,037,470 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The School District's proportion measured as of June 30, 2017, was 0.06459838%, which was an increase of 0.0022219832% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School District recognized full accrual pension expense of \$1,316,828 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2017 measurement date. At June 30, 2018 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 354,081	\$ -
Changes of Assumptions	3,029,532	3,018,425
Net Difference between Projected and Actual Earnings on Pension Plan Investments	102,395	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	759,798	-
School District contributions subsequent to measurement date	674,412	-
	<u>\$ 4,920,218</u>	<u>\$ 3,018,425</u>

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

\$674,412 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2017-2018 total salaries for PERS employees multiplied by an employer pension contribution rate of 13.37%. The payable is due on April 1, 2019 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,			
2019	\$	534,783	
2020		701,988	
2021		462,472	
2022		(212,269)	
2023		(259,593)	
		\$ 1,227,381	

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	-	-
June 30, 2016	5.72	-
June 30, 2017	5.57	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2015	6.44	-
June 30, 2016	5.72	-
June 30, 2017	5.57	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2015	5.00	-
June 30, 2016	5.00	-
June 30, 2017	5.00	-

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.48, 5.57, 5.72 and 6.44 years for the 2017, 2016, 2015, and 2014 amounts, respectively.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following assumptions:

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

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary’s modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary’s modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS’s target asset allocation as of June 30, 2017 are summarized in the following table:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2017, calculated using the discount rate of 5.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(4.00%)</u>	At Current Discount Rate <u>(5.00%)</u>	At 1% Increase <u>(6.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 18,655,002	\$ 15,037,470	\$ 12,023,618

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2018 and 2017:

	<u>6/30/2018</u>	<u>6/30/2017</u>
Collective Deferred Outflows of Resources	\$ 5,396,431,901	\$ 7,815,204,785
Collective Deferred Inflows of Resources	\$ 4,672,602,040	\$ -
Collective Net Pension Liability	\$ 23,278,401,588	\$ 29,617,131,759
School District's portion	0.06460%	0.06238%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th 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 tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.2% in State fiscal year 2017. 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2017 was \$89,265,911. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2017, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1323956345%, which was a decrease of 0.0000226% from its proportion measured as of June 30, 2016.

For the fiscal year ended June 30, 2018, the State of New Jersey recognized a pension expense in the amount of \$6,183,890 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2017 measurement date.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.25%
Salary Increases:	
2012-2021	Varies Based on Experience
Thereafter	Varies Based on Experience
Investment Rate of Return	7.00%

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on generational basis based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2016 are summarized in the following table:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 4.25% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 4.25% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(3.25%)</u>	At Current Discount Rate <u>(4.25%)</u>	At 1% Increase <u>(5.25%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 106,050,702	\$ 89,265,911	\$ 75,438,527

Pension Plan Fiduciary Net Position - 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2018 and 2017:

	<u>6/30/2018</u>	<u>6/30/2017</u>
Collective Deferred Outflows of Resources	\$ 14,353,461,035.00	\$ 17,581,004,496.00
Collective Deferred Inflows of Resources	\$ 11,992,821,439.00	\$ 300,836,088.00
Collective Net Pension Liability	\$ 67,670,209,171.00	\$ 79,028,907,033.00
School District's portion	0.13240%	0.13231%

C. Defined Contribution Retirement Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2017 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 8. Pension Plans (Continued)

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2018, employee contributions totaled \$0, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$0.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L., 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 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.

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate 2.50%

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age	2.10 - 8.98% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age	3.10 - 9.98% based on age

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

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2010 – June 30, 2013, and July 1, 2011 – June 30, 2014 for TPAF, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2017 was \$87,277,537. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2017, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2017, the State proportionate share of the OPEB Obligation attributable to the School District was 0.16271%, which was a decrease of 0.000514% from its proportion measured as of June 30, 2016.

For the fiscal year ended June 30, 2018, the State of New Jersey recognized an OPEB expense in the amount of \$5,131,247 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2017 measurement date.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This 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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2017 and 2016, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2017		
	At 1% Decrease (2.58%)	At Discount Rate (3.58%)	At 1% Increase (4.58%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 103,604,733	\$ 87,277,537	\$ 74,326,650
State of New Jersey's Total Nonemployer OPEB Liability	\$ 63,674,362,200	\$ 53,639,841,858	\$ 45,680,364,953
	June 30, 2016		
	At 1% Decrease (1.85%)	At Discount Rate (2.85%)	At 1% Increase (3.85%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 113,087,782	\$ 94,395,474	\$ 79,682,232
State of New Jersey's Total Nonemployer OPEB Liability	\$ 69,283,705,084	\$ 57,831,784,184	\$ 48,817,654,566

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2017 and 2016, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2017		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 71,777,337	\$ 87,277,537	\$ 107,861,620
State of New Jersey's Total Nonemployer OPEB Liability	\$ 44,113,584,560	\$ 53,639,841,858	\$ 66,290,599,457
	June 30, 2016		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 77,454,115	\$ 94,395,474	\$ 117,044,457
State of New Jersey's Total Nonemployer OPEB Liability	\$ 47,452,589,164	\$ 57,831,784,184	\$ 71,707,778,970

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2017 are as follows:

	<u>Deferred Outflows of</u>	<u>Deferred Inflows of</u>
Change in Proportion	\$ 99,843,255	\$ (99,843,255)
Change in Assumptions	-	(6,343,769,032)
Contributions Made in Fiscal Year Year Ending 2018 After June 30, 2017 Measurement Date **	<u>1,190,373,242</u>	<u>-</u>
	<u>\$ 1,290,216,497</u>	<u>\$ (6,443,612,287)</u>

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information (continued):

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

<u>Fiscal Year Ending June 30,</u>	
2018	\$ (742,830,097)
2019	(742,830,097)
2020	(742,830,097)
2021	(742,830,097)
2022	(742,830,097)
Thereafter	<u>(2,629,618,547)</u>
	<u><u>\$ (6,343,769,032)</u></u>

** Employer Contributions made after June 30, 2017 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2016, the Program membership consisted of the following:

	<u>June 30, 2016</u>
Active Plan Members	223,747
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>142,331</u>
	<u><u>366,078</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2018 (measurement date June 30, 2017) is as follows:

Total OPEB Liability	
Service Cost	\$ 2,391,878,884
Interest Cost	1,699,441,736
Changes of Assumptions	(7,086,599,129)
Contributions: Member	45,748,749
Gross Benefit Payments	<u>(1,242,412,566)</u>
Net Change in Total OPEB Liability	(4,191,942,326)
Total OPEB Liability (Beginning)	<u>57,831,784,184</u>
Total OPEB Liability (Ending)	<u><u>\$ 53,639,841,858</u></u>
Total Covered Employee Payroll	\$ 13,493,400,208
Net OPEB Liability as a Percentage of Payroll	398%

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2018, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$1,988,001, \$1,063,590, \$1,284,007 and \$1,783, respectively.

Note 11. Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017-2018	\$ 557	\$ 70,682	\$ 44,459	\$ 364,579
2016-2017	389	-	3,288	337,799
2015-2016	388	14,144	-	340,698

Property and Liability Insurance – The School District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2018 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 12. Contingencies (Continued)

Economic Dependency – The School District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the School District’s programs and activities.

Note 13. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Ameriprise Financial	AXA Equitable	Lincoln Investment Planning, Inc.
MET Life Insurance	Oppenheimer Fund	Paul Revere Life Insurance
	Union Central Life Insurance	

Note 14. Compensated Absences

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

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts’ agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2018, the liability for compensated absences reported was \$1,025,370.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 15. Tax Abatements (Continued)

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Note 16. Fund Balances

General Fund – Of the \$1,610,836 General Fund fund balance at June 30, 2018, \$447,357 has been restricted for the Capital Reserve Account; \$346,948 has been restricted for the Maintenance Reserve Account; \$50,400 has been restricted for the Emergency Reserve Account; \$96,604 is restricted for prior year excess surplus – designated for subsequent year’s expenditures; \$20,875 has been committed to other purposes; \$328,396 is assigned as designated for subsequent year’s expenditures; and \$320,256 has been unassigned.

Debt Service Fund – Of the \$1 Debt Service Fund fund balance at June 30, 2018, \$1 is restricted for future debt service payments.

Note 17. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$15,411,385 at June 30, 2018. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2018. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

C. Budgetary Comparison Schedules

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	June 30, 2018			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:					
Local Tax Levy	10-1210	\$30,830,000	\$ -	\$ 30,830,000	\$ -
Tuition from Other LEAs Within the State	10-1320	300,000	29,200	329,200	237,924 (91,276)
Transportation from Other LEAs	10-1420-1440	275,000	-	275,000	305,942 (30,942)
Rents and Royalties	10-1910	45,000	-	45,000	47,239 2,239
Interest Earned on Emergency Reserve	10-1XXX	50	-	50	-
Interest Earned on Maintenance Reserve	10-1XXX	100	-	100	-
Interest on Capital Reserve Funds	10-1XXX	100	-	100	-
Unrestricted Miscellaneous Revenues	10-1XXX	200,000	-	200,000	202,407 2,407
Total Local Sources		31,650,250	29,200	31,679,450	31,623,762 (55,688)
State Sources:					
Extraordinary Aid	10-3XXX	120,000	-	120,000	222,746 102,746
Non-Public Transportation Aid	10-3000	-	-	-	23,267 23,267
Choice Aid	10-3116	1,337,047	-	1,337,047	1,337,047 -
Categorical Special Education Aid	10-3132	1,100,087	60,611	1,160,698	1,160,698 -
Categorical Security Aid	10-3177	295,909	-	295,909	295,909 -
Adjustment Aid	10-3178	197,915	-	197,915	197,915 -
Categorical Transportation Aid	10-3121	1,068,223	-	1,068,223	1,068,223 -
Tuition from Other Sources	10-1340	-	-	-	76,215 76,215
PARCC Readiness Aid	10-3XXX	19,050	-	19,050	-
Per Pupil Growth Aid	10-3XXX	19,050	-	19,050	-
Professional Learning Community Aid	10-3XXX	19,860	-	19,860	-
Nonbudgeted:					
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	1,284,007 1,284,007
On-Behalf TPAF Contributions		-	-	-	1,988,001 1,988,001
On-Behalf TPAF Long Term Disability		-	-	-	1,783 1,783
Reimbursed TPAF Social Security Contribution		-	-	-	1,063,590 1,063,590
Total State Sources		4,177,141	60,611	4,237,752	8,777,361 4,539,609
Federal Sources:					
Medicaid Assistance Program (SEMI)	10-4200	58,922	-	58,922	47,113 (11,809)
Total Federal Sources		58,922	-	58,922	47,113 (11,809)
Total Revenues		35,886,313	89,811	35,976,124	40,448,236 4,472,112

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	June 30, 2018		FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS			
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Grades 6 - 8	11-130-100-101	2,497,006	229,505	2,726,511	2,726,354	157
Grades 9 - 12	11-140-100-101	5,604,724	(36,600)	5,568,124	5,567,918	206
Home Instruction:						
Salaries of Teachers	11-150-100-101	45,000	52,000	97,000	96,950	50
Purchased Professional - Educational Services	11-150-100-320	27,000	2,800	29,800	28,526	1,274
Other Purchased Services	11-150-100-500	1,000	3,200	4,200	4,063	137
Regular Programs - Undistributed Instruction:						
Purchased Technical Services	11-190-100-340	8,800	13,500	22,300	22,256	44
Other Purchased Services	11-190-100-500	45,029	-	45,029	45,010	19
General Supplies	11-190-100-610	260,088	(19,962)	240,126	238,812	1,314
Textbooks	11-190-100-640	136,928	(25,615)	111,313	110,789	524
Total Regular Programs		8,625,575	218,828	8,844,403	8,840,678	3,725
Special Education:						
Cognitive - Mild:						
Salaries of Teachers	11-201-100-101	181,007	(181,007)	-	-	-
Other Salaries for Instruction	11-201-100-106	80,945	(80,945)	-	-	-
General Supplies	11-201-100-610	600	(600)	-	-	-
Textbooks	11-201-100-640	500	(500)	-	-	-
Total Cognitive - Mild		263,052	(263,052)	-	-	-
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	57,113	744,157	801,270	800,375	895
Other Salaries for Instruction	11-204-100-106	54,080	89,345	143,425	143,416	9
General Supplies	11-204-100-610	4,800	(1,500)	3,300	3,279	21
Textbooks	11-204-100-640	3,000	(1,950)	1,050	1,050	-
Total Learning and/or Language Disabilities		118,993	830,052	949,045	948,120	925
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	135,860	87,400	223,260	223,140	120
Other Salaries for Instruction	11-209-100-106	56,480	37,500	93,980	93,897	83
General Supplies	11-209-100-610	3,700	(770)	2,930	2,867	63
Total Behavioral Disabilities:		196,040	124,130	320,170	319,904	266

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	June 30, 2018		POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		BUDGET TRANSFERS	FINAL BUDGET	
	ORIGINAL BUDGET	ACTUAL		
Multiple Disabilities:				
Salaries of Teachers	11-212-100-101	128,860	17,000	145,860
Other Salaries for Instruction	11-212-100-106	61,335	24,500	85,835
General Supplies	11-212-100-610	1,000	(200)	800
Other Objects	11-212-100-800	700	-	700
Total Multiple Disabilities:		192,095	41,300	233,395
Resource Room:				
Salaries of Teachers	11-213-100-101	1,982,665	(345,600)	1,637,065
Other Salaries for Instruction	11-213-100-106	584,630	176,300	760,930
General Supplies	11-213-100-610	27,600	(9,100)	18,500
Total Resource Room		2,594,895	(178,400)	2,416,495
Autism:				
Salaries of Teachers	11-214-100-101	132,226	12,000	144,226
Other Salaries for Instruction	11-214-100-106	109,687	(92,170)	17,517
Autistic Prg Rental Fee	11-214-100-440	800	(180)	620
General Supplies	11-214-100-610	4,800	(1,150)	3,650
Total Autism		247,513	(81,500)	166,013
Home Instruction:				
Salaries of Teachers	11-219-100-101	85,000	67,850	152,850
Purchased Professional - Educational Services	11-219-100-320	30,600	200	30,800
Other Purchased Services	11-219-100-580	1,000	1,800	2,800
Total Home Instruction		116,600	69,850	186,450
Total Special Education		3,729,188	542,380	4,271,568
Basic Skills/Remedial:				
Salaries of Teachers	11-230-100-101	57,113	(12,500)	44,613
Total Basic Skills/Remedial		57,113	(12,500)	44,613

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ACCOUNT NUMBERS	June 30, 2018		FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS			
Bilingual Education:					
Salaries of Teachers	66,613	6,500	73,113	73,079	34
Total Bilingual Education	66,613	6,500	73,113	73,079	34
Vocational Programs- Local - Instruction:					
Salaries of Teachers ROTC	200,497	-	200,497	200,496	1
General Supplies	2,000	10,500	12,500	12,434	66
Total Vocational Programs - Local Instructor	202,497	10,500	212,997	212,930	67
School Sponsored Cocurricular Activities:					
Salaries	190,000	(20,950)	169,050	168,935	115
Purchased Services	3,000	(1,500)	1,500	1,500	-
Supplies and Materials	35,800	(950)	34,850	34,752	98
Other Objects	7,500	(1,000)	6,500	6,341	159
Total School Sponsored Cocurricular Activities	236,300	(24,400)	211,900	211,528	372
School Sponsored Athletics - Instruction:					
Salaries	738,128	51,300	789,428	789,044	384
Purchased Services (300-500 Series)	157,250	(4,022)	153,228	147,733	5,495
Supplies and Materials	99,500	2,427	101,927	101,853	74
Other Objects	10,000	(1,705)	8,295	8,295	-
Transfer to Cover Deficit (Agency Funds)	75,000	7,000	82,000	82,000	-
Total School Sponsored Athletics Instructor	1,079,878	55,000	1,134,878	1,128,925	5,953
Total Instruction	13,997,164	796,308	14,793,472	14,775,097	18,375

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ACCOUNT NUMBERS	June 30, 2018		FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS			
11-000-100-561	20,000	24,000	44,000	43,096	904
11-000-100-562	-	42,500	42,500	42,186	314
11-000-100-563	84,000	9,600	93,600	87,900	5,700
11-000-100-564	36,000	(11,600)	24,400	24,000	400
11-000-100-565	461,000	(318,100)	142,900	141,465	1,435
11-000-100-566	1,283,025	(1,100)	1,281,925	1,271,197	10,728
11-000-100-568	24,775	-	24,775	24,775	-
11-000-100-569	110,000	(32,000)	78,000	77,712	288
	2,018,800	(286,700)	1,732,100	1,712,331	19,769
Total Undistributed Expenditures - Instruction					
Attendance & Social Work Services:					
11-000-211-104	136,226	-	136,226	136,226	-
11-000-211-105	46,886	200	47,086	47,069	17
11-000-211-320	-	2,500	2,500	2,500	-
11-000-211-580	1,166	-	1,166	1,165	1
11-000-211-600	1,200	(305)	895	-	895
11-000-211-800	1,300	-	1,300	743	557
	186,778	2,395	189,173	187,703	1,470
Total Attendance & Social Work Services					
Health Services:					
11-000-213-104	241,622	(8,000)	233,622	232,765	857
11-000-213-105	26,662	105	26,767	26,766	1
11-000-213-300	25,000	7,000	32,000	28,430	3,570
11-000-213-600	8,500	1,085	9,585	9,529	56
	301,784	190	301,974	297,490	4,484
Total Health Services					

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	June 30, 2018			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Support Services - Students - Related Services					
Salaries	11-000-216-100	134,360	700	135,060	100
Purchased Professional -					
Educational Services	11-000-216-320	58,000	40,496	98,496	297
Supplies and Materials	11-000-216-600	600	-	600	-
Total Other Support Services - Students - Related Services:		192,960	41,196	234,156	397
Other Support Services - Extraordinary Services					
Salaries	11-000-217-100	442,405	(145,000)	297,405	1,839
Total Other Support Services - Extraordinary Services:		442,405	(145,000)	297,405	1,839
Other Support Services - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	691,716	22,400	714,116	35
Salaries of Secretarial & Clerical Assistants	11-000-218-105	220,576	(5,300)	215,276	74
Purchased Professional & Technical Services	11-000-218-390	43,000	500	43,500	338
Other Purchased Services	11-000-218-580	2,000	(600)	1,400	1,400
Supplies and Materials	11-000-218-610	21,165	(4,000)	17,165	2,941
Other Objects	11-000-218-890	10,775	(4,000)	6,775	1,573
Total Other Support Services - Guidance:		989,232	9,000	998,232	6,361
Other Support Services - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	652,535	(20,700)	631,835	1,394
Salaries of Secretarial & Clerical Assistants	11-000-219-105	163,374	700	164,074	62
Miscellaneous Purchased Services	11-000-219-580	1,411	-	1,411	2
Supplies and Materials	11-000-219-610	21,000	-	21,000	1,568
Other Objects	11-000-219-890	8,100	-	8,100	656
Total Other Support Services - Child Study Teams:		846,420	(20,000)	826,420	3,682

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	June 30, 2018			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Improvement of Instruction Services/Other					
Support Services - Instruction Staff:					
Salaries of Supervisors of Instruction	11-000-221-102	493,798	-	493,798	415
Salaries of Secretarial & Clerical Assistants	11-000-221-105	39,636	-	39,636	-
Other Salaries	11-000-221-110	-	9,600	9,600	1,160
Other Purchased Services	11-000-221-580	800	400	1,200	36
Supplies and Materials	11-000-221-610	3,000	20	3,020	63
Other Objects	11-000-221-890	-	4,000	4,000	-
Total Improvement of Instruction Services/Other Support Services Instructional Staff		537,234	14,020	551,254	1,674
Educational Media Services/School Library:					
Salaries of Teachers	11-000-222-104	165,127	1,900	167,027	270
Salaries of Clerical Staff	11-000-222-105	17,775	100	17,875	31
Salaries of Technology Staff	11-000-222-177	73,525	-	73,525	-
Purchased Professional Services	11-000-222-300	2,800	7,500	10,300	994
Supplies and Materials	11-000-222-600	62,250	(4,200)	58,050	8,759
Total Educational Media Services/School Library		321,477	5,300	326,777	10,054
Support Services Instructional Staff Training Service:					
Purchased Prof - Ed Services	11-000-223-320	2,000	12,000	14,000	252
Other Purchased Services	11-000-223-580	2,000	4,100	6,100	142
Supplies and Materials	11-000-223-610	1,800	(1,600)	200	29
Other Objects	11-000-223-890	5,500	5,100	10,600	467
Total Support Services Instructional Staff Training Services		11,300	19,600	30,900	890
Support Services General Administration:					
Salaries	11-000-230-100	254,822	10,100	264,922	31
Governance Salary	11-000-230-109	3,200	(200)	3,000	-
Legal Services	11-000-230-331	150,000	(13,300)	136,700	4,016
Audit Services	11-000-230-332	30,000	1,600	31,600	39
Architect/Engineer Services	11-000-230-334	5,000	25,855	30,855	148

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	June 30, 2018			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
			ACTUAL	ACTUAL
Other Purchased Professional Services	5,000	3,000	8,000	7,638
Communications/Telephone	78,000	5,850	83,850	83,358
BOE Other Purchased Services	4,500	(100)	4,400	3,311
Misc Purchased Services	127,500	(5,400)	122,100	120,829
General Supplies	14,000	1,100	15,100	14,793
Supt Dues and Fees	6,000	(600)	5,400	5,374
BOE Membership Dues & Fees	17,000	600	17,600	17,255
Total Support Services General Administration	695,022	28,505	723,527	715,401
Support Services School Administration:				
Salaries of Principals & Assistant Principals	694,236	-	694,236	694,235
Salaries of Secretarial & Clerical Assistants	290,573	49,500	340,073	339,969
Other Salaries	14,000	(1,000)	13,000	10,998
Purchased Technical Services	-	4,000	4,000	4,000
Other Purchased Services	800	-	800	500
Supplies and Materials	91,215	(22,905)	68,310	66,643
Other Objects	5,450	2,330	7,780	7,631
Total Support Services School Administration	1,096,274	31,925	1,128,199	1,123,976
Central Services:				
Salaries	376,139	4,800	380,939	380,537
Purchased Professional Services	43,500	2,120	45,620	45,616
Other Purchased Services	5,788	(700)	5,088	5,063
Supplies & Materials	35,000	(12,820)	22,180	22,015
Miscellaneous Expenditures	2,000	1,000	3,000	2,882
Total Central Services	462,427	(5,600)	456,827	456,113
Administrative Information Technology				
Salaries	177,592	7,500	185,092	184,921
Purchased Technical Services	26,000	1,800	27,800	27,737
Supplies & Materials	56,000	(300)	55,700	54,140
Total Administrative Information Technology	259,592	9,000	268,592	266,798
Required Maintenance for School Facilities:				
Salaries	375,065	30,943	406,008	403,215
Cleaning, Repair & Maintenance Services	338,755	(18,935)	319,820	317,193
Lead Testing of Drinking Water	-	900	900	660
General Supplies	65,500	21,865	87,365	87,263
Other Objects	1,700	-	1,700	1,310
Total Required Maintenance for School Facilities	781,020	34,773	815,793	809,641

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ACCOUNT NUMBERS	June 30, 2018		FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS			
Custodial Services:					
Salaries	935,415	44,057	979,472	978,711	761
Purchased Professional & Technical Services	3,500	-	3,500	3,500	-
Cleaning, Repair & Maintenance Services	45,000	(2,500)	42,500	42,000	500
Other Purchased Property Services	36,000	(1,000)	35,000	26,678	8,322
Insurance	142,100	-	142,100	141,216	884
General Supplies	49,400	(7,231)	42,169	40,680	1,489
Energy (Natural Gas)	150,000	(54,166)	95,834	79,150	16,684
Energy (Electricity)	410,000	8,000	418,000	408,999	9,001
Total Custodial Services	1,771,415	(12,840)	1,758,575	1,720,934	37,641
Care & Upkeep of Grounds					
Salaries	191,226	2,000	193,226	193,068	158
Purchased Professional & Technical Services	20,000	3,000	23,000	22,939	61
Cleaning, Repair & Maintenance Services	30,200	(500)	29,700	26,857	2,843
General Supplies	37,500	6,000	43,500	43,384	116
Other Objects		1,000	1,000	615	385
Total Care & Upkeep of Grounds	278,926	11,500	290,426	286,863	3,563
Security					
Purchased Professional & Technical Services	90,000	10,000	100,000	93,373	6,627
Total Security	90,000	10,000	100,000	93,373	6,627

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	June 30, 2018			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
				ACTUAL	
Student Transportation Services:					
Salaries for Pupil Transportation:					
Transportation Aides	11-000-270-107	80,000	(15,100)	64,900	53
Between Home & School - Regular	11-000-270-160	707,044	100,000	807,044	58
Between Home & School - Special	11-000-270-161	170,000	(86,900)	83,100	15
Extracurricular	11-000-270-162	20,000	87,100	107,035	65
Between Home & School - Nonpublic	11-000-270-163	30,000	750	30,739	11
Other Purchased Professional & Technical Services	11-000-270-390	6,000	1,500	7,500	122
Cleaning, Repair & Maintenance Services	11-000-270-420	325,000	(16,500)	308,500	94
Contracted Services (Regular Education Students) - Vendors	11-000-270-511	320,000	(52,450)	267,550	412
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-515	25,000	(14,000)	11,000	222
Contracted Services (Special Education Students) - ESC'S & CTSA	11-000-270-518	330,000	133,000	463,000	750
Aid in Lieu of Payments - Non Public	11-000-270-503	20,000	(6,900)	13,100	61
Aid in Lieu of Payments - Choice	11-000-270-505	884	-	884	884
Miscellaneous Purchased Services - Transportation	11-000-270-593	40,000	2,500	42,500	21
Supplies and Materials	11-000-270-610	85,000	10,000	95,000	679
Transportation Supplies	11-000-270-615	245,000	(59,000)	186,000	846
Other Objects	11-000-270-800	25,000	-	25,000	2
Total Student Transportation Services		2,428,928	84,000	2,512,928	4,295
Unallocated Benefits - Employee Benefits					
Other Insurance	11-000-291-210	5,000	(2,500)	2,500	759
Social Security	11-000-291-220	585,000	19,000	604,000	1,277
Other Retirement Contributions - PERS	11-000-291-241	610,000	(1,900)	608,071	29
Other Retirement Contributions - Regular	11-000-291-249	15,000	(12,000)	3,000	2,539
Worker's Compensation	11-000-291-260	275,000	(12,500)	262,500	380
Health Benefits	11-000-291-270	5,435,776	(618,705)	4,817,071	5,841
Tuition Reimbursement	11-000-291-280	25,000	(14,000)	11,000	1,240
Other Employee Benefits	11-000-291-290	320,000	160,252	480,252	1,704
Unused Sick Pay to Retired Staff	11-000-291-299	80,000	(70,500)	9,500	116
Total Unallocated Benefits - Employee Benefits		7,350,776	(552,853)	6,797,923	13,885

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ACCOUNT NUMBERS	June 30, 2018			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:				
On-Behalf TPAF Post-Retirement Medical Contributions	-	-	1,284,007	(1,284,007)
On-Behalf TPAF Contributions	-	-	1,988,001	(1,988,001)
On-Behalf TPAF NCGI Premium Contributions	-	-	1,783	(1,783)
Reimbursed TPAF Social Security Contributor	-	-	1,063,590	(1,063,590)
Total Nonbudgeted	-	-	4,337,381	(4,337,381)
Total Undistributed Expenditures	21,062,770	(721,589)	20,341,181	(4,199,741)
Total Expenditures - Current Expense	35,059,934	74,719	35,134,653	(4,181,366)
Capital Outlay:				
Equipment:				
Undistributed - Instructional Equipment	44,290	9,100	53,390	53,328
Undistributed Expense - Admin Info Tech	476,420	120,700	597,120	597,104
Custodial Services	61,778	151,520	213,298	212,761
School Buses - Regular	320,000	(104,286)	215,714	215,477
Athletics Equipment	8,500	13,286	21,786	21,096
Total Equipment	910,988	190,320	1,101,308	1,099,766
Facilities Acquisition & Construction Services:				
Architect/Engineer	30,000	14,471	44,471	34,019
Construction Services	952,000	(5,000)	947,000	915,819
Lease purchase agreement	190,435	-	190,435	190,435
Assessment for Debt Service on SDA funding	114,706	-	114,706	114,706
Total Facilities Acquisition & Construction Services	1,287,141	9,471	1,296,612	1,254,979
Assets Acquired Under Capital Leases (NonBudgeted)	-	-	-	138,840
Total Capital Outlay	2,198,129	199,791	2,397,920	2,493,585
				(95,665)

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ACCOUNT NUMBERS	June 30, 2018		POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	
Total Expenditures	37,258,063	41,809,604	(4,277,031)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,371,750)	(1,361,368)	195,081
Other Financing Sources/(Uses):			
NonBudgeted Capital Leases	-	-	138,840
Transfer from Food Service	77,000	77,000	-
Other Financing Sources - Leases	725,000	725,000	-
Interest Earned on Capital Reserve	(100)	(100)	100
Interest Earned on Maintenance Reserve	(100)	(100)	100
Interest Earned on Emergency Reserve	(50)	(50)	50
Total Other Financing Sources/(Uses)	801,750	801,750	139,090
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Fund Balances, July 1	(570,000)	(754,699)	334,171
Fund Balances, June 30	1,842,279	1,657,580	334,171

RECAPITULATION OF TRANSFERS:

Appropriation of Surplus (Board approved June 21, 2018)	(145,000)
Rollover Encumbrances from Prior Year	(39,699)
Total Transfers	<u>\$ (184,699)</u>

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Capital Reserve	\$	447,357
Emergency Reserve		50,400
Maintenance Reserve		346,948
Excess Surplus - Designated for Subsequent Year's Expenditures		96,604
Committed Fund Balance:		
Year-end Encumbrances		20,875
Assigned Fund Balance:		
Unreserved - Designated for Subsequent Year's Expenditures		328,396
Unassigned Fund Balance		701,171
Subtotal		1,991,751
Reconciliation to Governmental Fund Statements (GAAP)		
Last State Aid Payment Not Recognized on GAAP Basis		(380,915)
Fund Balance Per Governmental Funds (GAAP)	\$	<u>1,610,836</u>

**CENTRAL REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	June 30, 2018				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS/ ADJUSTMENTS	FINAL BUDGET	ACTUAL	
Revenues:					
Federal Sources	\$ 852,929	\$ 193,753	\$ 1,046,682	\$ 1,046,682	\$ -
Total Revenues	852,929	193,753	1,046,682	1,046,682	-
Expenditures:					
Instruction:					
Salaries of Teachers	432,866	(47,123)	385,743	385,743	-
Other Purchased Services	-	1,900	1,900	1,900	-
Tuition	420,063	85,897	505,960	505,960	-
Total Instruction	852,929	40,674	893,603	893,603	-
Support Services:					
Salaries of Other Professional Staff	-	2,700	2,700	2,700	-
Personal Services - Employee Benefits		95,820	95,820	95,820	-
Purchase of Professional					
Education Services	-	11,109	11,109	11,109	-
Other Professional Services	-	43,450	43,450	43,450	-
Total Support Services	-	153,079	153,079	153,079	-
Total Expenditures	852,929	193,753	1,046,682	1,046,682	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

This page intentionally left blank

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 40,448,236	\$ 1,046,682
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	-
Current Year	-	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	377,555	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(380,915)	-
	\$ 40,444,876	\$ 1,046,682
Total Revenues as Reported on the Stat Personal Services - Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 40,444,876	\$ 1,046,682
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 41,809,604	\$ 1,046,682
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year	-	-
Current Year	-	-
	\$ 41,809,604	\$ 1,046,682
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 41,809,604	\$ 1,046,682

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

This page intentionally left blank

CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.06460%	0.06237%	0.06151%	0.05994%	0.05842%
District's proportionate share of the net pension liability (asset)	\$ 15,037,470	\$ 18,474,100	\$ 13,808,205	\$ 11,222,596	\$ 11,165,812
District's covered-employee payroll	\$ 4,682,407	\$ 4,330,517	\$ 4,203,016	\$ 4,162,600	\$ 4,113,245
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	321.15%	426.60%	328.53%	269.61%	271.46%
Plan fiduciary net position as a percentage of the total pension liability	48.10%	40.14%	47.93%	52.08%	48.72%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS**

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 674,412	\$ 598,435	\$ 554,143	\$ 528,838	\$ 494,145
Contributions in relation to the contractually required contribution	674,412	598,435	554,143	528,838	494,145
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,848,946	\$ 4,682,407	\$ 4,330,517	\$ 4,203,016	\$ 4,162,600
Contributions as a percentage of covered-employee payroll	13.91%	12.78%	12.80%	12.58%	11.87%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST FIVE FISCAL YEARS

	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 89,265,911	\$ 104,081,346	\$ 82,189,449	\$ 69,618,006	\$ 69,340,988
District's covered-employee payroll	\$ 14,799,731	\$ 14,217,711	\$ 13,252,685	\$ 13,451,654	\$ 13,243,968
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	25.41%	22.33%	28.71%	33.64%	33.76%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

This page intentionally left blank.

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

This page intentionally left blank.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FISCAL YEAR***

	2018
District's Total OPEB Liability	
Service Cost	\$ 3,602,242
Interest Cost	2,765,384
Changes of Assumptions	(11,538,468)
Contributions: Member	74,438
Gross Benefit Payments	(2,021,533)
Net Change in District's Total OPEB Liability	(7,117,937)
District's Total OPEB Liability (Beginning)	94,395,474
District's Total OPEB Liability (Ending)	\$ 87,277,537
District's Covered Employee Payroll	\$ 19,482,138
District's Net OPEB Liability as a Percentage of Payroll	448%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

This page intentionally left blank.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2018**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.22% as of June 30, 2016, to 4.25% as of June 30, 2017.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.98% as of June 30, 2016, to 5.00% as of June 30, 2017.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.85% as of June 30, 2016, to 3.58% as of June 30, 2017.

This page intentionally left blank

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank

D. School Based Budget Schedules

Not Applicable

This page intentionally left blank

E. Special Revenue Fund

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	TITLE I	TITLE II PART A	I.D.E.A.	TITLE IV PART A	TOTAL
Revenues:					
Federal Sources	\$ 460,540	\$ 78,282	\$ 505,960	\$ 1,900	\$ 1,046,682
Total Revenues	<u>\$ 460,540</u>	<u>\$ 78,282</u>	<u>\$ 505,960</u>	<u>\$ 1,900</u>	<u>\$ 1,046,682</u>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 335,500	\$ 50,243	\$ -	\$ -	\$ 385,743
Other Purchased Services	-	-	-	1,900	1,900
Tuition			505,960	-	505,960
Total Instruction	<u>335,500</u>	<u>50,243</u>	<u>505,960</u>	<u>1,900</u>	<u>893,603</u>
Support Services:					
Salaries of Other Professional Staff	-	2,700	-	-	2,700
Personal Services - Employee Benefits	81,590	14,230	-	-	95,820
Purchase of Professional Education Services	-	11,109	-	-	11,109
Other Professional Services	43,450	-	-	-	43,450
Total Support Services	<u>125,040</u>	<u>28,039</u>	<u>-</u>	<u>-</u>	<u>153,079</u>
Total Expenditures	<u>\$ 460,540</u>	<u>\$ 78,282</u>	<u>\$ 505,960</u>	<u>\$ 1,900</u>	<u>\$ 1,046,682</u>

This page intentionally left blank.

F. Capital Projects Fund

Not Applicable

This page intentionally left blank

H. Fiduciary Fund

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$ 29,309	\$ 300,551	\$ 249,626	\$ 447,327	\$ 1,026,813
Due from Other Funds	-	64,028	-	-	64,028
Total Assets	29,309	364,579	249,626	447,327	1,090,841
LIABILITIES					
Payroll Deductions & Withholdings	-	-	-	378,299	378,299
Interfunds Payable	-	-	-	69,028	69,028
Due to Student Groups	-	-	249,626	-	249,626
Total Liabilities	-	-	249,626	447,327	696,953
NET POSITION					
Reserved:					
Scholarships	29,309	-	-	-	29,309
Unemployment Benefits	-	364,579	-	-	364,579
Total Net Position	\$ 29,309	\$ 364,579	\$ -	\$ -	\$ 393,888

**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	PRIVATE PURPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
ADDITIONS:			
Interest Earned	\$ 62	\$ 557	\$ 619
Donations	29,156	-	29,156
Plan Member	-	70,682	70,682
Total Additions	29,218	71,239	100,457
DEDUCTIONS:			
Disbursements	29,476	44,459	73,935
Total Deductions	29,476	44,459	73,935
Change in Net Position	(258)	26,780	26,522
Net Position - Beginning of Year	29,567	337,799	367,366
Net Position - End of Year	\$ 29,309	\$ 364,579	\$ 393,888

**CENTRAL REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	BALANCE JULY 1, 2017	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2018
High & Middle Schools Athletic Account	\$ 254,727	\$ 678,452	\$ 688,055	\$ 245,124
	3,507	154,848	153,853	4,502
Total	\$ 258,234	\$ 833,300	\$ 841,908	\$ 249,626

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

ASSETS	BALANCE JULY 1, 2017	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2018
Cash & Cash Equivalents	\$ 350,932	\$ 25,776,530	\$ 25,680,135	\$ 447,327
Total Assets	\$ 350,932	\$ 25,776,530	\$ 25,680,135	\$ 447,327
LIABILITIES				
Net Payroll Deductions & Withholdings	\$ 308,127	\$ 25,712,502	\$ 25,642,330	\$ 378,299
Interfunds	42,805	64,028	37,805	69,028
Total Liabilities	\$ 350,932	\$ 25,776,530	\$ 25,680,135	\$ 447,327

This page intentionally left blank.

I. Long-Term Debt

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
STATEMENT OF SERIAL BONDS
JUNE 30, 2018**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITY DATE	ANNUAL MATURITY AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2017	ISSUED	RETIRED	BALANCE JUNE 30, 2018
School Bonds 2011	3/29/2011	\$4,113,000	7-15-18	\$ 675,000	3.000%	\$ 2,598,000	\$ -	\$ 750,000	\$ 1,848,000
			7-15-19	520,000	3.250%				
			7-15-20	400,000	3.500%				
			7-15-21	253,000	3.500%				
Total						\$ 2,598,000	\$ -	\$ 750,000	\$ 1,848,000

**CENTRAL REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2018**

PURPOSE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2017	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2018
Copiers - FY 13	Variable	37,793	\$ 2,762	\$ -	\$ 2,762	\$ -
Copiers - FY 14	Variable	20,438	5,333	-	4,542	791
Copiers - FY 15	Variable	23,864	15,156	-	4,756	10,400
Artificial Turf	2.54%	768,690	185,717	-	185,717	-
Copiers - FY 16	2.75%	157,496	110,248	-	26,451	83,797
Copiers - FY 17	Variable	50,615	44,761	-	9,367	35,394
Copiers - FY 18	Variable	53,132	-	53,132	3,431	49,701
Phone System	2.25%	85,708	-	85,708	-	85,708
Middle School Roof Lease	3.28%	725,000	-	725,000	-	725,000
Total			\$ 363,977	\$ 863,840	\$ 237,026	\$ 990,791

**CENTRAL REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	June 30, 2018			POSITIVE/ NEGATIVE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 872,997	\$ -	\$ 872,997	\$ -
Total Revenues	872,997	-	872,997	-
Expenditures:				
Regular Debt Service:				
Interest on Bonds	71,255	-	71,255	-
Redemption of Principal	750,000	-	750,000	-
Principal on Community Disaster Loan	51,741	(32,214)	19,527	-
Interest on Community Disaster Loan	-	32,214	32,214	-
Total Expenditures	872,996	-	872,996	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1	-	1	-
Fund Balance July 1	-	-	-	-
Fund Balance June 30	1	-	1	1

This page intentionally left blank

STATISTICAL SECTION (Unaudited)

Third Section

This page intentionally left blank

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

This page intentionally left blank

CENTRAL REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
Net Investment in Capital Assets	\$ 15,817,786	\$ 22,671,570	\$ 18,445,998	\$ 21,618,461	\$ 22,638,937	\$ 23,555,121	\$ 24,923,343	\$ 25,574,459	\$ 26,464,786	\$ 26,675,446
Restricted for:										
Debt Service	30,717	30,780	6,915	(36,096)	(128,030)	(117,534)	(146,455)	(198,537)	-	1
Capital Projects	-	-	3,081,772	11,485,089	61,376	33,645	-	-	-	-
General Fund	153,608	602,305	303,164	-	-	-	-	-	-	-
Maintenance Reserve	721,776	91,148	91,148	191,348	291,448	291,548	291,648	291,748	491,848	346,948
Emergency Reserve	-	-	-	50,100	50,150	50,200	50,250	50,300	50,350	50,400
Capital Reserve	-	-	-	553,607	519,987	670,607	321,270	446,320	447,257	447,357
Excess Surplus	-	-	-	-	-	-	70,842	99,752	196,356	96,604
Unrestricted	(546,530)	(756,382)	32,241	(359,955)	(413,734)	(1,918,881)	(15,875,981)	(16,414,879)	(14,435,210)	(15,411,385)
Total Governmental Activities	\$ 16,177,357	\$ 22,639,421	\$ 21,961,238	\$ 33,502,574	\$ 23,020,134	\$ 22,564,706	\$ 9,634,917	\$ 9,849,163	\$ 13,215,387	\$ 12,205,371

Business-Type Activities:

Net Investment in Capital Assets	\$ 10,837	\$ 130,569	\$ 100,861	\$ 71,206	\$ 54,764	\$ 40,156	\$ 32,746	\$ 90,587	\$ 94,056	\$ 175,731
Unrestricted	92,786	7,169	32,728	71,122	46,796	88,929	150,493	52,637	188,930	212,181
Total Business-Type Activities	\$ 103,623	\$ 137,738	\$ 133,589	\$ 142,328	\$ 101,560	\$ 129,085	\$ 183,239	\$ 143,224	\$ 282,986	\$ 387,912

Government-Wide:

Net Investment in Capital Assets	\$ 15,828,623	\$ 22,802,139	\$ 18,546,859	\$ 21,689,667	\$ 22,693,701	\$ 23,595,277	\$ 24,956,089	\$ 25,665,046	\$ 26,558,842	\$ 26,851,177
Restricted:										
Debt Service	30,717	30,780	6,915	(36,096)	(128,030)	(117,534)	(146,455)	(198,537)	-	1
Capital Projects	-	-	3,081,772	11,485,089	61,376	33,645	-	-	-	-
General Fund	153,608	602,305	303,164	-	-	-	-	-	-	-
Maintenance Reserve	721,776	91,148	91,148	191,348	291,448	291,548	291,648	291,748	491,848	346,948
Emergency Reserve	-	-	-	50,100	50,150	50,200	50,250	50,300	50,350	50,400
Capital Reserve	-	-	-	553,607	519,987	670,607	321,270	446,320	447,257	447,357
Excess Surplus	-	-	-	-	-	-	70,842	99,752	196,356	96,604
Unrestricted	(453,744)	(749,213)	64,969	(288,813)	(366,938)	(1,829,952)	(15,725,488)	(16,362,242)	(14,246,280)	(15,199,204)
Total District Net Position	\$ 16,280,980	\$ 22,777,159	\$ 22,094,827	\$ 33,644,902	\$ 23,121,694	\$ 22,693,791	\$ 9,818,156	\$ 9,992,387	\$ 13,498,373	\$ 12,593,283

**CENTRAL REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
Unaudited**

	2008	2009	2010	2011	2012	2013	2014	2015	2017	2018
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 7,758,943	\$ 8,028,025	\$ 7,662,009	\$ 8,226,793	\$ 8,429,981	\$ 8,245,178	\$ 859,693	\$ 8,657,266	\$ 8,973,753	\$ 19,243,402
Special Education	3,624,914	3,990,115	4,251,694	3,284,701	3,387,494	3,539,290	3,524,595	3,902,188	4,059,048	8,428,542
Other Special Instruction	163,751	137,509	133,406	146,181	150,209	152,971	97,235	63,004	111,476	-
Vocational	38,887	97,034	98,785	101,297	102,842	103,436	85,932	88,290	89,926	-
Other Instruction	967,506	1,086,908	1,110,216	1,105,690	1,189,549	1,430,723	1,521,000	1,540,487	1,587,210	3,303,028
Support Services:										
Tuition	1,542,680	1,328,267	1,597,999	1,358,355	1,221,328	1,528,103	1,266,796	1,245,021	1,740,130	2,592,829
Student & Instruction Related Services	2,968,898	3,316,852	3,020,552	2,888,541	3,108,366	3,153,657	3,246,074	3,285,507	3,554,041	5,872,894
School Administrative Services	1,043,776	1,051,177	918,003	945,841	957,572	940,552	984,102	959,898	975,453	1,701,936
Other Administrative Services	1,731,718	1,660,117	1,495,828	790,993	930,022	788,484	842,564	766,481	686,206	1,083,268
Central Services	-	-	-	-	458,367	466,520	449,108	468,133	468,586	690,651
Administrative Information Technology	-	-	-	769,656	312,389	317,390	337,352	289,214	275,879	403,988
Plant Operations & Maintenance	3,320,675	3,685,340	2,981,790	2,674,594	2,905,618	2,883,091	3,492,492	3,407,995	3,171,714	4,170,554
Pupil Transportation	2,028,988	2,018,781	2,011,998	2,244,262	2,272,104	2,278,568	2,373,075	2,246,855	2,340,048	3,798,598
Unallocated Benefits	6,903,734	7,386,709	7,860,346	8,272,378	8,979,596	8,539,224	12,266,841	14,316,015	11,493,294	-
Special Schools	16,954	10,812	25,084	37,885	42,338	63,951	63,674	64,575	80,471	-
Debt Service	1,106,388	1,129,235	256,461	302,193	258,980	210,614	204,651	173,176	148,098	205,013
Unallocated Gain on Revaluation of Fixed Assets	-	-	-	467,603	-	-	145,114.00	(161,812)	92,699	-
Unallocated Depreciation	1,589,372	1,432,695	1,415,116	1,372,311	1,438,287	1,555,078	1,479,428	2,684,952	2,044,487	-
Unallocated Compensated Absences	-	-	-	45,341	-	-	-	-	-	-
Total Governmental Activities Expenses	35,112,677	34,807,184	36,359,576	34,839,287	35,034,615	36,145,041	36,196,830	43,997,245	41,892,519	51,494,703
Business-Type Activities:										
Food Service	834,344	865,653	729,797	830,407	874,860	800,783	788,586	916,101	745,556	789,220
Drivers Education	7,476	-	-	-	-	-	-	-	-	-
Community School	-	11,500.00	5,458	4,923	2,387	6,135	6,614	4,250	12,213	11,508
Total Business-Type Activities Expense	841,820	877,153	735,255	835,330	877,248	806,918	795,200	920,351	757,769	800,728
Total District Expenses	\$ 35,954,497	\$ 35,684,337	\$ 37,094,831	\$ 35,674,617	\$ 35,911,863	\$ 36,951,959	\$ 36,992,030	\$ 44,917,596	\$ 42,650,288	\$ 52,295,431
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ -	\$ -	\$ 240,990	\$ 178,156	\$ 437,229	\$ 550,040	\$ 622,528	\$ 608,989	\$ 467,980	\$ -
Operating Grants & Contributions	6,657,025	3,459,367	3,118,138	899,408	5,003,718	4,367,345	7,838,413	9,383,694	5,879,019	13,427,192
Total Governmental Activities Program Revenues	6,657,025	3,459,367	3,359,128	1,077,564	5,440,947	4,917,385	8,460,941	9,992,683	6,346,999	13,427,192

**CENTRAL REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
Unaudited**

	2008	2009	2010	2011	2012	2013	2014	2015	2017	2018
Business-Type Activities:										
Charges for Services:										
Food Service	528,343	461,286	476,354	479,519	500,881	519,315	500,808	534,100	528,081	533,141
Community School	11,380	7,545	6,750	5,250	3,500	7,596	8,900	8,370	10,248	10,248
Operating Grants & Contributions	250,425	295,740	309,762	359,300	327,811	307,532	339,646	337,866	369,450	362,265
Total Business Type Activities Program Revenues	790,148	764,571	792,866	844,069	832,192	834,443	849,354	880,336	897,531	905,654
Total District Program Revenues	\$ 7,447,173	\$ 4,223,938	\$ 4,151,994	\$ 1,921,633	\$ 6,273,139	\$ 5,751,828	\$ 9,310,295	\$ 10,873,019	\$ 7,244,530	\$ 14,332,846
Net/(Expense)/Revenue:										
Governmental Activities	\$ (28,150,159)	\$ (32,900,209)	\$ (31,480,159)	\$ (33,957,051)	\$ (30,704,094)	\$ (31,279,445)	\$ (32,565,085)	\$ (34,004,562)	\$ (35,545,520)	\$ (38,067,511)
Business-Type Activities	(51,672)	(112,582)	57,611	8,739	(45,056)	27,525	54,154	(40,015)	139,762	104,926
Total District-Wide Net Expense	\$ (30,878,870)	\$ (28,201,831)	\$ (33,012,791)	\$ (31,422,548)	\$ (33,948,312)	\$ (30,749,150)	\$ (31,251,920)	\$ (34,044,577)	\$ (35,405,758)	\$ (37,962,585)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 24,524,902	\$ 25,356,033	\$ 26,673,913	\$ 26,673,913	\$ 27,207,391	\$ 26,026,885	\$ 26,152,630	\$ 29,544,727	\$ 30,356,069	\$ 30,830,000
Property Taxes Levied for Debt Service	1,121,126	1,122,604	1,102,344	1,311,872	1,321,690	1,426,015	1,417,769	1,401,094	953,130	872,997
Unrestricted Grants & Contributions	6,934,441	3,565,448	2,727,947	6,773,184	2,628,126	3,026,949	3,063,850	3,050,655	3,538,964	4,483,733
Tuition	-	-	-	-	-	-	-	-	-	237,924
Transportation	-	-	-	-	-	-	-	-	-	305,942
Refund of Prior Year Expenses	-	-	-	-	-	14,362	-	-	-	-
Special Item - Cancellation of Community Disaster I	-	-	-	-	-	-	-	-	3,664,031	-
Special Item - Cancellation of Prior Year Payables	-	-	-	-	-	-	-	-	2,134	-
Special Item - Loss on Disposal of Assets	-	-	-	-	(818,777)	-	-	-	-	-
Miscellaneous Income	241,549	505,019	297,773	402,837	224,094	296,161	300,504	222,332	397,416	249,896
Transfers	-	-	-	-	-	-	-	-	-	77,000
Total Governmental Activities	32,822,018	30,549,104	30,801,977	35,161,806	30,562,524	30,790,372	30,934,753	34,218,808	38,911,744	37,057,492
Business-Type Activities:										
Transfers	-	-	-	-	-	-	-	-	-	(77,000)
Investment Earnings	-	-	1,099	-	-	-	-	-	-	-
Total Business-Type Activities	-	-	1,099	-	-	-	-	-	-	(77,000)
Total District-Wide	\$ 32,822,018	\$ 30,549,104	\$ 30,803,076	\$ 35,161,806	\$ 30,562,524	\$ 30,790,372	\$ 30,934,753	\$ 34,218,808	\$ 38,911,744	\$ 36,980,492
Change in Net Position:										
Governmental Activities	\$ 4,671,859	\$ (2,351,105)	\$ (678,182)	\$ 1,204,755	\$ (141,570)	\$ (489,073)	\$ (1,730,332)	\$ 214,246	\$ 3,366,224	\$ (1,010,019)
Business-Type Activities	(51,672)	(112,582)	58,710	8,739	(45,056)	27,525	54,154	(40,015)	139,762	27,926
Total District	\$ 4,620,187	\$ (2,463,687)	\$ (619,472)	\$ 1,213,494	\$ (186,626)	\$ (461,548)	\$ (1,676,178)	\$ 174,231	\$ 3,505,986	\$ (982,093)

**CENTRAL REGIONAL SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited**

	FISCAL YEAR ENDING JUNE 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Reserved	\$ 1,846,332	\$ 767,744	\$ 497,865	\$ 1,190,360	\$ 1,232,440	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	723,550	321,190	126,960	102,749	24,008	-	-	-	-	-
Restricted	-	-	-	-	-	1,012,355	734,010	888,120	1,185,811	941,309
Assigned	-	-	-	-	-	200,000	381,487	575,000	331,070	328,396
Committed	-	-	-	-	-	472,912	260,388	71,487	39,699	20,875
Unassigned	-	-	-	-	-	178,622	325,279	324,865	478,144	320,256
Total General Fund	\$ 2,569,882	\$ 1,088,934	\$ 624,825	\$ 1,293,109	\$ 1,256,448	\$ 1,863,889	\$ 1,701,164	\$ 1,859,472	\$ 2,034,724	\$ 1,610,836
All Other Governmental Funds										
Restricted, Reported in:										
Capital Projects Fund	\$ -	\$ -	\$ -	\$ 68,902	\$ 61,376	\$ 3,645	\$ -	\$ -	\$ -	\$ -
Debt Service Fund	-	-	-	-	-	-	-	-	-	1
Assigned, Reported in:										
Capital Projects Fund	-	-	-	1,079,606	-	30,000	-	-	-	-
Debt Service Fund	-	-	-	94,368	928	452	3,058	-	-	-
Unreserved, Reported in:										
Capital Projects Fund	-	-	3,842,119	-	-	-	-	-	-	-
Debt Service Fund	37,349	30,780	6,915	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 37,349	\$ 30,780	\$ 3,849,034	\$ 1,242,876	\$ 62,304	\$ 34,097	\$ 3,058	\$ -	\$ -	\$ 1

**CENTRAL REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Tax levy	\$ 25,646,028	\$ 26,478,637	\$ 27,776,257	\$ 27,985,785	\$ 28,529,081	\$ 27,452,900	\$ 27,470,399	\$ 30,945,821	\$ 31,309,199	\$ 31,702,997
Tuition charges	277,416	106,081	240,990	178,156	147,472	257,784	334,873	318,393	154,516	237,924
Transportation Fees	277,416	-	80,899	225,390	289,757	292,256	241,860	242,460	247,395	305,942
Miscellaneous	241,549	573,408	241,277	177,447	224,094	296,162	300,504	222,332	397,416	202,657
State Sources	5,918,561	5,309,017	4,589,953	6,618,793	6,524,978	6,506,753	6,814,452	7,391,570	8,329,730	8,774,001
Federal Sources	708,464	1,313,034	1,231,728	1,053,799	1,106,866	887,541	1,044,741	1,083,677	1,088,253	1,093,795
Other	30,000	-	-	-	-	-	45,795	48,136	66,069	47,239
Total revenue	33,099,434	33,780,177	34,161,104	36,239,370	36,822,247	35,693,396	36,252,624	40,252,389	41,592,578	42,364,555
Expenditures										
Instruction:										
Regular Instruction	7,758,943	8,028,025	7,873,336	8,308,565	8,478,025	8,340,129	8,646,273	9,079,493	9,228,437	9,226,421
Special Education Instruction	3,624,914	3,990,115	4,251,694	3,284,701	3,387,494	3,539,290	3,524,595	3,902,188	4,059,048	4,263,581
Other Special Instruction	163,751	137,509	133,406	146,181	150,209	152,971	97,235	63,004	111,476	117,455
Vocational Education	38,887	97,034	98,785	101,297	102,842	103,436	85,932	88,290	89,926	212,930
Other Instruction	967,506	1,086,908	1,110,216	1,105,690	1,189,549	1,430,723	1,521,000	1,540,487	1,587,210	1,340,453
Support Services:										
Tuition	1,542,680	1,328,267	1,597,999	1,358,355	1,221,328	1,528,103	1,266,796	1,245,021	1,740,130	2,218,291
Student & Inst. Related Services	2,968,899	3,316,852	3,020,552	2,888,541	3,108,366	3,153,657	3,246,074	3,285,507	3,554,041	3,741,149
Other Administrative Services	1,039,457	1,046,923	846,477	790,993	930,022	788,484	842,564	766,481	686,206	715,401
School Administrative Services	1,043,776	1,051,177	918,003	945,841	957,572	940,552	984,402	959,898	975,453	1,123,976
Central Services				461,782	458,367	466,520	499,108	468,133	468,586	456,113
Admin. Information Technology	220,404	613,194	649,351	307,874	312,389	317,390	337,352	289,214	275,879	266,798
Plant Operations & Maintenance	3,320,675	3,685,340	2,981,790	2,729,660	2,842,918	2,894,527	2,924,584	2,994,816	3,057,008	2,910,811
Pupil transportation	2,028,988	2,018,781	2,011,998	2,244,262	2,272,104	2,278,568	2,373,075	2,246,855	2,340,048	2,552,083
Unallocated benefits	6,903,734	7,386,709	7,860,346	8,272,378	9,091,854	8,491,695	9,038,380	9,813,817	10,174,876	11,217,239
Special Schools	16,954	10,812	25,084	37,885	42,338	63,951	63,674	64,575	80,471	-
Capital outlay	1,589,372	529,020	422,387	4,105,807	2,078,619	1,209,531	3,091,291	2,042,704	2,088,150	2,493,585
Debt Service:										
Principal	905,000	875,000	915,000	955,000	1,155,000	1,205,000	1,245,000	1,280,000	850,000	769,527
Interest & Other Charges	201,388	254,235	218,061	270,050	260,486	221,586	173,124	124,152	103,130	103,469
Total Expenditures	34,335,328	35,455,901	34,934,485	38,314,862	38,039,481	37,126,113	39,960,459	40,254,635	41,470,075	43,729,282

**CENTRAL REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,235,894)	(1,675,724)	(773,381)	(2,075,492)	(1,217,234)	(1,432,717)	(3,707,835)	(2,246)	122,503	(1,364,727)
Other Financing Sources/(Uses):										
Community Disaster Loan (FEMA)	-	-	-	-	-	1,977,151	2,721,517	-	-	-
Capital Leases (Budgeted)	-	-	-	-	-	-	-	-	-	725,000
Transfers In from Other Funds	-	-	-	-	-	-	-	-	-	77,000
Refund of Prior Year's Expenditures	-	-	-	-	-	14,362	-	-	-	-
Capital Leases (Non-Budgeted)	-	-	-	137,620	-	20,438	23,864	157,496	50,615	138,840
Capital Lease - Turf Lease	-	-	-	-	-	-	768,690	-	-	-
Cancellation of Prior Year Payables	-	-	-	-	-	-	-	-	2,134	-
Total Other Financing Sources/ (Uses)	-	-	-	137,620	-	2,011,951	3,514,071	157,496	52,749	940,840
Net Change in Fund Balances	\$ (1,235,894)	\$ (1,675,724)	\$ (773,381)	\$ (1,937,872)	\$ (1,217,234)	\$ 579,234	\$ (193,764)	\$ 155,250	\$ 175,252	\$ (423,887)
Debt Service as a Percentage of Noncapital Expenditures	3.38%	3.23%	3.28%	3.58%	3.94%	3.97%	3.85%	3.67%	2.42%	2.12%

Source: District Records

**CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited**

FISCAL YEAR ENDING JUNE 30,	TUITION	TRANSPORTATION FEES	INTEREST INVESTMENT	RENTS AND ROYALTIES	REFUND PRIOR YEAR		TOTAL
					MISCELLANEOUS	EXPENDITURES	
2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2010	114,616	-	26,614	-	-	378,697	519,927
2011	240,990	80,900	22,343	-	-	218,934	563,167
2012	178,156	225,390	742	-	-	156,757	561,045
2013	147,472	289,757	1,830	-	-	199,735	638,794
2014	257,784	292,256	770	-	-	280,297	831,107
2015	334,873	241,860	150	-	-	279,845	856,728
2016	318,393	242,460	200	-	-	212,307	773,360
2017	154,516	242,460	200	-	-	21,237	418,413
2018	237,924	305,942	250	47,239	-	202,407	793,762

Source: District records

This page intentionally left blank.

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**
Unaudited

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUIVALENT) VALUE
BERKELEY											
2009	50,968,900	2,421,249,640	116,946,700	11,358,700	24,746,400	2,625,270,340	806,116,550	3,923,144	2,629,485,784	0.650	5,137,683,949
2010	49,339,700	2,447,836,590	119,958,300	11,321,600	24,756,300	2,653,212,490	809,607,400	3,462,676	2,656,968,666	0.638	5,965,950,879
2011	142,705,500	4,597,514,300	344,374,200	28,114,500	59,170,800	5,171,879,300	1,269,044,700	8,476,005	5,181,066,605	0.370	6,434,567,397
2012	132,153,900	4,599,782,500	325,273,400	24,742,200	58,796,400	5,140,748,300	1,270,623,100	6,397,133	5,147,145,433	-	5,867,719,087
2013	123,862,500	4,586,855,260	318,920,400	24,764,900	58,647,000	5,113,761,960	1,272,461,000	-	6,386,222,960	0.937	5,548,786,849
2014	149,897,200	4,566,287,760	291,127,700	24,462,500	57,997,000	5,089,815,160	1,274,856,000	-	6,364,671,260	-	5,103,594,866
2015	143,719,200	4,580,869,960	290,027,400	24,462,500	57,997,000	5,102,034,090	1,278,099,500	-	6,380,133,590	-	5,093,712,990
2016	139,576,200	4,610,354,810	285,904,700	23,692,500	55,205,700	5,119,435,600	1,281,759,500	-	6,401,195,100	1.022	5,286,358,469
2017	134,323,200	4,616,600,166	280,585,300	16,424,100	55,205,700	5,107,114,648	1,293,195,830	-	6,400,910,478	-	5,419,664,792
2018	135,728,900	4,637,597,300	280,660,700	16,853,300	60,521,100	5,136,193,690	1,306,073,600	-	6,442,267,290	-	N/A
ISLAND HEIGHTS											
2009	14,163,100	309,770,900	22,721,800	-	489,300	347,145,100	25,339,700	186,540	347,331,640	0.265	392,700,235
2010	13,762,500	315,343,500	23,101,200	-	489,300	352,696,500	22,460,600	189,570	373,157,100	0.301	444,532,862
2011	13,983,900	314,685,500	23,043,100	-	489,300	352,201,800	22,460,600	189,570	352,364,449	0.488	418,199,271
2012	12,913,000	314,965,700	21,616,800	-	489,300	349,984,800	22,674,700	-	372,659,500	0.866	390,346,643
2013	14,328,500	310,198,700	20,718,300	-	489,300	345,734,800	22,724,700	-	368,459,500	0.860	349,969,430
2014	15,221,700	309,324,600	20,588,200	-	489,300	345,623,800	22,736,500	-	368,360,300	-	344,899,511
2015	16,158,700	307,697,700	20,588,200	-	489,300	345,132,255	22,736,500	-	367,868,755	-	342,264,239
2016	16,740,400	307,677,800	20,523,400	-	489,300	345,631,813	22,736,500	-	368,368,313	0.912	328,307,771
2017	14,671,000	310,496,700	20,576,200	-	489,300	346,430,885	23,018,800	-	369,449,685	-	345,395,292
2018	13,014,400	313,614,800	20,576,200	-	489,300	347,893,775	23,018,800	-	370,912,575	-	N/A
OCEAN GATE											
2009	3,326,200	253,446,800	4,683,100	-	1,299,000	262,755,100	11,606,300	196,272	274,361,400	0.358	287,586,215
2010	3,326,200	253,446,800	4,683,100	-	1,299,000	262,755,100	11,606,300	196,272	274,361,400	0.358	287,586,215
2011	3,488,300	252,790,400	4,683,100	-	1,299,000	262,755,100	12,032,500	153,416	262,414,216	-	281,598,499
2012	3,804,100	253,620,900	4,387,100	-	1,299,000	263,407,100	12,082,500	-	275,489,600	0.969	261,862,114
2013	3,668,700	245,470,200	4,387,100	-	1,160,200	254,686,700	12,082,500	-	266,769,200	0.993	241,936,639
2014	4,510,200	243,127,500	4,277,600	-	1,160,200	253,075,500	12,360,700	-	265,436,200	-	233,593,779
2015	2,933,500	246,659,800	4,527,500	-	1,242,100	253,456,077	12,185,800	-	267,641,877	-	231,853,005
2016	3,180,800	206,460,400	4,509,000	-	1,106,900	215,347,392	13,757,100	-	229,104,492	1.272	226,295,735
2017	3,197,800	207,340,300	4,509,000	-	1,106,900	216,236,835	13,784,700	-	230,021,535	-	227,135,356
2018	2,467,300	211,070,200	4,509,000	-	1,106,900	219,236,646	13,784,700	-	233,021,346	-	N/A
SEASIDE HEIGHTS											
2009	50,563,100	521,672,800	287,005,200	-	39,772,600	899,013,700	80,154,400	389,332	949,168,100	0.296	876,461,523
2010	50,563,100	521,672,800	287,005,200	-	39,772,600	899,013,700	80,154,400	389,332	949,168,100	0.296	876,461,523
2011	44,451,600	516,178,700	255,271,300	-	39,320,400	855,222,000	79,620,500	322,996	855,544,996	-	-
2012	41,262,400	498,840,300	249,842,300	-	38,733,100	842,960,200	79,620,500	-	922,580,700	0.603	759,697,368
2013	24,298,400	383,807,400	47,238,300	-	8,372,000	1,130,583,800	60,462,400	-	678,266,400	0.595	659,553,753
2014	34,644,400	389,582,900	172,293,800	-	27,037,200	623,558,300	60,462,400	-	684,020,700	-	661,881,223
2015	28,267,900	396,077,000	188,074,300	-	28,414,200	640,833,200	62,720,400	-	703,553,600	-	659,157,786
2016	25,230,100	393,639,500	186,208,300	-	28,345,200	633,423,000	69,658,800	-	703,081,800	0.884	637,374,723
2017	23,517,700	395,764,200	184,782,100	-	28,206,900	632,270,900	83,155,500	-	715,426,400	-	647,752,177
2018	24,205,000	397,426,800	189,130,300	-	26,644,900	637,407,000	84,863,300	-	722,272,300	-	N/A
SEASIDE PARK											
2009	27,882,300	1,067,289,100	55,438,100	-	9,478,100	1,160,087,600	173,776,600	517,732	1,160,605,332	-	1,347,313,494
2010	24,129,800	1,072,533,300	55,341,400	-	9,455,200	1,161,459,700	174,260,000	466,208	1,161,925,908	0.348	1,250,938,794
2011	20,660,100	1,075,276,100	55,341,400	-	9,455,200	1,160,732,800	174,260,000	346,911	1,161,079,711	-	1,287,963,261
2012	19,623,600	1,078,527,900	54,278,400	-	9,455,200	1,161,883,100	175,362,000	-	1,337,247,100	0.431	1,260,589,237
2013	14,660,100	1,060,313,400	47,238,300	-	8,372,000	1,130,583,800	176,320,900	-	1,306,904,700	0.411	1,199,813,011
2014	24,940,100	1,047,597,800	37,875,300	-	8,334,500	1,118,767,200	178,890,500	-	1,295,657,700	-	1,175,422,568
2015	26,288,600	1,043,320,800	38,067,600	-	8,303,500	1,115,980,500	178,158,000	-	1,294,138,500	-	1,184,315,505
2016	26,448,900	1,047,592,100	34,462,900	-	8,303,500	1,116,807,400	178,345,300	-	1,295,152,700	-	1,182,432,398
2017	26,484,100	1,050,983,900	34,345,900	-	8,303,500	1,120,117,400	178,345,300	-	1,298,462,700	0.405	1,185,085,826
2018	29,031,300	1,052,081,300	35,125,100	-	7,881,800	1,124,119,400	179,016,300	-	1,303,155,800	-	N/A

Abstract of Ratables - Ocean County

**CENTRAL REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)
Unaudited**

	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT & OVERLAPPING TAX RATE
	CURRENT TAX RATE	DEBT SERVICE TAX RATE	TOTAL REGIONAL TAX RATE	LOCAL SCHOOL DISTRICT TAX RATE	MUNICIPAL TAX RATE	COUNTY TAX RATE	
Berkeley							
2009	0.620	0.030	0.667	0.975	0.969	0.736	3.347
2010	0.609	0.029	0.370	0.557	0.505	0.393	1.825
2011	N/A	N/A	0.367	0.550	0.508	0.388	1.813
2012	N/A	N/A	0.384	0.553	0.532	0.393	1.862
2013	N/A	N/A	0.382	0.554	0.567	0.404	1.907
2014	N/A	N/A	0.383	0.555	0.610	0.407	1.955
2015	N/A	N/A	0.425	0.561	0.610	0.416	2.012
2016	0.422	0.014	0.436	0.586	0.628	0.419	2.069
2017	0.425	0.011	0.436	0.587	0.628	0.429	2.080
2018	0.456	0.010	0.466	0.601	0.656	0.437	2.160
Island Heights							
2009	0.299	0.014	0.302	0.479	0.492	0.322	1.595
2010	0.253	0.012	0.301	0.479	0.514	0.340	1.634
2011	0.239	0.020	0.349	0.488	0.508	0.335	1.680
2012	0.282	0.020	0.362	0.504	0.449	0.403	1.718
2013	0.281	0.020	0.333	0.527	0.472	0.396	1.728
2014	0.329	0.020	0.339	0.537	0.493	0.406	1.775
2015	0.342	0.020	0.332	0.556	0.502	0.414	1.804
2016	0.337	0.010	0.347	0.565	0.524	0.422	1.858
2017	0.301	0.008	0.309	0.595	0.546	0.395	1.845
2018	0.347	0.007	0.354	0.585	0.556	0.411	1.906
Ocean Gate							
2008	0.307	0.015	0.358	0.604	0.624	0.339	1.925
2009	0.341	0.015	0.363	0.604	0.628	0.350	1.945
2010	0.349	0.015	0.364	0.604	0.635	0.366	1.969
2011	0.345	0.015	0.360	0.609	0.634	0.362	1.965
2012	0.347	0.015	0.362	0.631	0.654	0.373	2.020
2013	0.350	0.015	0.365	0.647	0.659	0.376	2.047
2014	0.346	0.015	0.361	0.646	0.653	0.378	2.038
2015	0.456	0.014	0.470	0.802	0.787	0.429	2.488
2017	0.430	0.011	0.441	0.813	0.817	0.437	2.508
2018	0.426	0.009	0.435	0.832	0.827	0.433	2.527
Seaside Heights							
2008	0.309	0.042	0.351	0.265	0.440	0.250	1.306
2009	0.245	0.012	0.257	0.302	0.516	0.357	1.432
2010	0.273	0.016	0.289	0.312	0.544	0.326	1.471
2011	0.254	0.016	0.270	0.333	0.571	0.325	1.499
2012	0.251	0.016	0.267	0.328	0.813	0.417	1.825
2013	0.248	0.016	0.264	0.390	0.866	0.435	1.955
2014	0.365	0.015	0.380	0.427	0.901	0.427	2.135
2015	0.436	0.014	0.450	0.434	0.930	0.398	2.212
2017	0.420	0.011	0.431	0.435	0.967	0.417	2.250
2018	0.361	0.013	0.374	0.462	N/A	NA	N/A
Seaside Park							
2008	0.508	0.024	0.348	0.066	0.430	0.350	1.194
2009	0.252	0.013	0.382	0.062	0.430	0.377	1.251
2010	0.358	0.013	0.371	0.060	0.429	0.394	1.254
2011	0.358	0.014	0.372	0.717	0.876	0.417	2.382
2012	0.363	0.013	0.376	0.055	0.449	0.428	1.308
2013	0.416	0.012	0.428	0.053	0.449	0.439	1.369
2014	0.342	0.011	0.353	0.052	0.480	0.427	1.312
2015	0.342	0.011	0.353	0.052	0.480	0.427	1.312
2017	0.407	0.010	0.417	0.052	0.508	0.434	1.411
2018	0.350	0.024	0.374	0.056	0.522	0.438	1.390

Source: Municipal Tax Collector

**CENTRAL REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
Unaudited**

	2018			2009	
	Taxable Assessed Value	% of Total District Net Assessed Value	Rank	Taxable Assessed Value	% of Total District Net Assessed Value
Berkeley Township					
Hovchild Partnership LLC	\$ 31,876,200	0.62%	1		
Plainfield Properties LLC	28,289,800	0.55%	2		
Quaker Malls LP	17,721,200	0.35%	3		
Bayville Commons LLC	15,000,000	0.29%	4		
Arlington Beach Co	13,973,100	0.27%	5		
Berkeley Healthcare Assoc LLC	11,500,000	0.22%	6		
Millers Camp Inc C/O Josephine	8,434,900	0.16%	7		
Bay Housing Association	8,160,000	0.16%	8		
BNJ Realty LLC	8,000,000	0.16%	9		
Shar-a-dee Apartments LLC	6,500,000	0.13%	10		
Total	\$ 117,579,000	2.29%		N/A	N/A
Island Heights					
FLM Marine LLC	\$4,100,000	1.18%	1		
Linda Tavares	\$2,307,800	0.66%	2		
George & Harriet Prepis	\$1,936,700	0.56%	3		
Peter & Elisa Rapaport	\$1,888,400	0.54%	4		
Henry Kelly	\$1,700,000	0.49%	5		
Sal & Gina LaForgia	\$1,698,000	0.49%	6		
Conza Builders LLC	\$1,687,600	0.49%	7		
Linda Bartlett	\$1,616,500	0.46%	8		
Gale Wayman	\$1,599,800	0.46%	9		
Victor & Judith Hatami	\$1,557,800	0.45%	10		
Total	\$20,092,600	5.78%		N/A	N/A
Ocean Gate					
Randall Nunn	\$1,186,800	0.54%	1		
Chester & Linda Lakomy	\$956,700	0.44%	2		
Gary & Mary Mease	\$747,300	0.34%	3		
Smith Investment Properties LLC	\$725,300	0.33%	4		
Richard & Judith Mihalkovitz	\$720,200	0.33%	5		
James & Anna Fry	\$709,100	0.32%	6		
Leslie & Debra Cauvin	\$701,300	0.32%	7		
Ocean Gate Yacht Club	\$686,600	0.31%	8		
Kevin & Lidia O'Neill	\$666,600	0.30%	9		
Sledzik Associates	\$655,800	0.30%	10		
Total	\$7,755,700	3.54%		N/A	N/A
Seaside Heights					
AFMV LLC	\$ 30,988,800	4.86%	1	32,799,800	4.66%
Belle Freman Properties LLC	7,157,800	1.12%	2	23,056,000	2.95%
McGrath Partnership	6,322,000	0.99%	3	7,744,000	1.28%
Shree Atlantic Hospitality LLC	5,228,800	0.82%	4	7,729,100	0.52%
Samuel Tilles Inc.	4,280,600	0.67%	5	7,644,200	0.45%
Nini Feldman & Jill Finlay	3,700,000	0.58%	6	7,144,700	0.40%
Saddy Family LLC	3,526,900	0.55%	7	6,695,300	0.31%
Con Castle Amusements	3,400,000	0.53%	8	6,633,000	0.28%
Larsen Partnerships #2	3,274,600	0.51%	9	5,978,100	0.27%
Richard & Mary Peterson	3,128,900	0.49%	10	5,250,400	0.26%
Total	\$ 71,008,400	11.14%		\$ 110,674,600	15.72%
Seaside Park					
Friedland Family Trust	7,005,800	0.62%	1		
Joy-Jam inc C/O Windjammer	3,499,000	0.31%	2		
Stephen & Bonnie Holmes	2,931,900	0.26%	3		
Robert, Kristi, Mary Ellen Harris	2,606,500	0.23%	4		
Seaside Park Bakery/Yacht Club	2,434,800	0.22%	5		
John & Bonnie Peterson	2,374,900	0.21%	6		
Cheryl Raley & Roy Borton	2,310,100	0.21%	7		
John & Penny Welch	2,390,800	0.21%	8		
Thomas Brown Trust	2,031,800	0.18%	9		
Bruce, Antonia, & Michael Gollob	1,980,500	0.18%	10		
Total	\$ 29,566,100	2.63%		N/A	N/A

Source: Municipal Tax Assessor

**CENTRAL REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES & COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited**

Berkeley Township

FISCAL YEAR ENDED	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2007	83,291,421	81,912,967	98.34%	1,343,373
2008	88,097,099	86,427,505	98.10%	1,602,034
2009	90,845,577	88,725,383	97.66%	1,948,732
2010	94,445,148	91,457,924	96.83%	2,465,165
2011	93,298,408	90,359,508	96.85%	2,434,000
2012	95,340,610	91,663,837	96.14%	3,676,773
2013	97,466,281	94,388,858	96.84%	3,077,423
2014	99,811,146	96,457,125	96.63%	3,354,021
2015	103,129,564	100,540,548	97.49%	3,735,176
2016	105,897,564	100,540,548	94.94%	3,017,182
2017	106,342,753	103,711,548	97.53%	3,035,222
Island Heights				
2007	5,059,435	4,960,776	98.05%	-
2008	5,282,432	5,187,348	98.20%	-
2009	5,593,649	5,527,085	98.81%	-
2010	5,743,409	5,596,952	97.45%	-
2011	5,944,428	5,743,306	96.62%	-
2012	6,038,823	5,840,955	96.72%	197,868
2013	5,982,052	5,818,612	97.26%	163,440
2014	6,141,168	6,019,877	98.02%	121,291
2015	6,250,504	6,078,827	97.25%	171,677
2016	6,459,026	6,260,024	96.92%	45,907
2017	N/A	N/A	N/A	N/A
Ocean Gate				
2007	1,468,697	1,468,697	100.00%	-
2008	1,607,426	1,607,426	100.00%	-
2009	1,607,559	1,539,720	95.78%	-
2010	1,607,559	1,540,363	95.82%	-
2011	5,165,541	N/A	N/A	N/A
2012	5,211,125	4,932,769	94.66%	N/A
2013	5,158,564	4,886,190	94.72%	N/A
2014	5,213,297	4,940,575	94.77%	N/A
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
Seaside Heights				
2007	9,996,035	9,985,522	99.89%	-
2008	10,797,197	10,791,744	99.94%	-
2009	11,422,745	N/A	N/A	N/A
2010	12,446,585	N/A	N/A	N/A
2011	12,576,819	N/A	N/A	N/A
2012	12,636,056	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
Seaside Park				
2007	13,458,216	13,211,252	98.15%	-
2008	14,147,610	13,816,393	97.66%	331,217
2009	14,257,771	13,792,919	96.73%	409,926
2010	13,907,985	13,455,501	96.74%	377,470
2011	14,554,319	14,231,848	97.78%	296,997
2012	14,572,688	14,572,688	96.22%	N/A
2013	14,213,710	14,213,710	96.06%	N/A
2014	14,680,872	14,680,872	97.78%	N/A
2015	15,161,730	15,161,730	99.16%	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

This page intentionally left blank

CENTRAL REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Unaudited

BERKELEY TOWNSHIP

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			BUSINESS- TYPE ACTIVITIES	TOTAL DISTRICT	PERCENTAGE OF	
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	ANTICIPATION NOTES (BANs)	CAPITAL LEASES		PER CAPITA INCOME	PER CAPITA
2018	1,349,040	N/A	N/A	N/A	N/A	N/A	N/A
2017	1,896,540	N/A	13,670,927	N/A	43,064,927	N/A	N/A
2016	N/A	N/A	13,670,927	N/A	43,064,927	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	16,760,000	82,705	N/A	N/A	N/A	N/A	N/A
2011	17,915,000	137,463	N/A	N/A	N/A	N/A	N/A
2010	19,010,000	188,764	N/A	N/A	19,198,764	0.00%	N/A
2009	20,635,100	194,771	N/A	N/A	20,829,871	0.00%	N/A

ISLAND HEIGHTS

2018	55,440	N/A	N/A	N/A	N/A	N/A	N/A
2017	77,940	N/A	N/A	N/A	1,080,000	N/A	N/A
2016	1,080,000	N/A	N/A	N/A	1,080,000	N/A	N/A
2015	1,188,000	N/A	N/A	N/A	N/A	N/A	N/A
2014	1,296,000	N/A	N/A	N/A	N/A	N/A	N/A
2013	1,404,000	N/A	N/A	N/A	N/A	N/A	N/A
2012	1,513,000	N/A	N/A	N/A	1,513,000	N/A	N/A
2011	1,623,000	N/A	N/A	N/A	1,623,000	0.00%	N/A
2010	773,000	N/A	N/A	N/A	773,000	0.00%	N/A
2009	833,000	N/A	N/A	N/A	833,000	0.00%	N/A

OCEAN GATE

2018	55,440	N/A	N/A	N/A	N/A	N/A	N/A
2017	77,940	N/A	N/A	N/A	736,000	N/A	N/A
2016	736,000	N/A	N/A	N/A	736,000	N/A	N/A
2015	866,000	N/A	N/A	N/A	866,000	N/A	N/A
2014	1,016,000	N/A	N/A	N/A	1,016,000	N/A	N/A
2013	1,184,950	N/A	N/A	N/A	1,184,950	N/A	N/A
2012	1,350,306	N/A	N/A	N/A	1,350,306	N/A	N/A
2011	1,512,239	N/A	N/A	N/A	1,512,239	N/A	N/A
2010	1,670,992	N/A	N/A	N/A	1,670,992	0.00%	N/A
2009	1,826,722	N/A	N/A	N/A	1,826,722	0.00%	N/A

SEASIDE HEIGHTS

2018	129,360	N/A	N/A	N/A	N/A	N/A	N/A
2017	181,860	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	260,654	N/A	N/A	N/A	N/A	N/A	N/A
2011	386,196	N/A	N/A	N/A	N/A	N/A	N/A
2010	508,823	N/A	N/A	N/A	N/A	N/A	N/A
2009	628,278	N/A	N/A	N/A	N/A	N/A	N/A

SEASIDE PARK

2018	258,720	N/A	N/A	N/A	N/A	N/A	N/A
2017	363,720	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	7,762,583	N/A	7,762,583	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2011	3,006,302	797,710	2,519,200	N/A	6,323,212	N/A	N/A
2010	3,208,868	869,408	463,424	N/A	4,541,700	N/A	N/A
2009	3,411,434	951,945	450,200	N/A	4,813,579	0.00%	N/A

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

CENTRAL REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
Unaudited

BERKELEY TOWNSHIP

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2018	1,349,040		1,349,040	N/A	N/A
2017	1,896,540		1,896,540	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A
2012	16,760,000	N/A	16,760,000	N/A	N/A
2011	17,915,000	N/A	17,915,000	N/A	N/A
2010	19,010,000	N/A	19,010,000	0.00%	N/A
2009	20,635,100	N/A	20,635,100	0.00%	N/A

ISLAND HEIGHTS

2018	55,440		55,440	N/A	N/A
2017	77,940		77,940	N/A	N/A
2016	1,080,000	N/A	1,080,000	N/A	N/A
2015	1,188,000	N/A	1,188,000	N/A	N/A
2014	1,296,000	N/A	1,296,000	N/A	N/A
2013	1,404,000	N/A	1,404,000	N/A	N/A
2012	1,513,000	N/A	1,513,000	N/A	N/A
2011	1,623,000	N/A	1,623,000	0.00%	N/A
2010	773,000	N/A	773,000	0.00%	N/A
2009	833,000	N/A	833,000	0.00%	N/A

OCEAN GATE

2018	55,440		55,440	N/A	N/A
2017	77,940		77,940	N/A	N/A
2016	736,000	N/A	736,000	N/A	N/A
2015	866,000	N/A	866,000	N/A	N/A
2014	1,016,000	N/A	1,016,000	N/A	N/A
2013	1,184,950	N/A	1,184,950	N/A	N/A
2012	1,350,306	N/A	1,350,306	N/A	N/A
2011	1,512,239	N/A	1,512,239	N/A	N/A
2010	19,010,000	N/A	19,010,000	0.00%	N/A
2009	20,635,100	N/A	20,635,100	0.00%	N/A

SEASIDE HEIGHTS

2018	129,360		129,360	N/A	N/A
2017	181,860		181,860	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A
2009	20,295,858	9,208,628	11,087,230	0.00%	N/A

SEASIDE PARK

2018	258,720		258,720	N/A	N/A
2017	363,720		363,720	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A
2015	7,762,583	N/A	7,762,583	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A
2011	3,006,302	N/A	3,006,302	0.24%	N/A
2010	3,208,868	N/A	3,208,868	0.25%	N/A
2009	3,411,434	N/A	3,411,434	0.00%	N/A

**CENTRAL REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2018
Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENTAGE APPLICABLE	OVERLAPPING DEBT
Berkeley			
Debt Repaid With Property Taxes:			
Berkeley Township	\$60,288,893	100.000%	\$ 60,288,893
Berkeley Twp. Sewerage Authority	\$6,530,204	100.000%	6,530,204
Berkeley Township MUA	\$11,015,293	100.000%	11,015,293
Ocean County General Obligation Debt	\$517,669,890	5.486%	28,397,385
Local School Debt	8,755,000	100.000%	<u>8,755,000</u>
Subtotal, Overlapping Debt			114,986,775
Regional School Debt	1,848,000	73.00%	<u>1,349,040</u>
Total Direct & Overlapping Debt			<u>\$ 116,335,815</u>
Island Heights			
Debt Repaid With Property Taxes:			
Island Heights	\$609,000	100.000%	\$ 609,000
Ocean County General Obligation Debt	\$517,669,890	0.354%	1,834,027
Local School Debt	3,285,000	100.000%	<u>3,285,000</u>
Subtotal, Overlapping Debt			5,728,027
Regional School Debt	1,848,000	3.00%	<u>55,440</u>
Total Direct & Overlapping Debt			<u>\$ 5,783,467</u>
Ocean Gate			
Debt Repaid With Property Taxes:			
Ocean Gate	\$281,933	100.000%	\$ 281,933
Ocean County General Obligation Debt	\$517,669,890	0.236%	1,220,928
Local School Debt	481,000	100.000%	<u>481,000</u>
Subtotal, Overlapping Debt			1,983,861
Regional School Debt	1,848,000	3.00%	<u>55,440</u>
Total Direct & Overlapping Debt			<u>\$ 2,039,301</u>
Seaside Heights			
Debt Repaid With Property Taxes:			
Seaside Heights	\$20,780,992	100.000%	\$ 20,780,992
Ocean County General Obligation Debt	\$517,669,890	0.666%	3,449,316
Local School Debt		100.000%	<u>-</u>
Subtotal, Overlapping Debt			24,230,307.73
Regional School Debt	1,848,000	8.00%	<u>147,840.00</u>
Total Direct & Overlapping Debt			<u>\$ 24,378,148</u>
Seaside Park			
Debt Repaid With Property Taxes:			
Seaside Park	\$5,891,573	100.000%	\$ 5,891,573
Ocean County General Obligation Debt	\$517,669,890	1.216%	6,296,761
Local School Debt		100.000%	<u>-</u>
Subtotal, Overlapping Debt			12,188,334
Regional School Debt	1,848,000	13.00%	<u>240,240.00</u>
Total Direct & Overlapping Debt			<u>\$ 12,428,574</u>
TOTAL ALL DEBT DIRECT & OVERLAPPING	634,151,778		<u>\$ 160,965,305</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.

Debt outstanding data provided by each governmental unit.

NOTE - Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the above Townships. This process recognizes that, when considering the District's ability to issue and repay Long-Term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**CENTRAL REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
Unaudited**

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt Limit	\$ 268,081,788	\$ 268,081,788	\$ -	\$ 280,926,611	\$ 280,926,611	\$ 280,926,611	\$ 303,276,070	N/A	N/A	N/A
Total Net Debt Applicable to Limit	1,848,000	2,598,000	3,448,000	4,728,000	5,973,000	7,178,000	8,333,000	5,175,000	6,090,000	6,305,000
Legal Debt Margin	\$ 266,233,788	\$ 265,483,788	\$ (3,448,000)	\$ 276,198,611	\$ 274,953,611	\$ 273,748,611	\$ 294,943,070	N/A	N/A	N/A
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.69%	0.97%	#DIV/0!	2.97%	2.97%	2.97%	2.75%	N/A	N/A	N/A

Legal Debt Margin Calculation for Fiscal Year 2018

	Equalized Valuation Basis				Total	
	Berkeley	Island Heights	Ocean Gate	Seaside Hgts		Seaside Park
2017	\$ 5,419,664,792	\$ 345,395,292	\$ 227,135,356	\$ 647,752,177	\$ 1,185,685,826	\$ 7,825,633,443
2016	\$ 5,286,358,469	\$ 328,307,771	\$ 226,295,735	\$ 637,374,723	\$ 1,182,432,398	\$ 7,660,769,096
2015	\$ 5,089,942,825	\$ 343,144,624	\$ 229,871,372	\$ 641,584,606	\$ 1,187,492,995	\$ 7,492,036,422
						\$ 22,978,438,961
Average Equalized Valuation of Taxable Personal Services -						7,659,479,654
Debt Limit (3.5 % of Average Equalization Value)						268,081,788
Net Bonded School Debt						2,598,000
Legal Debt Margin						\$ 265,483,788

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

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
Unaudited**

YEAR		POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
Berkeley				
2018		41,747	N/A	6.30%
2017		41,739	47,413	6.70%
2016		41,720	46,385	7.60%
2015		41,624	44,354	9.00%
2014		41,505	42,954	12.90%
2013	*	41,286	42,596	15.60%
2012		41,358	41,467	14.90%
2011		41,298	39,791	14.20%
2010		42,975	39,766	14.00%
2009		47,783	41,284	7.10%
Island Heights				
2018		1,667	N/A	4.40%
2017		1,649	47,413	4.60%
2016		1,642	46,385	5.40%
2015		1,648	44,354	N/A
2014		1,635	42,954	6.90%
2013		1,634	42,596	10.30%
2012	*	1,639	41,467	10.60%
2011		1,642	39,791	10.04%
2010		1,891	39,766	10.00%
2009		1,877	41,284	9.50%
Ocean Gate				
2018		2,021	N/A	6.40%
2017		2,010	47,413	6.70%
2016		1,997	46,385	6.60%
2015		1,999	44,354	7.80%
2014		1,995	42,954	7.80%
2013	*	2,000	42,596	10.60%
2012		2,007	41,467	10.30%
2011		2,000	39,791	9.90%
2010		2,149	39,766	9.40%
2009		2,140	41,284	5.90%
Seaside Heights				
2018		2,903	N/A	8.00%
2017		2,898	47,413	7.80%
2016		2,892	46,385	7.80%
2015		2,893	44,354	9.40%
2014		2,885	42,954	17.20%
2013	*	2,877	42,596	14.30%
2012		2,885	41,467	14.00%
2011		2,887	39,791	13.50%
2010		3,355	39,766	12.80%
2009		3,343	41,284	8.20%
Seaside Park				
2018		1,549	N/A	5.60%
2017		1,553	47,413	5.90%
2016		1,553	46,385	7.40%
2015		1,567	44,354	7.50%
2014		1,577	42,954	6.80%
2013	*	1,576	42,596	13.50%
2012		1,580	41,467	13.20%
2011		1,581	39,791	12.70%
2010		2,329	39,766	12.10%
2009		2,317	41,284	12.10%

^c Per Capita

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

* 2010 Census

**CENTRAL REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

NOT AVAILABLE

**CENTRAL REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Unaudited

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Instruction:										
Regular	111	111	108	109	109	109	108	108	107	107
Special Education	72	67	78	62	62	62	62	62	54	51
Vocational and Other Instructional	7	2	1	1	1	1	1	1	1	1
Support Services:										
Student & Instruction Related Services	59	60	42	35	35	35	35	35	42	42
General Administration	3	3	3	5	5	5	5	5	7	7
School Administration Services	13	12	12	11	11	11	11	11	13	13
Central Service	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	3	3	3	3	3	1	1
Plant Operations & Maintenance	33	33	34	32	32	32	32	32	35	35
Pupil Transportation	28	28	27	32	32	32	32	32	32	32
Other Support Services		3	6	3	3	3	3	3	3	3
Total	334	327	320	299	299	299	298	298	301	298

Source: District Personnel Records

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

This page intentionally left blank

**CENTRAL REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**
Unaudited

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						MIDDLE SCHOOL	HIGH SCHOOL	SCHOOL				
2018	2134	\$ 40,362,701	\$ 18,919	1.58%	157	15.6	13.6	2,114.2	1,974	4.10%	93.39%	
2017	2059	38,348,324	18,625	0.64%	147	16.5	12.9	2,030.9	1,901	5.61%	93.60%	
2016	1989	36,807,779	18,506	1.66%	167	14.4	10.7	1,923.0	1,824	0.00%	94.85%	
2015	1966	35,451,044	18,204	-0.93%	161	14.4	10.7	1,923.0	1,824	1.47%	94.85%	
2014	1895	34,489,996	18,201	7.11%	162	14.4	10.7	1,895.2	1,789	0.00%	94.38%	
2013	2033	34,545,377	16,992	2.05%	161	14.4	10.7	1,895.2	1,789	-2.96%	94.38%	
2012	1981	32,984,005	16,650	-0.14%	178	14.4	10.8	1,953.1	1,861	1.86%	95.26%	
2011	2002	33,379,039	16,673	5.15%	183	15.2	11.9	1917.5	1,814	-5.77%	94.60%	
2010	2049	32,489,353	15,856	15.42%	199	15.7	13.8	2035.0	1,895	-4.91%	93.14%	
2009	2154	29,590,504	13,737	7.08%	199	15.7	13.8	2140.0	1,993	0.47%	93.11%	
2008	2187	28,057,664	12,829	-10.15%	199	15.7	13.8	2130.0	1,969	0.00%	92.44%	

Sources: District records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR
Unaudited**

DISTRICT BUILDINGS	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Middle School: (1981)										
Middle School:										
Square Feet	141,478	141,478	141,478	141,478	141,478	141,478	141,478	141,478	141,478	141,478
Capacity (Students)	812	812	812	812	812	812	812	812	812	812
Enrollment	667	667	667	667	680	680	693	730	730	730
High School: (1956)										
High School:										
Square Feet	272,420	272,420	272,420	272,420	272,420	272,420	272,420	272,420	272,420	272,420
Capacity (Students)	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,465
Enrollment	1,256	1,256	1,256	1,256	1,266	1,266	1,225	1,482	1,482	1,482
Other:										
Superintendent Office: (1972)										
Square Feet	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122
Board Office: (1972)										
Square Feet	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699

Number of Schools at June 30, 2018:
 Middle School = 1
 Senior High School = 1
 Other = 0

Source: District Business Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
Unaudited**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

	* SCHOOL FACILITIES PROJECT #(s)	CENTRAL REGIONAL HIGH SCHOOL	MIDDLE SCHOOL	TOTAL
2008		339,837	86,000	425,837
2009		330,565	52,166	382,731
2010		1,131,949	56,883	1,188,832
2011		642,861	138,969	781,830
2012		318,040	123,639	441,679
2013		491,036	169,739	660,775
2014		460,265	175,303	635,568
2015		517,192	176,392	693,584
2016		581,760	210,118	791,878
2017		607,497	215,598	823,095
2018		584,902	224,739	809,641

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

Source: District records

**CENTRAL REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2018
Unaudited**

	Coverage	Deductible
School Package Policy (1)		
General Liability	\$ 5,000,000	\$ 2,500
Property & Physical Damage	83,466,245	2,500
General Automobile Liability	5,000,000	10,000
Workers' Compensation	5,000,000	Per State Law
Student Accident Insurance (2)	5,000,000	25,000
Surety Bonds (3)		
Treasurer	250,000	Per State Law
Board Secretary/Business Administrator	50,000	Per State Law

- (1) School Alliance Insurance Fund - Commercial Package Policy
(2) Bob McClosky Insurance
(3) Liberty Mutual

Source: District records

SINGLE AUDIT SECTION

Fourth Section

This page intentionally left blank

EXHIBIT K-1

**INDEPENDENT AUDITOR'S 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**

Honorable President and Members
of the Board of Education
Central Regional School District
County of Ocean
Bayville, New Jersey 08721

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Central Regional School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 25, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Central Regional 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Central Regional 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 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, #2470

Toms River, New Jersey
February 25, 2019

EXHIBIT K-2

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

Honorable President and Members
of the Board of Education
Central Regional School District
County of Ocean
Bayville, New Jersey 08721

Report on Compliance for Each Major Federal and State Program

We have audited the Central Regional School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2018. The Central Regional 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.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Central Regional 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; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the 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 School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Central Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the Central Regional 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 School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's 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 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 Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, #2470

Toms River, New Jersey
February 25, 2019

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2017	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2018 (ACCOUNTS RECEIVABLE)	DEFERRED REVENUE	DUE TO GRANTOR
U.S. Department of Agriculture													
Passed Through New Jersey Department of Agriculture:													
Child Nutrition Cluster:													
Food Distribution Program - Commodities	10.555	181NI304N1099	Unavailable	\$ 51,817	7/1/17-6/30/18	\$ -	\$ -	\$ 51,817	\$ (51,817)	\$ -	\$ -	\$ -	\$ -
National School Lunch Program	10.555	181NI304N1099	100-010-3350-026	257,821	7/1/17-6/30/18	(7,697)	-	246,679	(257,821)	-	(11,142)	-	-
National School Lunch Program	10.555	171NI304N1099	100-010-3350-026	265,400	7/1/16-6/30/17	(7,697)	-	7,697	-	-	(11,142)	-	-
Subtotal						(15,394)	-	306,193	(309,638)	-	(11,142)	-	-
School Breakfast Program	10.553	181NI304N1099	100-010-3350-028	45,445	7/1/17-6/30/18	-	-	43,597	(45,445)	-	(1,848)	-	-
School Breakfast Program	10.553	171NI304N1099	100-010-3350-028	43,251	7/1/16-6/30/17	(1,404)	-	1,404	-	-	(1,848)	-	-
Subtotal						(1,404)	-	45,001	(45,445)	-	(1,848)	-	-
Total Child Nutrition Cluster						(9,101)	-	351,194	(355,083)	-	(12,990)	-	-
Total U.S. Department of Agriculture						(9,101)	-	351,194	(355,083)	-	(12,990)	-	-
U.S. Department of Health and Human Services													
Passed Through New Jersey Department of Human Services:													
Medical Assistance Program	93.778	1605NJ5MAP	100-054-7540-211	47,113	7/1/17-6/30/18	-	-	47,113	(47,113)	-	-	-	-
Subtotal						-	-	47,113	(47,113)	-	-	-	-
Total U.S. Department of Health and Human Services						-	-	47,113	(47,113)	-	-	-	-
U.S. Department of Education													
Passed Through New Jersey Department of Education:													
No Child Left Behind (N.C.L.B.):													
Title I - Part A	84.010	S010A170030	100-034-5064-194	460,540	7/1/17-6/30/18	(125,788)	-	379,337	(460,540)	-	(81,203)	-	-
Title I - Part A	84.010	S010A160030	100-034-5064-194	461,000	7/1/16-6/30/17	(125,788)	-	125,788	-	-	(81,203)	-	-
Subtotal						(251,576)	-	505,125	(460,540)	-	(162,406)	-	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A180029	100-034-5063-290	77,790	7/1/17-6/30/18	-	-	77,790	(77,790)	-	-	-	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A170029	100-034-5063-290	48,254	7/1/16-6/30/17	(8,370)	-	8,862	(492)	-	-	-	-
Subtotal						(8,370)	-	86,652	(78,282)	-	-	-	-
Title IV - Part A	84.424	S424A180031	100-034-5063-348	10,000	7/1/17-6/30/18	-	-	1,900	(1,900)	-	-	-	-
Subtotal						-	-	1,900	(1,900)	-	-	-	-
I.D.E.A. Part B (Special Education Cluster)	84.027	H027A170100	100-034-5065-016	505,960	7/1/17-6/30/18	-	-	505,960	(505,960)	-	-	-	-
Basic						-	-	505,960	(505,960)	-	-	-	-
Total Special Education Cluster						-	-	505,960	(505,960)	-	-	-	-
Total U.S. Department of Education						(134,158)	-	1,099,637	(1,046,682)	-	(81,203)	-	-
Total Expenditures of Federal Awards						\$ (143,259)	\$ -	\$ 1,497,944	\$ (1,448,878)	\$ -	\$ (94,193)	\$ -	\$ -

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2017	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2018	MEMO	
										BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:											
General Fund:											
State Aid Public:											
Special Education Aid	495-034-5120-089	\$ 1,160,698	7/1/17-6/30/18	\$ -	\$ -	\$ 1,160,698	\$ (1,160,698)	\$ -	\$ -	\$ 108,076	\$ 1,160,698
Adjustment Aid	495-034-5120-085	197,915	7/1/17-6/30/18	-	-	197,915	(197,915)	-	-	18,308	197,915
Security Aid	495-034-5120-084	295,909	7/1/17-6/30/18	-	-	295,909	(295,909)	-	-	26,652	295,909
Choice Aid	495-034-5120-068	1,337,047	7/1/17-6/30/18	-	-	1,337,047	(1,337,047)	-	-	123,684	1,337,047
PARCC Readiness Aid	495-034-5120-098	19,050	7/1/17-6/30/18	-	-	19,050	(19,050)	-	-	1,774	19,050
Per Pupil Growth Aid	495-034-5120-097	19,050	7/1/17-6/30/18	-	-	19,050	(19,050)	-	-	1,774	19,050
Professional Learning Community Aid	495-034-5120-101	19,860	7/1/17-6/30/18	-	-	19,860	(19,860)	-	-	1,850	19,860
Total State Aid Public						3,049,529	(3,049,529)			282,098	3,049,529
Transportation Aid	495-034-5120-014	1,068,223	7/1/17-6/30/18	-	-	1,068,223	(1,068,223)	-	-	98,817	1,068,223
Additional Nonpublic School Transportation Aid	495-034-5120-014	10,031	7/1/16-6/30/17	(10,031)	-	10,031	-	-	-	-	-
Additional Nonpublic School Transportation Aid	495-034-5120-014	23,267	7/1/17-6/30/18	-	-	-	(23,267)	-	(23,267)	-	23,267
Extraordinary Aid	495-034-5120-044	255,308	7/1/16-6/30/17	(255,308)	-	255,308	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	222,746	7/1/17-6/30/18	-	-	-	(222,746)	-	(222,746)	-	222,746
Lead Testing for Schools Aid	495-034-5120-104	1,990	7/1/17-6/30/18	(1,990)	-	1,990	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5120-003	1,036,613	7/1/16-6/30/17	(50,423)	-	50,423	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	1,063,590	7/1/17-6/30/18	-	-	1,011,362	(1,063,590)	-	(52,228)	-	1,063,590
TPAF - Pension											
Contributions (Noncash Assistance)	495-034-5094-002	1,988,001	7/1/17-6/30/18	-	-	1,988,001	(1,988,001)	-	-	-	1,988,001
TPAF - Long-Term Disability											
Insurance (Noncash Assistance)	495-034-5094-004	1,783	7/1/17-6/30/18	-	-	1,783	(1,783)	-	-	-	1,783
TPAF - Post Retirement											
Medical (Noncash Assistance)	495-034-5095-001	1,284,007	7/1/17-6/30/18	-	-	1,284,007	(1,284,007)	-	-	-	1,284,007
Total General Fund				(317,752)	-	8,720,657	(8,701,146)	-	(298,241)	380,915	8,701,146
Capital Projects Fund:											
SCC ROD Grant - Middle School Windows	G5-5677	139,254	12/4/13-6/30/17	(139,254)	-	139,254	-	-	-	-	-
SCC ROD Grant - High School Partial Windows	G5-5676	64,275	12/4/13-6/30/16	(64,275)	-	64,275	-	-	-	-	-
Total Capital Projects Fund				(203,979)	-	203,979	-	-	-	-	-
Total New Jersey Department of Education				(521,731)	-	8,924,636	(8,701,146)	-	(298,241)	380,915	8,701,146
Enterprise Fund:											
National School Lunch Program	100-010-3360-067	6,556	7/1/16-6/30/17	(188)	-	188	-	-	-	-	-
National School Lunch Program	100-010-3360-067	6,856	7/1/17-6/30/18	-	-	6,571	(6,856)	-	(285)	-	6,856
Total State Department of Agriculture				(188)	-	6,759	(6,856)	-	(285)	-	6,856
State Department of Children and Families:											
General Fund:											
Homeless Tuition	495-034-5120-005	76,215	7/1/17-6/30/18	-	-	38,212	(76,215)	-	(38,003)	-	76,215
Homeless Tuition	495-034-5120-005	92,795	7/1/16-6/30/17	(20,343)	-	20,343	-	-	-	-	-
Total State Department of Children and Families				(20,343)	-	58,555	(76,215)	-	(38,003)	-	-
Total State Financial Assistance				(542,262)	\$ -	8,989,950	(8,784,217)	\$ -	(336,529)	\$ 380,915	\$ 8,708,002
State Financial Assistance Programs not subject to Calculation for Major Program Determination											
TPAF - Pension											
Contributions (Noncash Assistance)	495-034-5094-002	\$ 1,988,001	7/1/17-6/30/18	-	-	-	\$ 1,988,001	-	-	-	-
TPAF - Long-Term Disability											
Insurance (Noncash Assistance)	495-034-5094-004	1,783	7/1/17-6/30/18	-	-	-	1,783	-	-	-	-
TPAF - Post Retirement											
Medical (Noncash Assistance)	495-034-5095-001	1,284,007	7/1/17-6/30/18	-	-	-	1,284,007	-	-	-	-
Total State Financial Assistance subject to Calculation for Major Program Determination											
											\$ (5,510,426)

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2018**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Central Regional School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. All federal and state awards received directly from federal and state 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. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2018. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2018.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June 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, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$3,360) for the general fund and \$0 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 47,113	\$ 8,774,001	\$ 8,821,114
Special Revenue Fund	1,046,682	-	1,046,682
Food Service Fund	355,083	6,856	361,939
Total Awards & Financial Assistance	<u>\$ 1,448,878</u>	<u>\$ 8,780,857</u>	<u>\$ 10,229,735</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The School District received a FEMA Community Disaster Loan in the amount of \$5,000,000. The District drew down \$0 in the fiscal year and has drawn down a total of \$4,698,670. The District paid \$10,000 of interest in March of 2017. The District received a final determination on the loan cancelling \$3,494,450 of principal along with corresponding interest, leaving a remaining balance, including accrued interest, of \$1,234,899 as of June 30, 2017. During the year ended June 30, 2018, the District paid \$51,741 of principal and interest, leaving a remaining balance, including accrued interest of \$1,200,953 as of June 30, 2018.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> 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 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	H027A170100	Special Education Cluster: I.D.E.A. Part B

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	_____ <u>X</u> yes	_____ no

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018**

Section I - Summary of Auditor's Results (Continued)

State Financial Assistance

Dollar threshold used to determine Type A programs	\$	<u>750,000</u>
Auditee qualified as low-risk auditee?	<u>X</u> yes	<u> </u> no
Internal control over major programs:		
1) Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
2) Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported
Type of auditor's report issued on compliance for major programs		<u>Unmodified</u>

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5094-003	Reimbursed TPAF Social Security Contributions
495-034-5120-014	Transportation Aid

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018**

Section III - Federal Awards & State Financial Assistance Findings & 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**CENTRAL REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2018**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.