

**CENTRAL REGIONAL SCHOOL DISTRICT**

Bayville, New Jersey  
County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2019**



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

**YEAR ENDED JUNE 30, 2019**

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



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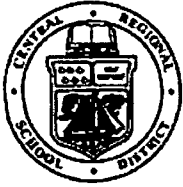
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**INTRODUCTORY SECTION**

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# Central Regional School District

509 Forest Hills Parkway  
Bayville, New Jersey 08721

732-269-1100  
[www.centralreg.k12.nj.us](http://www.centralreg.k12.nj.us)

TRIANAFILLOS PARLAPANIDES, Ed.D.  
*Superintendent of Schools*

KEVIN O'SHEA  
*Business Administrator/Board Secretary*

December 17, 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, 2019 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board 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, 2019.

**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.

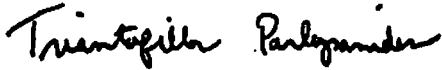
**10) OTHER INFORMATION:**

**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,



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Triantafillos Parlapanides, Ed.D.  
Superintendent of Schools



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Kevin O'Shea  
Business Administrator/Board Secretary



CENTRAL REGIONAL SCHOOL DISTRICT  
ROSTER OF OFFICIALS

JUNE 30, 2019

<u>Members of the Board of Education</u>	<u>Municipality</u>	<u>Term</u>
Louis Tuminaro, President	Berkeley	2022
Denise Wilson, Vice President	Berkeley	2022
Al Aires	Berkeley	2021
Susan Cowdrick	Island Heights	2021
George Dohn	Berkeley	2021
Ralph Frulio	Berkeley	2022
Michael Graichen	Seaside Heights	2020
Robert Livingston	Ocean Gate	2020
Tracy Mianulli	Seaside Park	2020

Other Officials

Triantafillos Parlapandis, Ed.D.	Superintendent
Kevin O'Shea, CPA	Business Administrator
Carmen Memoli	Treasurer of School Monies
Gilmore & Monahan	Board Attorney



**CENTRAL REGIONAL SCHOOL DISTRICT  
BAYVILLE, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2019**

**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**

Thomas E. Monahan, Esq.  
Gilmore & Monahan  
10 Allen Street  
Toms River, New Jersey 08753

**OFFICIAL DEPOSITORY**

Ocean First Bank  
975 Hooper Ave  
Toms River, New Jersey

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**FINANCIAL SECTION**

Second Section

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## 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, 2019, 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, 2019, 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.

## **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 December 17, 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, No. 2470

Toms River, New Jersey  
December 17, 2019

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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# CENTRAL REGIONAL SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2019 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, 2019. 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 (2018-2019) and the prior fiscal year (2017-2018) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for 2019 are as follows:

- In total, net position of governmental activities decreased (\$541,744), which represents a (4.44%) decrease from 2018. Total net position of business-type activities increased \$46,737, which represents a 15.03% increase from 2018.
- General revenues accounted for \$38,431,897 in revenue or 77.56% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$11,117,023 or 22.44% of total revenue of \$49,548,920.
- Total assets of governmental activities decreased by (\$808,969) as cash and cash equivalents increased by \$214,099, receivables increased by \$32,056, restricted cash and cash equivalents decreased by (\$99,850), and total capital assets decreased by (\$955,274).
- Total liabilities of governmental activities decreased by \$2,433,567 as non-current liabilities due beyond one year decreased by (\$2,316,262).
- The District had \$49,185,686 in governmental activity expenses; only \$10,212,045 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) and transfers of \$38,431,897 were adequate to provide for these programs, resulting in a decrease in net position for governmental activities of (\$541,744).
- In the governmental funds, the general fund had \$42,521,602 in revenues, \$43,104,153 in expenditures and \$500,000 in other financing sources. The general fund's fund balance decreased by (\$82,551) over 2018.

## **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, 2019 and 2018, respectively:

**Net Position**  
**June 30, 2019**

	Governmental Activities		Business-Type Activities	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 2,009,396	\$ 1,863,091	\$ 64,202	\$ 182,181
Capital Assets, Net	28,558,963	29,514,237	375,300	175,731
Total Assets	<u>30,568,359</u>	<u>31,377,328</u>	<u>439,502</u>	<u>357,912</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	4,172,523	4,920,218	-	-
Total Assets and Deferred Outflows of Resources	<u>34,740,882</u>	<u>36,297,546</u>	<u>439,502</u>	<u>357,912</u>
<b>Liabilities</b>				
Long-Term Liabilities	17,442,039	20,086,323	-	-
Other Liabilities	1,198,144	987,427	81,853	47,000
Total Liabilities	<u>18,640,183</u>	<u>21,073,750</u>	<u>81,853</u>	<u>47,000</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	4,437,072	3,018,425	-	-
Total Liabilities and Deferred Inflows of Resources	<u>23,077,255</u>	<u>24,092,175</u>	<u>81,853</u>	<u>47,000</u>
<b>Net Position</b>				
Net Investment in				
Capital Assets	26,349,810	26,675,446	375,300	175,731
Restricted	901,574	941,310	-	-
Unrestricted	(15,587,757)	(15,411,385)	(17,651)	135,181
Total Net Position	<u>\$ 11,663,627</u>	<u>\$ 12,205,371</u>	<u>\$ 357,649</u>	<u>\$ 310,912</u>

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 (\$39,736), from the prior year to \$901,574 at June 30, 2019.

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 (\$15,587,757) 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, 2019 and 2018. 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.

	<b><u>June 30, 2019</u></b>		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 539,919	\$ 539,919
Operating Grants and Contributions	10,212,045	365,059	10,577,104
General Revenues:			
Property Taxes	33,006,879	-	33,006,879
Federal and State Aid	4,600,455	-	4,600,455
Miscellaneous	824,563	-	824,563
Total Revenues	<u>48,643,942</u>	<u>904,978</u>	<u>49,548,920</u>
<b>Expenses:</b>			
Instructional Services	29,950,288	-	29,950,288
Support Services	19,081,876	858,241	19,940,117
Interest and Other Charges	153,522	-	153,522
Total Expenses	<u>49,185,686</u>	<u>858,241</u>	<u>50,043,927</u>
Change in Net Position	(541,744)	46,737	(495,007)
Net Position, Beginning	12,205,371	310,912	12,516,283
Net Position, Ending	<u>\$ 11,663,627</u>	<u>\$ 357,649</u>	<u>\$ 12,021,276</u>
<b><u>June 30, 2018</u></b>			
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
<b>Revenues:</b>			
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	<u>50,484,684</u>	<u>905,654</u>	<u>51,390,338</u>
<b>Expenses:</b>			
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	<u>51,494,703</u>	<u>877,728</u>	<u>52,372,431</u>
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	<u>\$ 12,205,371</u>	<u>\$ 310,912</u>	<u>\$ 12,516,283</u>

## 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, 2019 and 2018 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<u>June 30, 2019</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2018	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 15,724,380	34.84%	\$ 563,540	3.72%
Undistributed	26,675,272	59.10%	1,473,411	5.85%
Capital Outlay	1,806,163	4.00%	(687,422)	-27.57%
Debt Service:				
Principal	882,000	1.95%	112,473	14.62%
Interest	49,880	0.11%	(53,589)	-51.79%
<b>Total</b>	<b>\$ 45,137,695</b>	<b>100.00%</b>	<b>\$ 1,408,413</b>	<b>3.22%</b>

	<u>June 30, 2018</u>			
	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%
<b>Total</b>	<b>\$ 43,729,282</b>	<b>100.00%</b>	<b>\$ 2,259,207</b>	<b>5.45%</b>

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 2018-2019 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 2018-2019 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2018-2019, unassigned fund balance increased \$116,468 from the prior year to \$436,724 at June 30, 2019. (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.

During the fiscal year 2019, the net position of business-type activities increased \$47,159 or 13.19%. The assets and deferred outflows of the business-type activities exceed liabilities and deferred inflows by \$357,649.

The Community School Enterprise Fund showed a change in net position of (\$422) in 2018-2019 as compared to a change in net position of (\$1,260) in 2017-2018.

**Capital Assets**

At June 30, 2019, the District has capital assets of \$28,934,263, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2019</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 1	\$ -
Buildings and improvements	20,795,322	-
Equipment	7,763,640	375,300
Total	<u>\$ 28,558,963</u>	<u>\$ 375,300</u>
	<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>

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, 2019 and 2018, the District's outstanding debt issues included \$1,173,000 and \$1,848,000, respectively, of general obligation bonds, \$1,036,153 and \$990,792, respectively, of capital leases and \$964,031 and \$1,025,370, respectively, of compensated absences.

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 2019-2020 budget will be adequate to satisfy all 2019-2020 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 2019-2020.
- 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**

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A. Government-Wide Financial Statements

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**CENTRAL REGIONAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 745,800	\$ 34,925	\$ 780,725
Receivables, Net (Note 4)	517,911	19,906	537,817
Restricted Assets:			
Cash & Cash Equivalents	745,685	-	745,685
Inventory	-	9,371	9,371
Capital Assets, Net (Note 5):			
Non-depreciable	1	-	1
Depreciable	28,558,962	375,300	28,934,262
<b>Total Assets</b>	<b>30,568,359</b>	<b>439,502</b>	<b>31,007,861</b>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions (Note 8)	4,172,523	-	4,172,523
<b>Total Deferred Outflow of Resources</b>	<b>4,172,523</b>	<b>-</b>	<b>4,172,523</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>34,740,882</b>	<b>439,502</b>	<b>35,180,384</b>
LIABILITIES			
Accounts Payable	501,580	48,194	549,774
Accrued Interest Payable	49,697	-	49,697
Unearned Revenue	13,190	-	13,190
Internal Balances	(33,659)	33,659	-
Pensions Payable (Note 8)	667,336	-	667,336
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,008,618	-	1,008,618
Due Beyond One Year	16,433,421	-	16,433,421
<b>Total Liabilities</b>	<b>18,640,183</b>	<b>81,853</b>	<b>18,722,036</b>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	4,437,072	-	4,437,072
<b>Total Deferred Inflows of Resources</b>	<b>4,437,072</b>	<b>-</b>	<b>4,437,072</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>23,077,255</b>	<b>81,853</b>	<b>23,159,108</b>
NET POSITION			
Net Investment in Capital Assets	26,349,810	375,300	26,725,110
Restricted For:			
Capital Projects (Note 3)	448,187	-	448,187
Emergency Reserve (Note 3)	50,450	-	50,450
Maintenance Reserve (Note 3)	247,048	-	247,048
Excess Surplus (Note 16)	145,889	-	145,889
Unrestricted (Note 18)	(15,577,757)	(17,651)	(15,595,408)
<b>Total Net Position</b>	<b>\$ 11,663,627</b>	<b>\$ 357,649</b>	<b>\$ 12,021,276</b>

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

**CENTRAL REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Governmental Activities:					
Instruction:					
Regular	\$ 18,595,232	\$ -	\$ 6,152,693	\$ (12,442,539)	\$ (12,442,539)
Special Education Instruction	8,328,080	-	2,533,264	(5,794,816)	(5,794,816)
Other Instruction	3,026,975	-	920,756	(2,106,219)	(2,106,219)
Support Services & Undistributed Costs:					
Tuition	2,891,496	-	518,892	(2,372,604)	(2,372,604)
Student & Instruction Related Services	4,892,588	-	15,102	(4,877,486)	(4,877,486)
School Administrative Services	1,613,534	-	-	(1,613,534)	(1,613,534)
General Administrative Services	1,029,983	-	-	(1,029,983)	(1,029,983)
Central Services	613,189	-	-	(613,189)	(613,189)
Administrative Information Technology	380,368	-	-	(380,368)	(380,368)
Plant Operations & Maintenance	4,083,159	-	-	(4,083,159)	(4,083,159)
Pupil Transportation	3,577,561	-	71,338	(3,506,223)	(3,506,223)
Interest & Other Charges	153,521	-	-	(153,521)	(153,521)
Total Governmental Activities	49,185,686	-	10,212,045	(38,973,641)	(38,973,641)
Business-Type Activities:					
Food Service	848,369	530,469	365,059	-	47,159
Community School	9,872	9,450	-	-	(422)
Total Business-Type Activities	858,241	539,919	365,059	-	46,737
Total Primary Government	\$ 50,043,927	\$ 539,919	\$ 10,577,104	(38,973,641)	(38,926,904)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, Net				32,075,000	32,075,000
Property Taxes levied for Debt Service				931,879	931,879
Federal and State Aid - Not Restricted				4,600,455	4,600,455
Tuition Charges				114,656	114,656
Transportation Charges				388,356	388,356
Miscellaneous Income				321,551	321,551
Total General Revenues				38,431,897	38,431,897
Change In Net Position				(541,744)	(495,007)
Net Position - Beginning				12,205,371	12,516,283
Net Position - Ending				\$ 11,663,627	\$ 12,021,276

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



## **B. Fund Financial Statements**

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**Governmental Funds**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2019**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Cash & Cash Equivalents	\$ 593,539	\$ 152,261	\$ -	\$ 745,800
Receivables, Net:				
Due from Other Funds	166,098	-	-	166,098
Due from Other Governments:				
Federal	8,187	-	-	8,187
State	327,852	-	-	327,852
Other	176,872	-	-	176,872
Restricted Cash & Cash Equivalents	745,685	-	-	745,685
<b>Total Assets</b>	<b><u>\$ 2,018,233</u></b>	<b><u>\$ 152,261</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,170,494</u></b>
 <b>LIABILITIES &amp; FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 489,948	\$ 11,632	\$ -	\$ 501,580
Interfund Payable	-	127,439	-	127,439
Unearned Revenue	-	13,190	-	13,190
<b>Total Liabilities</b>	<b><u>489,948</u></b>	<b><u>152,261</u></b>	<b><u>-</u></b>	<b><u>642,209</u></b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Maintenance Reserve	247,048	-	-	247,048
Emergency Reserve	50,450	-	-	50,450
Capital Reserve	448,187	-	-	448,187
Excess Surplus	145,889	-	-	145,889
<b>Committed to:</b>				
Other Purposes	89,987	-	-	89,987
<b>Assigned to:</b>				
Designated for Subsequent Year's Expenditures	100,000	-	-	100,000
<b>Unassigned, Reported in:</b>				
General Fund	446,724	-	-	446,724
<b>Total Fund Balances</b>	<b><u>1,528,285</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,528,285</u></b>
<b>Total Liabilities &amp; Fund Balances</b>	<b><u>\$ 2,018,233</u></b>	<b><u>\$ 152,261</u></b>	<b><u>\$ -</u></b>	

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 \$68,744,441 and the accumulated depreciation is \$40,185,478.	28,558,963
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.	(264,549)
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payables are not due in the period.	(49,697)
Accrued pension contributions for the June 30, 2019 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	(667,336)
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>(17,442,039)</u>

Net Position of Governmental Activities \$ 11,663,627

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, 2019**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	<u>TOTALS</u>
Revenues:				
Local Sources:				
Local Tax Levy	\$ 32,075,000	\$ -	\$ 931,879	\$ 33,006,879
Tuition	114,656	-	-	114,656
Transportation Fees from Other LEAs	388,356	-	-	388,356
Rents and Royalties	54,250	-	-	54,250
Miscellaneous	267,301	6,995	-	274,296
Total Local Sources	<u>32,899,563</u>	<u>6,995</u>	<u>931,879</u>	<u>33,838,437</u>
State Sources	9,575,835	-	-	9,575,835
Federal Sources	46,204	1,094,667	-	1,140,871
Total Revenues	<u>42,521,602</u>	<u>1,101,662</u>	<u>931,879</u>	<u>44,555,143</u>
Expenditures:				
Current Expense:				
Regular Instruction	9,372,035	390,760	-	9,762,795
Special Education Instruction	4,322,071	-	-	4,322,071
Other Special Instruction	50,304	-	-	50,304
Vocational Education	207,116	-	-	207,116
Other Instruction	1,382,094	-	-	1,382,094
Support Services:				
Tuition	1,662,835	518,892	-	2,181,727
Student & Instruction Related Services	3,676,513	15,102	-	3,691,615
School Administrative Services	1,217,463	-	-	1,217,463
General Administrative Services	777,155	-	-	777,155
Central Services	462,671	-	-	462,671
Administrative Information Technology	287,000	-	-	287,000
Plant Operations & Maintenance	3,093,827	-	-	3,093,827
Pupil Transportation	2,628,047	71,338	-	2,699,385
Unallocated Benefits	7,137,275	105,570	-	7,242,845
On-Behalf TPAF Pension and Social Security Contributions	5,021,584	-	-	5,021,584
Capital Outlay	1,291,457	-	-	1,291,457
Debt Service:				
Principal	400,000	-	882,000	1,282,000
Interest & Other Charges	114,706	-	49,880	164,586
Total Expenditures	<u>43,104,153</u>	<u>1,101,662</u>	<u>931,880</u>	<u>45,137,695</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(582,551)</u>	<u>-</u>	<u>(1)</u>	<u>(582,552)</u>
Other Financing Sources/(Uses):				
Capital Leases (Budgeted)	<u>500,000</u>			<u>500,000</u>
Total Other Financing Sources/(Uses)	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing (Uses)	<u>(82,551)</u>	<u>-</u>	<u>(1)</u>	<u>(82,552)</u>
Fund Balances, July 1	<u>1,610,836</u>	<u>-</u>	<u>1</u>	<u>1,610,837</u>
Fund Balances, June 30	<u>\$ 1,528,285</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,528,285</u>

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, 2019**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (82,552)

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	\$	(2,227,029)	
Adjustments and Deletions of Fixed Assets		27,808	
Capital Outlays		1,243,947	(955,274)

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. (395,190)

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 1,318,868

In the statement of activities, 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. The accrued interest is an addition in the reconciliation (+). 11,065

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) 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 used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 61,339

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets. (500,000)

Change in Net Position of Governmental Activities \$ (541,744)

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

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**Proprietary Funds**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2019**

ASSETS	COMMUNITY SCHOOL	FOOD SERVICE FUND	<u>TOTALS</u>
Current Assets:			
Cash & Cash Equivalents	\$ 9,194	\$ 25,731	\$ 34,925
Accounts Receivable	-	19,906	19,906
Inventory	-	9,371	9,371
	<hr/>		
Total Current Assets	9,194	55,008	64,202
Capital Assets:			
Equipment	-	762,076	762,076
Accumulated Depreciation	-	(386,776)	(386,776)
	<hr/>		
Total Capital Assets	-	375,300	375,300
	<hr/>		
Total Assets	9,194	430,308	439,502
<hr/>			
LIABILITIES			
Current Liabilities:			
Accounts Payable	-	48,194	48,194
Interfund Payable	-	33,659	33,659
	<hr/>		
Total Current Liabilities	-	81,853	81,853
<hr/>			
NET POSITION			
Net Investment in Capital Assets	-	375,300	375,300
Unrestricted	9,194	(26,845)	(17,651)
	<hr/>		
Total Net Position	\$ 9,194	\$ 348,455	\$ 357,649
	<hr/> <hr/>		

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, 2019**

	COMMUNITY SCHOOL	FOOD SERVICE FUND	<u>TOTALS</u>
Operating Revenue:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ -	\$ 372,001	\$ 372,001
Daily Sales - Non-Reimbursable Programs	-	158,091	158,091
Miscellaneous	-	377	377
Program Fees	9,450	-	9,450
<b>Total Operating Revenue</b>	<b>9,450</b>	<b>530,469</b>	<b>539,919</b>
Operating Expenses:			
Cost of Sales - Reimbursable Programs	-	276,274	276,274
Cost of Sales - Non-Reimbursable Programs	-	108,945	108,945
Salaries	3,500	276,870	280,370
Employee Benefits	-	84,644	84,644
Purchased Professional / Technical Services	-	6,000	6,000
Purchased Property Services	-	8,071	8,071
Supplies and Materials	6,372	6,641	13,013
Utilities	-	40,133	40,133
Depreciation	-	29,142	29,142
Miscellaneous	-	11,649	11,649
<b>Total Operating Expenses</b>	<b>9,872</b>	<b>848,369</b>	<b>858,241</b>
<b>Operating Income/(Loss)</b>	<b>(422)</b>	<b>(317,900)</b>	<b>(318,322)</b>
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	-	6,983	6,983
Federal Sources:			
School Breakfast Program	-	43,969	43,969
Summer Food Program	-	3,935	3,935
National School Lunch Program	-	255,090	255,090
Food Distribution Program	-	55,082	55,082
<b>Total Nonoperating Revenues</b>	<b>-</b>	<b>365,059</b>	<b>365,059</b>
<b>Change in Net Position</b>	<b>(422)</b>	<b>47,159</b>	<b>46,737</b>
<b>Total Net Position - Beginning</b>	<b>9,616</b>	<b>301,296</b>	<b>310,912</b>
<b>Total Net Position - Ending</b>	<b>\$ 9,194</b>	<b>\$ 348,455</b>	<b>\$ 357,649</b>

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, 2019**

	COMMUNITY SCHOOL	FOOD SERVICE FUND	<u>TOTALS</u>
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 9,450	\$ 538,848	\$ 548,298
Interest Earned	-	377	377
Payments to Employees	(3,500)	(276,870)	(280,370)
Payments for Employee Benefits	-	(84,644)	(84,644)
Payments to Suppliers	(6,372)	(367,777)	(374,149)
Net Cash Used by Operating Activities	<u>(422)</u>	<u>(190,066)</u>	<u>(190,488)</u>
Cash Flows From Capital and Related Financing Activities:			
Purchases of Capital Assets	-	(228,712)	(228,712)
Net Cash Used by Capital and Related Financing Activities	<u>-</u>	<u>(228,712)</u>	<u>(228,712)</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	-	6,983	6,983
Federal Sources	-	302,994	302,994
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>309,977</u>	<u>309,977</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(422)	(108,801)	(109,223)
Cash and Cash Equivalents, July 1	9,616	134,532	144,148
Cash & Cash Equivalents, June 30	<u>\$ 9,194</u>	<u>\$ 25,731</u>	<u>\$ 34,925</u>

**RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES**

Cash Used by Operating Activities:			
Operating Loss	\$ (422)	\$ (317,900)	\$ (318,322)
Adjustments to Reconcile Operating Loss to Cash Used by Operating Activities:			
Depreciation Expense	-	29,142	29,142
Food Distribution Program	-	55,082	55,082
Change in Assets & Liabilities:			
Increase in Accounts Receivable	-	8,756	8,756
Increase/(Decrease) in Accounts Payable	-	34,854	34,854
Total Adjustments	<u>-</u>	<u>127,834</u>	<u>127,834</u>
Net Cash Used by Operating Activities	<u>\$ (422)</u>	<u>\$ (190,066)</u>	<u>\$ (190,488)</u>

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

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## **Fiduciary Fund**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2019**

ASSETS	PRIVATE PURPOSE		AGENCY FUNDS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Cash & Cash Equivalents	\$ 28,986	\$ 301,505	\$ 788,672
Due from Other Funds	-	83,496	-
Total Assets	<u>28,986</u>	<u>385,001</u>	<u>788,672</u>
LIABILITIES			
Payroll Deductions & Withholdings	-	-	438,514
Interfunds Payable	-	-	88,496
Due to Student Groups	-	-	261,662
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 788,672</u>
NET POSITION			
Reserved:			
Scholarships	28,986	-	
Unemployment Claims	-	385,001	
Total Net Position	<u>\$ 28,986</u>	<u>\$ 385,001</u>	

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, 2019**

	PRIVATE PURPOSE	
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST
ADDITIONS:		
Contributions:		
Interest Earned	\$ 96	\$ 954
Donations	21,481	-
Plan Member	-	65,198
	<hr/>	<hr/>
Total Additions	21,577	66,152
	<hr/>	<hr/>
DEDUCTIONS:		
Unemployment Claims	-	45,730
Scholarships Disbursed	21,900	-
	<hr/>	<hr/>
Total Deductions	21,900	45,730
	<hr/>	<hr/>
Change in Net Position	(323)	20,422
Net Position - July 1	29,309	364,579
	<hr/>	<hr/>
Net Position - June 30	\$ 28,986	\$ 385,001
	<hr/> <hr/>	<hr/> <hr/>

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

**CENTRAL REGIONAL SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019**

**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* , GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14* . The School District had no component units as of for the year ended June 30, 2019.

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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, 2019 (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, 2019 (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, 2019 (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, 2019 (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, 2019 (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 than 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, 2019 (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, 2019 (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, 2019 (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, 2019 (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, 2019 and December 17, 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.

**Impact of Recently Issued Accounting Principles**

**Adopted Accounting Pronouncements**

The following GASB Statements became effective for the fiscal year ended June 30, 2019:

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. Implementation of this Statement did not have a significant impact on the School District's financial statement.

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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. Implementation of this Statement did not have a significant impact on the School District's financial statement.

Recently Issued Accounting Pronouncements

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

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.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 90, *Majority Equity Interests - an amendment* of GASB Statements No. 14 and No. 61. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Statement No. 90 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.



**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Statement No. 91, *Conduit Debt Obligations*, The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Statement No. 91 is effective for reporting periods beginning after December 15, 2020. 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, 2019, the School District’s bank balance of \$3,472,890 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	2,298,830
Uninsured and Uncollateralized		1,174,060
Total	\$	3,472,890

**Investments**

The School District had no investments at June 30, 2019.

**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, 2019 (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, 2018 to June 30, 2019 fiscal year is as follows:

Beginning Balance, July 1, 2018	\$	447,357
Increased by:		
Interest Earnings		830
Ending Balance, June 30, 2019	\$	448,187

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, 2018 to June 30, 2019 fiscal year is as follows:

Beginning Balance, July 1, 2018	\$	50,400
Increased by:		
Interest Earnings		50
Ending Balance, June 30, 2019	\$	50,450

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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, 2018 to June 30, 2019 fiscal year is as follows:

Beginning Balance, July 1, 2018	\$	346,948
Increased by:		
Interest Earnings		100
		347,048
Decreased by:		
Budget Withdrawals		(100,000)
Ending Balance, June 30, 2019	\$	247,048

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2019 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, 2019, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	General Fund	Special Revenue Fund	
Federal Awards	\$ 8,187	\$ -	\$ 8,187
State Awards	327,852	-	327,852
Other	181,872	-	181,872
Total	\$ 517,911	\$ -	\$ 517,911
		Proprietary Funds	Total Business-Type Activities
<u>Description</u>		Food Service Fund	
Federal Awards		\$ 11,156	\$ 11,156
State Awards		249	249
Other		8,501	8,501
Total		\$ 19,906	\$ 19,906

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 5. Capital Assets**

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

	Governmental Activities			
	Balance July 1, <u>2018</u>	<u>Additions</u>	<u>Adjustments</u>	Balance June 30, <u>2019</u>
<b>Governmental Activities:</b>				
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	17,155,474	1,243,947	736	18,400,157
Total Capital Assets being depreciated	<u>67,499,757</u>	<u>1,243,947</u>	<u>736</u>	<u>68,744,440</u>
Less: Accumulated Depreciation:				
Buildings and Improvements	(28,340,075)	(1,208,886)	-	(29,548,961)
Equipment	(9,645,446)	(1,018,143)	27,072	(10,636,517)
Total Accumulated Depreciation	<u>(37,985,521)</u>	<u>(2,227,029)</u>	<u>27,072</u>	<u>(40,185,478)</u>
Total Capital Assets being depreciated, net	<u>29,514,236</u>	<u>(983,082)</u>	<u>27,808</u>	<u>28,558,962</u>
Total Governmental Activities Capital Assets, net	<u>\$ 29,514,237</u>	<u>\$ (983,082)</u>	<u>\$ 27,808</u>	<u>\$ 28,558,963</u>
	Business-Type Activities			
	Balance July 1, <u>2018</u>	<u>Additions</u>		Balance June 30, <u>2019</u>
<b>Business-Type Activities:</b>				
Equipment	\$ 533,364	\$ 228,712	\$ -	\$ 762,076
Total Capital Assets being depreciated	<u>533,364</u>	<u>228,712</u>	<u>-</u>	<u>762,076</u>
Less: Accumulated Depreciation:				
Equipment	(357,819)	186	-	(357,633)
Total Capital Assets being depreciated, net	<u>(357,819)</u>	<u>(28,957)</u>	<u>-</u>	<u>(386,776)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 175,545</u>	<u>\$ 199,755</u>	<u>\$ -</u>	<u>\$ 375,300</u>

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 5. Capital Assets (Continued)**

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

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 721,482
Special Education Instruction	319,406
Other Instruction	121,162
Support Services:	
Tuition	161,232
Student & Instruction Related Services	272,815
General Administrative	57,433
School Administrative Services	89,972
Central Services	34,192
Administrative Info. Technology	21,210
Plant Operations & Maintenance	228,638
Pupil Transportation	199,488
	<hr/>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,227,029</u></u>

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2019 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	83,496	-
Agency Fund	-	88,496
	<hr/>	<hr/>
	<u><u>\$ 249,594</u></u>	<u><u>\$ 249,594</u></u>

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.

The District did not have any interfund transfers for the year ended June 30, 2019.

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2019 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance			Balance		
	June 30, 2018	Additions	Reductions	June 30, 2019	Due Within	
					One Year	
Governmental Activities:						
General Obligation Bonds	\$ 1,848,000	\$ -	\$ 675,000	\$ 1,173,000	\$ 520,000	
Capital Leases	990,792	500,000	454,639	1,036,153	313,618	
Compensated Absences	1,025,370	-	61,339	964,031	-	
Net Pension Liability	15,037,470	-	1,764,078	13,273,392	-	
FEMA CDL	1,184,693	-	189,230	995,463	175,000	
	<u>\$ 20,086,325</u>	<u>\$ 500,000</u>	<u>\$ 3,144,286</u>	<u>\$ 17,442,039</u>	<u>\$ 1,008,618</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	Principal		Interest		Total
June 30,					
2020	\$ 520,000		\$ 31,305		\$ 551,305
2021	400,000		15,855		415,855
2022	253,000		4,428		257,428
	<u>\$ 1,173,000</u>		<u>\$ 51,588</u>		<u>\$ 1,224,588</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 \$207,000, of both principal and interest, during the year ending June 30, 2019.

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 \$175,000 in the 2019-2020 budget towards repayment of the loan. The cumulative amount of principal and interest accrued through June 30, 2019 is \$995,463 and \$13,664, respectively.

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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.

In the fiscal year ended June 30, 2019, the School District entered into lease purchase agreement to provide lighting to the athletic field in the amount of \$500,000. This leases begin in FY20 and mature in 2024.

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, 2019:

	<u>Fiscal Year Ending</u>	<u>Total</u>
	<u>June 30,</u>	
	2020	\$ 346,407
	2021	335,952
	2022	245,501
	2023	104,436
	2024	78,323
		1,110,619
Total Minimum Lease Payments		1,110,619
Less: Amount Representing Interest		(74,466)
		1,036,153
Present Value of Minimum Lease Payments		\$ 1,036,153

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

**Bonds Authorized but not Issued**

As of June 30, 2019, the School District had no bonds authorized but not issued.

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to 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 2018, the State's pension contribution was less than the actuarial determined amount.

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.



**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 8. Pension Plans (Continued)**

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2019, the School District reported a liability of \$13,273,392 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018. 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, 2017, to the measurement date of June 30, 2018. 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, 2018. The School District's proportion measured as of June 30, 2018, was 0.067414%, which was an increase of 0.0028157% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the School District recognized full accrual pension expense of \$1,065,734 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2018 measurement date. At June 30, 2019 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 253,126	\$ 68,442
Changes of Assumptions	2,187,235	4,244,125
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	124,505
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	1,064,826	-
School District contributions subsequent to measurement date	667,336	-
	\$ 4,172,523	\$ 4,437,072

\$667,336 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2018-2019 total salaries for PERS employees multiplied by an employer pension contribution rate of 13.37%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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:

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Year Ending June 30,</b>	
2020	\$ 795,338
2021	34,855
2022	(171,937)
2023	(758,617)
2024	(164,198)
	<u>\$ (264,559)</u>

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:

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
<b>Differences between Expected and Actual Experience</b>		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
<b>Changes of Assumptions</b>		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
<b>Net Difference between Projected and Actual</b>		
Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
<b>Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions</b>		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following 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%
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2011 - June 30, 2014

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, 2017 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, 2018) 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, 2018 are summarized in the following table:

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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 5.66% as of June 30, 2018. 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 3.87% as of June 30, 2018 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 50% 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 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2046 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, 2018, calculated using the discount rate of 5.66% 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, 2019 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease (4.66%)</b>	<b>At Current Discount Rate (5.66%)</b>	<b>At 1% Increase (6.66%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ 16,689,761	\$ 13,273,392	\$ 10,407,277

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2019 and 2018:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective Deferred Outflows of Resources	\$ 4,684,852,302	\$ 5,396,431,901
Collective Deferred Inflows of Resources	7,646,736,226	4,672,602,040
Collective Net Pension Liability	19,689,501,539	23,278,401,588
School District's portion	0.067414%	0.064598%

**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](http://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, 2019 (Continued)**

**Note 8. Pension Plans (Continued)**

Service retirement benefits of  $1/55^{\text{th}}$  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  $1/60^{\text{th}}$  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 7.5% in State fiscal year 2018. 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 2018, 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, 2018 was \$ 83,846,218. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. 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, 2018, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.13180%, which was a decrease of 0.00060% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the State of New Jersey recognized a pension expense in the amount of \$4,887,941 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, 2018 measurement date.

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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, 2018 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, 2018) 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, 2018 are summarized in the following table:

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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 4.86% as of June 30, 2018. 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 3.87% as of June 30, 2018, 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 50% 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 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** - 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 4.86% 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, 2019 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(3.86%)</u></b>	<b>At Current Discount Rate <u>(4.86%)</u></b>	<b>At 1% Increase <u>(5.86%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 99,104,637	\$ 83,846,218	\$ 71,197,360

**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>6/30/2019</u>	<u>6/30/2018</u>
Collective Deferred Outflows of Resources	\$ 12,675,037,111.00	\$ 14,353,461,035.00
Collective Deferred Inflows of Resources	16,381,811,884.00	11,992,821,439.00
Collective Net Pension Liability	63,806,350,446.00	67,670,209,171.00
 School District's portion	 0.13180%	 0.70415%

**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, 2019 (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, 2019, employee contributions totaled \$23,084, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$16,998.

**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 education employers.

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, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2017. 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:

<b>Inflation Rate</b>	2.50%		
	<u><b>TPAF/ABP</b></u>	<u><b>PERS</b></u>	<u><b>PFRS</b></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, 2017 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, 2018 was \$74,558,955. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2018, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. 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, 2018, the State proportionate share of the OPEB Obligation attributable to the School District was 0.16169509%, which was a decrease of (0.01077888%) from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the State of New Jersey recognized an OPEB expense in the amount of \$3,128,635 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, 2018 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, 2018 was 3.87%. 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, 2018 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:

	<b>June 30, 2018</b>		
	At 1% Decrease (2.87%)	At Discount Rate (3.87%)	At 1% Increase (4.87%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 88,143,862	\$ 74,558,955	\$ 63,760,356
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,512,391,175	\$ 46,110,832,982	\$ 39,432,461,816

**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, 2018 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:

	<b>June 30, 2018</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 61,627,319	\$ 74,558,955	\$ 91,661,539
State of New Jersey's Total Nonemployer OPEB Liability	\$ 38,113,289,045	\$ 46,110,832,982	\$ 56,687,891,003

\* See Healthcare Cost Trend Assumptions for details of rates.

**Additional Information**

Collective balances of the Local Group at June 30, 2018 are as follows:

	<u>Deferred Outflows of</u>	<u>Deferred Inflows of</u>
Change in Proportion Differences between Expected & Actual Experience	\$ 1,377,313,892	\$ (1,377,313,892)
Change in Assumptions	-	(4,476,086,167)
Contributions Made in Fiscal Year Year Ending 2018 After June 30, 2017 Measurement Date **	TBD	(10,335,978,867)
	<u>\$ 1,377,313,892</u>	<u>\$ (16,189,378,926)</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:

Fiscal Year Ending June 30,	
2019	\$ (1,825,218,593)
2020	(1,825,218,593)
2021	(1,825,218,593)
2022	(1,825,218,593)
2023	(1,825,218,593)
Thereafter	<u>(5,685,972,069)</u>
	<u><u>\$ (14,812,065,034)</u></u>

\*\* Employer Contributions made after June 30, 2018 are reported as a deferred outflow of resources, but are not amortized in expense.

**Plan Membership**

At June 30, 2017, the Program membership consisted of the following:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>145,050</u>
	<u><u>362,181</u></u>

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

<b>Total OPEB Liability</b>	
Service Cost	\$ 1,984,642,729
Interest Cost	1,970,236,232
Difference Between Expected and Actual Experiences	(5,002,065,740)
Changes of Assumptions	(5,291,448,855)
Contributions: Member	42,614,005
Gross Benefit Payments	<u>(1,232,987,247)</u>
Net Change in Total OPEB Liability	(7,529,008,876)
Total OPEB Liability (Beginning)	<u>53,639,841,858</u>
Total OPEB Liability (Ending)	<u><u>\$ 46,110,832,982</u></u>
Total Covered Employee Payroll	\$ 13,640,275,833
Net OPEB Liability as a Percentage of Payroll	338%

**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019 (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, 2019, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$2,702,106, \$1,092,154, \$1,225,671, and \$1,653, 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>
2018-2019	\$ 954	\$ 65,198	\$ 45,730	\$ 385,001
2017-2018	557	70,682	44,459	364,579
2016-2017	389	-	3,288	337,799

**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, 2019 (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, 2019, the liability for compensated absences reported was \$964,031.

**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, 2019 (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. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2019 was 145,889.

**Note 17. Fund Balances**

General Fund – Of the \$1,528,285 General Fund fund balance at June 30, 2019, \$448,187 has been restricted for the Capital Reserve Account; \$247,048 has been restricted for the Maintenance Reserve Account; \$50,450 has been restricted for the Emergency Reserve Account; \$145,889 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$100,000 is assigned - designated for subsequent year's expenditures; \$89,987 has been committed to other purposes; and \$446,724 has been unassigned.

**Note 18. Deficit in Net Position**

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of (\$15,577,757) at June 30, 2019. 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, 2019. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:					
Local Tax Levy	10-1210	\$32,075,000	\$ -	\$ 32,075,000	\$ -
Tuition from Other LEAs Within the State	10-1320	250,000	-	250,000	114,656
Transportation from Other LEAs	10-1420-1440	350,000	-	350,000	388,356
Rents and Royalties	10-1910	45,000	-	45,000	54,250
Interest Earned on Emergency Reserve	10-1XXX	50	-	50	50
Interest Earned on Maintenance Reserve	10-1XXX	100	-	100	100
Interest on Capital Reserve Funds	10-1XXX	100	-	100	100
Unrestricted Miscellaneous Revenues	10-1XXX	200,250	-	200,250	267,051
<b>Total Local Sources</b>		<b>32,920,500</b>	<b>-</b>	<b>32,920,500</b>	<b>32,899,563</b>
State Sources:					
Extraordinary Aid	10-3XXX	179,332	-	179,332	234,798
Non-Public Transportation Aid	10-3000	-	-	-	14,098
Choice Aid	10-3116	1,419,283	-	1,419,283	1,419,283
Categorical Special Education Aid	10-3132	1,160,698	-	1,160,698	1,160,698
Categorical Security Aid	10-3177	295,909	-	295,909	295,909
Adjustment Aid	10-3178	55,587	-	55,587	55,587
Categorical Transportation Aid	10-3121	1,325,310	-	1,325,310	1,325,310
Tuition from Other Sources	10-1340	-	-	-	52,144
Nonbudgeted:					
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	1,225,671
On-Behalf TPAF Contributions		-	-	-	2,702,106
On-Behalf TPAF Long Term Disability		-	-	-	1,653
Reimbursed TPAF Social Security Contribution		-	-	-	1,092,154
<b>Total State Sources</b>		<b>4,436,119</b>	<b>-</b>	<b>4,436,119</b>	<b>9,579,411</b>
Federal Sources:					
Medicaid Assistance Program (SEMI)	10-4200	45,950	-	45,950	46,204
<b>Total Federal Sources</b>		<b>45,950</b>	<b>-</b>	<b>45,950</b>	<b>46,204</b>
<b>Total Revenues</b>		<b>37,402,569</b>	<b>-</b>	<b>37,402,569</b>	<b>42,525,178</b>
					<b>5,122,609</b>

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS				
<b>Expenditures:</b>						
<b>Current Expense:</b>						
<b>Instruction - Regular Programs:</b>						
Salaries of Teachers:						
Grades 6 - 8	2,831,597	112,000	2,943,597	2,932,694	10,903	
Grades 9 - 12	5,927,095	31,000	5,958,095	5,956,288	1,807	
Home Instruction:						
Salaries of Teachers	60,000	21,000	81,000	80,588	412	
Purchased Professional - Educational Services	27,000	4,270	31,270	28,230	3,040	
Other Purchased Services	1,000	2,500	3,500	2,090	1,410	
<b>Regular Programs - Undistributed Instruction:</b>						
Purchased Technical Services	22,400	(1,000)	21,400	20,968	432	
Other Purchased Services	44,255	8,800	53,055	53,026	29	
General Supplies	279,100	(14,407)	264,693	244,034	20,659	
Textbooks	80,000	3,768	83,768	54,117	29,651	
<b>Total Regular Programs</b>	<b>9,272,447</b>	<b>167,931</b>	<b>9,440,378</b>	<b>9,372,035</b>	<b>68,343</b>	
<b>Special Education:</b>						
Cognitive - Mild:	600	-	600	425	175	
General Supplies	500	-	500	353	147	
Textbooks						
<b>Total Cognitive - Mild</b>	<b>1,100</b>	<b>-</b>	<b>1,100</b>	<b>778</b>	<b>322</b>	
<b>Learning and/or Language Disabilities:</b>						
Salaries of Teachers	855,910	(40,000)	815,910	811,694	4,216	
Other Salaries for Instruction	139,855	6,600	146,455	140,976	5,479	
General Supplies	4,800	-	4,800	3,204	1,596	
Textbooks	3,000	(900)	2,100	165	1,935	
<b>Total Learning and/or Language Disabilities:</b>	<b>1,003,565</b>	<b>(34,300)</b>	<b>969,265</b>	<b>956,039</b>	<b>13,226</b>	
<b>Behavioral Disabilities:</b>						
Salaries of Teachers	235,240	-	235,240	233,406	1,834	
Other Salaries for Instruction	58,412	29,800	88,212	88,132	80	
General Supplies	3,300	-	3,300	2,509	791	
<b>Total Behavioral Disabilities:</b>	<b>296,952</b>	<b>29,800</b>	<b>326,752</b>	<b>324,047</b>	<b>2,705</b>	



**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	June 30, 2019				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Multiple Disabilities:</b>					
Salaries of Teachers	143,838	6,100	149,938	149,441	497
Other Salaries for Instruction	63,702	25,100	88,802	88,739	63
General Supplies	1,500	-	1,500	611	889
Other Objects	700	-	700	665	35
<b>Total Multiple Disabilities:</b>	<b>209,740</b>	<b>31,200</b>	<b>240,940</b>	<b>239,456</b>	<b>1,484</b>
<b>Resource Room:</b>					
Salaries of Teachers	1,524,739	57,700	1,582,439	1,581,021	1,418
Other Salaries for Instruction	687,124	198,400	885,524	883,485	2,039
General Supplies	27,600	3,456	31,056	18,755	12,301
<b>Total Resource Room</b>	<b>2,239,463</b>	<b>259,556</b>	<b>2,499,019</b>	<b>2,483,261</b>	<b>15,758</b>
<b>Autism:</b>					
Salaries of Teachers	148,404	-	148,404	148,404	-
Other Salaries for Instruction	57,001	(28,000)	29,001	28,426	575
Autistic Prg Rental Fee	800	-	800	735	65
General Supplies	4,300	-	4,300	2,570	1,730
<b>Total Autism</b>	<b>210,505</b>	<b>(28,000)</b>	<b>182,505</b>	<b>180,135</b>	<b>2,370</b>
<b>Home Instruction:</b>					
Salaries of Teachers	100,000	7,600	107,600	107,578	22
Purchased Professional - Educational Services	31,000	(3,360)	27,640	27,373	267
Other Purchased Services	1,000	4,016	5,016	3,404	1,612
<b>Total Home Instruction</b>	<b>132,000</b>	<b>8,256</b>	<b>140,256</b>	<b>138,355</b>	<b>1,901</b>
<b>Total Special Education</b>	<b>4,093,325</b>	<b>266,512</b>	<b>4,359,837</b>	<b>4,322,071</b>	<b>37,766</b>
<b>Basic Skills/Remedial: Salaries of Teachers</b>	<b>65,202</b>	<b>(65,000)</b>	<b>202</b>	<b>-</b>	<b>202</b>
<b>Total Basic Skills/Remedial</b>	<b>65,202</b>	<b>(65,000)</b>	<b>202</b>	<b>-</b>	<b>202</b>

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
				ACTUAL
Bilingual Education:				
Salaries of Teachers	74,702	(24,000)	50,702	50,304
Total Bilingual Education	74,702	(24,000)	50,702	50,304
Vocational Programs- Local - Instruction:				
Salaries of Teachers ROTC	205,710	-	205,710	205,709
General Supplies	2,000	-	2,000	1,407
Total Vocational Programs - Local Instruction	207,710	-	207,710	207,116
School Sponsored Cocurricular Activities:				
Salaries	190,000	(16,000)	174,000	171,035
Purchased Services	3,000	(100)	2,900	2,200
Supplies and Materials	34,800	100	34,900	32,709
Other Objects	8,000	-	8,000	6,531
Total School Sponsored Cocurricular Activities	235,800	(16,000)	219,800	212,475
School Sponsored Athletics - Instruction:				
Salaries	754,441	49,500	803,941	802,637
Purchased Services (300-500 Series)	175,500	499	175,999	166,415
Supplies and Materials	110,000	(637)	109,363	107,645
Other Objects	10,000	-	10,000	7,922
Transfer to Cover Deficit (Agency Funds)	80,000	5,000	85,000	85,000
Total School Sponsored Athletics Instruction	1,129,941	54,362	1,184,303	1,169,619
Total Instruction	15,079,127	383,805	15,462,932	15,333,620
				129,312

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
11-000-100-561	30,000	57,000	87,000	3,429
11-000-100-562		109,000	109,000	3,477
11-000-100-563	94,250	19,000	113,250	1,775
11-000-100-564	32,500	(15,000)	17,500	4,500
11-000-100-565	446,500	(114,000)	332,500	6,652
11-000-100-566	1,056,498	(182,000)	874,498	6,999
11-000-100-568	74,283	-	74,283	-
11-000-100-569	90,000	(5,000)	85,000	3,364
	1,824,031	(131,000)	1,693,031	30,196
Total Undistributed Expenditures - Instruction				
11-000-211-104	140,272	-	140,272	-
11-000-211-105	48,323	23,600	71,923	12
11-000-211-320	2,500	-	2,500	-
11-000-211-600	1,200	-	1,200	120
11-000-211-800	1,300	-	1,300	698
	193,595	23,600	217,195	830
Total Attendance & Social Work Services				
Health Services:				
Salaries	203,270	17,000	220,270	70
Salaries of Clerical Staff	27,524	18,400	45,924	51
Purchased Professional & Technical Services	25,000	11,900	36,900	2,299
Supplies and Materials	8,500	100	8,600	319
	264,294	47,400	311,694	2,739
Total Health Services				

Undistributed Expenditures:

Instruction :

- Tuition to Other LEAs Within the State - Regular
- Tuition to Other LEAs Within the State - Special
- Tuition to County Vocational School District - Regular
- Tuition to County Vocational School District - Special
- Tuition to CSSD & Regional Day School
- Tuition to Private School for the Handicapped - State
- Tuition - State Facilities
- Tuition - Other

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Support Services - Students - Related Services:					
Salaries	11-000-216-100	139,406	-	139,406	-
Purchased Professional - Educational Services	11-000-216-320	147,000	14,200	161,200	3,754
Supplies and Materials	11-000-216-600	600	-	600	287
<b>Total Other Support Services - Students - Related Services</b>		<b>287,006</b>	<b>14,200</b>	<b>301,206</b>	<b>4,067</b>
Other Support Services - Extraordinary Services					
Salaries	11-000-217-100	431,415	(117,800)	313,615	127
<b>Total Other Support Services - Extraordinary Services</b>		<b>431,415</b>	<b>(117,800)</b>	<b>313,615</b>	<b>127</b>
Other Support Services - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	717,720	3,000	720,720	2,489
Salaries of Secretarial & Clerical Assistants	11-000-218-105	226,476	(25,000)	201,476	5,719
Purchased Professional & Technical Services	11-000-218-390	43,000	3,000	46,000	32
Other Purchased Services	11-000-218-580	2,000	-	2,000	72
Supplies and Materials	11-000-218-610	14,465	-	14,465	7,186
Other Objects	11-000-218-890	10,775	-	10,775	6,443
<b>Total Other Support Services - Guidance</b>		<b>1,014,436</b>	<b>(19,000)</b>	<b>995,436</b>	<b>21,779</b>
Other Support Services - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	629,436	(26,700)	602,736	18,338
Salaries of Secretarial & Clerical Assistants	11-000-219-105	169,122	(44,000)	125,122	1,073
Miscellaneous Purchased Services	11-000-219-580	1,200	-	1,200	7
Supplies and Materials	11-000-219-610	21,000	479	21,479	7,825
Other Objects	11-000-219-890	8,100	40	8,140	3,604
<b>Total Other Support Services - Child Study Teams</b>		<b>828,858</b>	<b>(70,181)</b>	<b>758,677</b>	<b>30,847</b>

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	June 30, 2019			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	506,966	(42,000)	464,966	463,575
Salaries of Secretarial & Clerical Assistants	11-000-221-105	41,073	-	41,073	-
Other Salaries	11-000-221-110	-	20,000	20,000	10,800
Supplies and Materials	11-000-221-610	3,000	-	3,000	3,000
Other Objects	11-000-221-890	5,000	-	5,000	4,903
					1,391
					-
					9,200
					-
					97
Total Improvement of Instruction Services/Other		556,039	(22,000)	534,039	523,351
Support Services Instructional Staff					10,688
Educational Media Services/School Library:					
Salaries of Teachers	11-000-222-104	170,055	-	170,055	-
Salaries of Clerical Staff	11-000-222-105	18,349	(18,000)	349	349
Salaries of Technology Staff	11-000-222-177	75,722	(11,000)	64,722	58,828
Purchased Professional Services	11-000-222-300	7,500	1,000	8,500	7,980
Other Purchased Services	11-000-222-500	2,800	-	2,800	2,192
Supplies and Materials	11-000-222-600	60,250	3,610	63,860	57,577
					6,283
Total Educational Media Services/School Library		334,676	(24,390)	310,286	296,632
					13,654
Support Services Instructional Staff Training Service:					
Purchased Prof - Ed Services	11-000-223-320	2,000	2,500	4,500	4,095
Other Purchased Services	11-000-223-580	4,000	(1,800)	2,200	1,899
Supplies and Materials	11-000-223-610	500	900	1,400	1,362
Other Objects	11-000-223-890	6,000	5,740	11,740	11,740
					-
Total Support Services Instructional Staff Training Services		12,500	7,340	19,840	19,096
					744
Support Services General Administration:					
Salaries	11-000-230-100	267,487	600	268,087	268,063
Governance Salary	11-000-230-109	3,000	-	3,000	3,000
Legal Services	11-000-230-331	150,000	11,923	161,923	153,673
Audit Services	11-000-230-332	31,000	4,200	35,200	34,294
Architect/Engineer Services	11-000-230-334	5,000	(4,700)	300	-
					300

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS				
Other Purchased Professional Services	5,000	2,000		7,000	6,866	134
Communications/Telephone	74,404	(6,900)		67,504	52,279	15,225
BOE Other Purchased Services	4,500	500		5,000	4,465	535
Misc Purchased Services	129,400	11,177		140,577	138,027	2,550
General Supplies	16,000	1,500		17,500	17,455	45
Supt Dues and Fees	5,000	77,047		82,047	81,878	169
BOE Membership Dues & Fees	16,000	1,200		17,200	17,155	45
<b>Total Support Services General Administration</b>	<b>706,791</b>	<b>98,547</b>		<b>805,338</b>	<b>777,155</b>	<b>28,183</b>
Support Services School Administration:						
Salaries of Principals & Assistant Principals	714,372	27,000		741,372	741,001	371
Salaries of Secretarial & Clerical Assistants	335,524	36,200		371,724	368,693	3,031
Other Salaries	14,000	1,300		15,300	12,519	2,781
Purchased Technical Services	4,000	(4,000)		-	-	-
Other Purchased Services	800	-		800	442	358
Supplies and Materials	86,550	5,727		92,277	89,394	2,883
Other Objects	5,450	100		5,550	5,414	136
<b>Total Support Services School Administration</b>	<b>1,160,696</b>	<b>66,327</b>		<b>1,227,023</b>	<b>1,217,463</b>	<b>9,560</b>
Central Services:						
Salaries	391,866	(500)		391,366	382,278	9,088
Purchased Professional Services	43,500	4,200		47,700	47,464	236
Other Purchased Services	2,500	2,300		4,800	4,788	12
Supplies & Materials	32,300	(5,740)		26,560	26,401	159
Miscellaneous Expenditures	2,000	(260)		1,740	1,740	-
<b>Total Central Services</b>	<b>472,166</b>	<b>-</b>		<b>472,166</b>	<b>462,671</b>	<b>9,495</b>
Administrative Information Technology:						
Salaries	182,974	7,000		189,974	188,864	1,110
Purchased Technical Services	17,000	27,500		44,500	44,342	158
Other Purchased Services	4,000	1,000		5,000	4,136	864
Supplies & Materials	61,000	(11,208)		49,792	49,658	134
<b>Total Administrative Information Technology</b>	<b>264,974</b>	<b>24,292</b>		<b>289,266</b>	<b>287,000</b>	<b>2,266</b>
Required Maintenance for School Facilities:						
Salaries	379,241	9,500		388,741	388,186	555
Cleaning, Repair & Maintenance Services	338,755	58,640		397,395	388,354	9,041
Lead Testing of Drinking Water	1,000	(1,000)		-	-	-
General Supplies	64,500	17,959		82,459	81,931	528
Other Objects	1,700	825		2,525	2,434	91
<b>Total Required Maintenance for School Facilities</b>	<b>785,196</b>	<b>85,924</b>		<b>871,120</b>	<b>860,905</b>	<b>10,215</b>

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
			ACTUAL	
11-000-262-100	966,392	58,500	1,024,892	815
11-000-262-300	3,500	(100)	3,400	1,920
11-000-262-420	46,000	-	46,000	4,000
11-000-262-490	36,000	(1,728)	34,272	2,054
11-000-262-520	150,000	28	150,028	-
11-000-262-610	49,400	200	49,600	464
11-000-262-621	140,000	(20,700)	119,300	4,300
11-000-262-622	420,000	(1,000)	419,000	5,674
Total Custodial Services	1,811,292	35,200	1,846,492	19,227
Care & Upkeep of Grounds				
Salaries	186,150	10,640	196,790	83
Purchased Professional & Technical Services	20,000	4,500	24,500	179
Cleaning, Repair & Maintenance Services	30,200	(2,275)	27,925	1,335
General Supplies	37,500	10,200	47,700	198
Total Care & Upkeep of Grounds	273,850	23,065	296,915	1,795
Security				
Purchased Professional & Technical Services	131,000	-	131,000	20,463
Total Security	131,000	-	131,000	20,463

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Student Transportation Services:					
Salaries for Pupil Transportation:					
Transportation Aides	11-000-270-107	75,000	22,200	97,200	93,763
Between Home & School - Regular	11-000-270-160	740,811	89,000	829,811	829,570
Between Home & School - Special	11-000-270-161	60,000	34,100	94,100	93,963
Extracurricular	11-000-270-162	120,000	62,500	182,500	182,042
Between Home & School - Nonpublic	11-000-270-163	25,000	6,500	31,500	31,101
Other Purchased Professional & Technical Services	11-000-270-390	9,500	-	9,500	8,184
Cleaning, Repair & Maintenance Services	11-000-270-420	330,000	(10,000)	320,000	316,088
Contracted Services (Regular Education Students) - Vendors	11-000-270-511	325,000	(105,500)	219,500	216,668
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-515	30,000	2,500	32,500	31,458
Contracted Services (Special Education Students) - ESC'S & CTSA	11-000-270-518	400,000	64,000	464,000	462,392
Aid in Lieu of Payments - Non Public	11-000-270-503	20,000	(8,000)	12,000	9,876
Aid in Lieu of Payments - Choice	11-000-270-505	5,000	(5,000)		-
Miscellaneous Purchased Services - Transportation	11-000-270-593	45,000	-	45,000	44,908
Supplies and Materials	11-000-270-610	95,000	(14,000)	81,000	78,626
Transportation Supplies	11-000-270-615	250,000	(47,000)	203,000	201,908
Other Objects	11-000-270-800	27,500	-	27,500	27,500
<b>Total Student Transportation Services</b>		<b>2,557,811</b>	<b>91,300</b>	<b>2,649,111</b>	<b>2,628,047</b>
Unallocated Benefits - Employee Benefits:					
Other Insurance	11-000-291-210	5,000	-	5,000	2,409
Social Security	11-000-291-220	585,000	120,000	705,000	685,626
Other Retirement Contributions - PERS	11-000-291-241	665,000	10,000	675,000	674,412
Other Retirement Contributions - Regular	11-000-291-249	15,000	-	15,000	12,858
Worker's Compensation	11-000-291-260	285,000	(10,000)	275,000	265,688
Health Benefits	11-000-291-270	5,434,860	(556,115)	4,878,745	4,858,097
Tuition Reimbursement	11-000-291-280	25,000	(18,000)	7,000	1,700
Other Employee Benefits	11-000-291-290	510,000	92,500	602,500	599,939
Unused Sick Pay to Retired Staff	11-000-291-299	80,000	(40,000)	40,000	36,546
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>7,604,860</b>	<b>(401,615)</b>	<b>7,203,245</b>	<b>7,137,275</b>



**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
				ACTUAL	
<b>Nonbudgeted:</b>					
On-Behalf TPAF Post-Retirement Medical Contributions	-	-	-	1,225,671	(1,225,671)
On-Behalf TPAF Contributions	-	-	-	2,702,106	(2,702,106)
On-Behalf TPAF NCGI Premium Contributions	-	-	-	1,653	(1,653)
Reimbursed TPAF Social Security Contribution	-	-	-	1,092,154	(1,092,154)
Total Nonbudgeted	-	-	-	5,021,584	(5,021,584)
Total Undistributed Expenditures	21,515,486	(268,791)	21,246,695	25,964,370	(4,717,675)
Total Expenditures - Current Expense	36,594,613	115,014	36,709,627	41,297,990	(4,588,363)
Interest Deposit to Capital Reserves	100	-	100	-	100
Interest Deposit to Maintenance Reserves	100	-	100	-	100
Interest Deposit to Emergency Reserves	50	-	50	-	50
<b>Capital Outlay:</b>					
<b>Equipment:</b>					
Undistributed - Instructional Equipment	150,000	74,500	224,500	224,179	321
Undistributed Expense -					
Admin Info Tech	210,000	11,400	221,400	221,329	71
Custodial Services	103,000	8,000	111,000	110,779	221
Security Equipment	320,000	(157,947)	162,053	2,333	159,720
School Buses - Regular	325,000	(46,500)	278,500	276,317	2,183
Athletics Equipment	-	-	-	-	-
Total Equipment	1,108,000	(110,547)	997,453	834,937	162,516
<b>Facilities Acquisition &amp; Construction Services:</b>					
Architect/Engineer	30,000	5,158	35,158	25,489	9,669
Construction Services	500,000	11,250	511,250	431,031	80,219
Lease purchase agreement	400,000	-	400,000	400,000	-
Assessment for Debt Service on SDA funding	114,706	-	114,706	114,706	-
Total Facilities Acquisition & Construction Services	1,044,706	16,408	1,061,114	971,226	89,888
Total Capital Outlay	2,152,706	(94,139)	2,058,567	1,806,163	252,404

**CENTRAL REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	June 30, 2019			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Total Expenditures	38,747,569	20,875	38,768,194	43,104,153 (4,335,959)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,345,000)	(20,875)	(1,365,625)	(578,975) 786,650
Other Financing Sources/(Uses):				
Other Financing Sources - Leases	820,000	-	820,000	500,000 (320,000)
Total Other Financing Sources/(Uses)	820,000	-	820,000	500,000 (320,000)
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses)	(525,000)	(20,875)	(545,625)	(78,975) 466,650
Fund Balances, July 1	1,991,751	-	1,991,751	1,991,751 -
Fund Balances, June 30	\$ 1,466,751	\$ (20,875)	\$ 1,446,126	\$ 1,912,776 \$ 466,650

**RECAPITULATION OF TRANSFERS**

Rollover Encumbrances from Prior Year	\$ (20,875)
Total Transfers	<u>\$ (20,875)</u>

**RECAPITULATION OF FUND BALANCE**

Restricted Fund Balance:		
Capital Reserve	\$ 448,187	
Emergency Reserve	50,450	
Maintenance Reserve	247,048	
Excess Surplus	145,889	
Committed Fund Balance:		
Year-end Encumbrances	89,987	
Assigned Fund Balance:		
Unreserved - Designated for Subsequent Year's Expenditures	100,000	
Unassigned Fund Balance	831,215	
Subtotal	1,912,776	
Reconciliation to Governmental Fund Statements (GAAP):		
Last State Aid Payment Not Recognized on GAAP Basis	(384,491)	
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 1,528,285</u>	

**CENTRAL REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	June 30, 2019			POSITIVE/ (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS/ ADJUSTMENTS	FINAL BUDGET	FINAL TO ACTUAL
<b>Revenues:</b>				
Federal Sources	\$ 887,647	\$ 207,020	\$ 1,094,667	\$ -
Other Sources	-	16,995	16,995	10,000
<b>Total Revenues</b>	<b>887,647</b>	<b>224,015</b>	<b>1,111,662</b>	<b>1,101,662</b>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Salaries of Teachers	276,250	109,515	385,765	385,765
Tuition	430,066	88,826	518,892	518,892
Supplies		14,995	14,995	4,995
<b>Total Instruction</b>	<b>706,316</b>	<b>213,336</b>	<b>919,652</b>	<b>909,652</b>
<b>Support Services:</b>				
Salaries of Other Professional Staff	-	4,235	4,235	4,235
Personal Services - Employee Benefits	167,709	(62,139)	105,570	105,570
Purchase of Professional				
Education Services	13,622	(2,755)	10,867	10,867
Other Professional Services	-	71,338	71,338	71,338
<b>Total Support Services</b>	<b>181,331</b>	<b>10,679</b>	<b>192,010</b>	<b>192,010</b>
<b>Total Expenditures</b>	<b>887,647</b>	<b>224,015</b>	<b>1,111,662</b>	<b>1,101,662</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures &amp; Other Financing Sources/(Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

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**CENTRAL REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**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)	\$ 42,525,178	\$ 1,101,662
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	380,915	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(384,491)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Stat Personal Services - Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 42,521,602</u>	<u>\$ 1,101,662</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<u>\$ 43,104,153</u>	<u>\$ 1,101,662</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 43,104,153</u>	<u>\$ 1,101,662</u>

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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

	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.067414%	0.064600%	0.062370%	0.061512%	0.059941%	0.058423%
District's proportionate share of the net pension liability (asset)	\$ 13,273,392	\$ 15,037,470	\$ 18,474,100	\$ 13,808,205	\$ 11,222,596	\$ 11,165,812
District's covered-employee payroll	\$ 4,848,946	\$ 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	273.74%	321.15%	426.60%	328.53%	269.61%	271.46%
Plan fiduciary net position as a percentage of the total pension liability	53.60%	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 SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 667,336	\$ 674,412	\$ 598,435	\$ 554,143	\$ 528,838	\$ 494,145
Contributions in relation to the contractually required contribution	667,336	674,412	598,435	554,143	528,838	494,145
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,016,266	\$ 4,848,946	\$ 4,682,407	\$ 4,330,517	\$ 4,203,016	\$ 4,162,600
Contributions as a percentage of covered-employee payroll	13.30%	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 SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 83,846,218	\$ 89,265,911	\$ 104,081,346	\$ 82,189,449	\$ 69,618,006	\$ 69,340,988
District's covered-employee payroll	\$ 15,218,678	\$ 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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.49%	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.

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

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**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 TWO FISCAL YEARS\***

	2019	2018
<b>Total OPEB Liability</b>		
Service Cost	\$ 2,985,681	\$ 3,602,242
Interest Cost	3,197,273	2,765,384
Difference Between Expected and Actual Experiences	(8,420,748)	-
Changes of Assumptions	(8,556,013)	(11,538,468)
Contributions: Member	68,905	74,438
Gross Benefit Payments	(1,993,680)	(2,021,533)
Net Change in Total OPEB Liability	(12,718,582)	(7,117,937)
Total OPEB Liability (Beginning)	87,277,537	94,395,474
Total OPEB Liability (Ending)	\$ 74,558,955	\$ 87,277,537
State's Covered Employee Payroll***	\$ 20,487,316	\$ 19,482,138
Net OPEB Liability as a Percentage of Payroll	364%	448%

\*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.

\*\*\* Covered payroll for the Measurement Periods ending June 30, 2018 and June 30, 2017 is based on the payroll on the June 30, 2016 census data.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2019**

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 4.25% as of June 30, 2017, to 4.86% as of June 30, 2018.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 5.00% as of June 30, 2017, to 5.66% as of June 30, 2018.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018.

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	TITLE I	TITLE II PART A	I.D.E.A.	LOCAL GRANTS	TOTAL
<b>Revenues:</b>					
Federal Sources	\$ 496,178	\$ 79,597	\$ 518,892	\$ -	\$ 1,094,667
Other Sources	-	-	-	6,995	6,995
<b>Total Revenues</b>	<b>\$ 496,178</b>	<b>\$ 79,597</b>	<b>\$ 518,892</b>	<b>\$ 6,995</b>	<b>\$ 1,101,662</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ 335,000	\$ 48,765	\$ -	\$ 2,000	\$ 385,765
Tuition	-	-	518,892	-	518,892
Supplies	-	-	-	4,995	4,995
<b>Total Instruction</b>	<b>335,000</b>	<b>48,765</b>	<b>518,892</b>	<b>6,995</b>	<b>909,652</b>
<b>Support Services:</b>					
Salaries of Other Professional Staff	-	4,235	-	-	4,235
Personal Services - Employee Benefits	89,840	15,730	-	-	105,570
Purchase of Professional Education Services	-	10,867	-	-	10,867
Other Professional Services	71,338	-	-	-	71,338
<b>Total Support Services</b>	<b>161,178</b>	<b>30,832</b>	<b>-</b>	<b>-</b>	<b>192,010</b>
<b>Total Expenditures</b>	<b>\$ 496,178</b>	<b>\$ 79,597</b>	<b>\$ 518,892</b>	<b>\$ 6,995</b>	<b>\$ 1,101,662</b>

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**F. Capital Projects Fund**

*Not Applicable*

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## **H. Fiduciary Fund**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2019**

ASSETS	TRUST		AGENCY	
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL
Cash & Cash Equivalents	\$ 28,986	\$ 301,505	\$ 261,662	\$ 527,010
Due from Other Funds	-	83,496	-	-
<b>Total Assets</b>	<b>28,986</b>	<b>385,001</b>	<b>261,662</b>	<b>527,010</b>
<b>LIABILITIES</b>				
Payroll Deductions & Withholdings	-	-	-	438,514
Interfunds Payable	-	-	-	88,496
Due to Student Groups	-	-	261,662	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>\$ 261,662</b>	<b>\$ 527,010</b>
<b>NET POSITION</b>				
Reserved:				
Scholarships	28,986	-		
Unemployment Benefits	-	385,001		
<b>Total Net Position</b>	<b>\$ 28,986</b>	<b>\$ 385,001</b>		

**CENTRAL REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUND  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ADDITIONS:	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	TOTAL TRUST
Interest Earned	\$ 96	\$ 954	\$ 1,050
Donations	21,481	-	21,481
Plan Member	-	65,198	65,198
Total Additions	21,577	66,152	87,729
DEDUCTIONS:			
Scholarships Disbursed	21,900	-	21,900
Unemployment Claims	-	45,730	45,730
Total Deductions	21,900	45,730	67,630
Change in Net Position	(323)	20,422	20,099
Net Position - Beginning of Year	29,309	364,579	393,888
Net Position - End of Year	\$ 28,986	\$ 385,001	\$ 413,987

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

	BALANCE JULY 1, 2018	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2019
High & Middle Schools Athletic Account	\$ 245,124	\$ 524,077	\$ 509,790	\$ 259,411
	4,502	140,968	143,219	2,251
<b>Total</b>	<b>\$ 249,626</b>	<b>\$ 665,045</b>	<b>\$ 653,009</b>	<b>\$ 261,662</b>

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

ASSETS	BALANCE JULY 1, 2018	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2019
Cash & Cash Equivalents	\$ 447,327	\$ 26,888,273	\$ 26,808,590	\$ 527,010
<b>Total Assets</b>	<b>\$ 447,327</b>	<b>\$ 26,888,273</b>	<b>\$ 26,808,590</b>	<b>\$ 527,010</b>
<b>LIABILITIES</b>				
Net Payroll Deductions & Withholdings	\$ 378,299	\$ 26,823,075	\$ 26,762,860	\$ 438,514
Interfunds	69,028	65,198	45,730	88,496
<b>Total Liabilities</b>	<b>\$ 447,327</b>	<b>\$ 26,888,273</b>	<b>\$ 26,808,590</b>	<b>\$ 527,010</b>

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## **I. Long-Term Debt**

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**CENTRAL REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
STATEMENT OF SERIAL BONDS  
JUNE 30, 2019**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITY DATE	ANNUAL MATURITY AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2018	RETIRED	BALANCE JUNE 30, 2019
School Bonds 2011	3/29/2011	\$ 4,113,000	7-15-19	\$ 520,000	3.250%	\$ 1,848,000	\$ 675,000	\$ 1,173,000
			7-15-20	400,000	3.500%			
			7-15-21	253,000	3.500%			
Total						\$ 1,848,000	\$ 675,000	\$ 1,173,000

**CENTRAL REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
JUNE 30, 2019**

PURPOSE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2018	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2019
Copiers - FY 14	Variable	37,793	791	-	791	-
Copiers - FY 15	Variable	23,864	10,400	-	5,045	5,355
Copiers - FY 16	2.75%	157,496	83,797	-	27,178	56,619
Copiers - FY 17	Variable	50,615	35,394	-	9,894	25,500
Copiers - FY 18	Variable	53,132	49,701	-	9,723	39,978
Phone System	2.25%	85,708	85,708	-	17,694	68,014
Middle School Roof Lease	3.28%	725,000	725,000	-	384,313	340,687
Stadium Lighting Lease	3.11%	500,000	-	500,000	-	500,000
<b>Total</b>			<b>\$ 990,791</b>	<b>\$ 500,000</b>	<b>\$ 454,638</b>	<b>\$ 1,036,153</b>

**CENTRAL REGIONAL SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	June 30, 2019			POSITIVE/ NEGATIVE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 931,879	\$ -	\$ 931,879	\$ -
Total Revenues	931,879	-	931,879	-
Expenditures:				
Regular Debt Service:				
Interest on Bonds	49,880	-	49,880	-
Redemption of Principal	675,000	-	675,000	-
Principal and Interest on CDL	207,000	-	207,000	-
Total Expenditures	931,880	-	931,880	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1)	-	(1)	-
Fund Balance July 1	1	-	1	-
Fund Balance June 30	-	\$ -	\$ -	\$ -

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**STATISTICAL SECTION (Unaudited)**

Third Section

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**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.

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Governmental Activities:</b>										
<b>Net Investment in</b>										
Capital Assets	\$ 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	\$ 26,349,810
<b>Restricted for:</b>										
Debt Service	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	602,305	303,164	-	-	-	-	-	-	-	-
Maintenance Reserve	91,148	91,148	191,348	291,448	291,548	291,648	291,748	491,848	346,948	247,048
Emergency Reserve	-	-	50,100	50,150	50,200	50,250	50,300	50,350	50,400	50,450
Capital Reserve	-	-	553,607	519,987	670,607	321,270	446,320	447,257	447,357	448,187
Excess Surplus	-	-	-	-	-	70,842	99,752	196,356	96,604	145,889
<b>Unrestricted</b>	(756,382)	32,241	(359,935)	(413,734)	(1,918,881)	(15,875,981)	(16,414,879)	(14,435,210)	(15,411,385)	(15,577,757)
<b>Total Governmental Activities</b>	\$ 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	\$ 11,663,627

**Business-Type Activities:**

<b>Net Investment in</b>										
Capital Assets	\$ 130,569	\$ 100,861	\$ 71,206	\$ 54,764	\$ 40,156	\$ 32,746	\$ 90,587	\$ 94,056	\$ 175,731	\$ 375,300
<b>Unrestricted</b>	7,169	32,728	71,122	46,796	88,929	150,493	52,637	188,930	135,181	(17,651)
<b>Total Business-Type Activities</b>	\$ 137,738	\$ 133,589	\$ 142,328	\$ 101,560	\$ 129,085	\$ 183,239	\$ 143,224	\$ 282,986	\$ 310,912	\$ 357,649

**Government-Wide:**

<b>Net Investment in</b>										
Capital Assets	\$ 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	\$ 26,725,110
<b>Restricted:</b>										
Debt Service	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	602,305	303,164	-	-	-	-	-	-	-	-
Maintenance Reserve	91,148	91,148	191,348	291,448	291,548	291,648	291,748	491,848	346,948	247,048
Emergency Reserve	-	-	50,100	50,150	50,200	50,250	50,300	50,350	50,400	50,450
Capital Reserve	-	-	553,607	519,987	670,607	321,270	446,320	447,257	447,357	448,187
Excess Surplus	-	-	-	-	-	70,842	99,752	196,356	47,228	145,889
<b>Unrestricted</b>	(749,213)	64,969	(288,813)	(366,938)	(1,829,952)	(15,725,488)	(16,362,242)	(14,246,280)	(15,276,204)	(15,595,408)
<b>Total District Net Position</b>	\$ 22,777,159	\$ 22,094,827	\$ 33,644,902	\$ 23,121,694	\$ 22,693,791	\$ 9,818,156	\$ 9,992,387	\$ 13,498,373	\$ 12,466,907	\$ 12,021,276

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
<b>Governmental Activities</b>										
<b>Instruction:</b>										
Regular	\$ 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	\$ 18,595,234
Special Education	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	8,232,266
Other Special Instruction	137,509	133,406	146,181	150,209	152,971	97,235	63,004	111,476	-	-
Vocational	97,034	98,785	101,297	102,842	103,436	85,932	88,290	89,296	-	-
Other Instruction	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	3,122,789
<b>Support Services:</b>										
Tuition	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	2,891,496
Student & Instruction Related Services	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	4,892,588
School Administrative Services	1,051,177	918,003	945,841	957,572	940,552	984,102	959,898	975,453	1,701,936	1,613,533
Other Administrative Services	1,660,117	1,495,828	790,993	930,022	788,484	842,564	766,481	686,206	1,083,268	1,029,983
Central Services	-	-	-	458,367	466,520	449,108	468,133	468,586	690,651	613,189
Administrative Information Technology	-	-	769,656	312,389	317,390	337,352	289,214	275,879	403,988	380,368
Plant Operations & Maintenance	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	4,083,157
Pupil Transportation	2,018,781	2,011,998	2,244,262	2,272,104	2,278,568	2,237,075	2,246,855	2,340,048	3,798,598	3,577,561
Unallocated Benefits	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	10,812	25,084	37,885	42,338	63,951	63,674	64,575	80,471	-	-
Debt Service	1,129,235	256,461	302,193	258,980	210,614	204,651	173,176	148,098	205,013	153,522
Unallocated Gain on Revaluation of Fixed Assets	-	-	467,603	-	-	145,114	(161,812)	92,699	-	-
Unallocated Depreciation	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	-	-	-	-	-	-	-
<b>Total Governmental Activities Expenses</b>	<b>35,112,677</b>	<b>34,807,184</b>	<b>36,359,576</b>	<b>34,839,287</b>	<b>35,034,615</b>	<b>36,145,041</b>	<b>36,196,830</b>	<b>41,892,519</b>	<b>51,494,703</b>	<b>49,185,686</b>
<b>Business-Type Activities:</b>										
Food Service	865,653	729,797	830,407	874,860	800,783	788,586	916,101	745,556	789,220	848,369
Community School	11,500	5,458	4,923	2,387	6,135	6,614	4,250	12,213	11,508	9,872
<b>Total Business-Type Activities Expense</b>	<b>841,820</b>	<b>877,153</b>	<b>735,255</b>	<b>835,330</b>	<b>877,248</b>	<b>806,918</b>	<b>795,200</b>	<b>757,769</b>	<b>800,728</b>	<b>858,241</b>
<b>Total District Expenses</b>	<b>\$ 35,954,497</b>	<b>\$ 35,684,337</b>	<b>\$ 37,094,831</b>	<b>\$ 35,674,617</b>	<b>\$ 35,911,863</b>	<b>\$ 36,951,959</b>	<b>\$ 36,992,030</b>	<b>\$ 42,650,288</b>	<b>\$ 52,295,431</b>	<b>\$ 50,043,927</b>
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges for Services	\$ -	\$ 240,990	\$ 178,156	\$ 437,229	\$ 550,040	\$ 622,528	\$ 608,989	\$ 467,980	\$ -	\$ -
Operating Grants & Contributions	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	10,212,045
<b>Total Governmental Activities Program Revenues</b>	<b>6,657,025</b>	<b>3,459,367</b>	<b>3,359,128</b>	<b>1,077,564</b>	<b>5,440,947</b>	<b>4,917,385</b>	<b>8,460,941</b>	<b>6,346,999</b>	<b>13,427,192</b>	<b>10,212,045</b>

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	461,286	476,354	479,519	500,881	519,315	500,808	534,100	528,081	533,141	530,846
Community School	7,545	6,750	5,250	3,500	7,596	8,900	8,370	10,248	10,248	9,450
Operating Grants & Contributions	295,740	309,762	359,300	327,811	307,532	339,646	337,866	369,450	362,265	364,682
<b>Total Business Type Activities Program Revenues</b>	<b>790,148</b>	<b>764,571</b>	<b>792,866</b>	<b>844,069</b>	<b>832,192</b>	<b>834,443</b>	<b>849,354</b>	<b>880,336</b>	<b>897,531</b>	<b>904,978</b>
<b>Total District Program Revenues</b>	<b>\$ 7,447,173</b>	<b>\$ 4,223,938</b>	<b>\$ 4,151,994</b>	<b>\$ 1,921,633</b>	<b>\$ 6,273,139</b>	<b>\$ 5,751,828</b>	<b>\$ 9,310,295</b>	<b>\$ 7,227,335</b>	<b>\$ 14,324,723</b>	<b>\$ 11,117,023</b>
<b>Net/(Expense)/Revenue:</b>										
Governmental Activities	\$ (28,455,652)	\$ (31,347,817)	\$ (33,000,448)	\$ (33,761,723)	\$ (29,593,668)	\$ (31,227,656)	\$ (27,735,889)	\$ (35,545,520)	\$ (38,067,511)	\$ (38,973,641)
Business-Type Activities	(51,672)	(112,582)	57,611	8,739	(45,056)	27,525	54,154	122,567	96,803	46,737
<b>Total District-Wide Net Expense</b>	<b>\$ (30,878,870)</b>	<b>\$ (28,201,831)</b>	<b>\$ (33,012,791)</b>	<b>\$ (31,422,548)</b>	<b>\$ (33,948,312)</b>	<b>\$ (30,749,150)</b>	<b>\$ (31,251,920)</b>	<b>\$ (35,422,953)</b>	<b>\$ (37,970,708)</b>	<b>\$ (38,926,904)</b>
<b>General Revenues &amp; Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 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	\$ 32,075,000
Property Taxes Levied for Debt Service	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	931,879
Unrestricted Grants & Contributions	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	4,600,455
Tuition	-	-	-	-	-	-	-	-	237,924	114,656
Transportation	-	-	-	-	-	-	-	-	305,942	388,356
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	505,019	297,773	402,837	224,094	296,161	300,504	222,332	397,416	249,896	321,551
Transfers	-	-	-	-	-	-	-	-	77,000	-
<b>Total Governmental Activities</b>	<b>30,549,104</b>	<b>30,801,977</b>	<b>35,161,806</b>	<b>30,562,524</b>	<b>30,790,372</b>	<b>30,934,753</b>	<b>34,218,808</b>	<b>38,911,744</b>	<b>37,057,492</b>	<b>38,431,897</b>
<b>Business-Type Activities:</b>										
Transfers	-	-	-	-	-	-	-	-	(77,000)	-
Investment Earnings	-	1,099	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>-</b>	<b>1,099</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(77,000)</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 30,549,104</b>	<b>\$ 30,803,076</b>	<b>\$ 35,161,806</b>	<b>\$ 30,562,524</b>	<b>\$ 30,790,372</b>	<b>\$ 30,934,753</b>	<b>\$ 34,218,808</b>	<b>\$ 38,911,744</b>	<b>\$ 36,980,492</b>	<b>\$ 38,431,897</b>
<b>Change in Net Position:</b>										
Governmental Activities	\$ 2,093,452	\$ (545,840)	\$ 2,161,358	\$ (3,199,199)	\$ 1,196,704	\$ (292,903)	\$ 6,482,919	\$ 3,366,224	\$ (1,010,019)	\$ (541,744)
Business-Type Activities	(51,672)	(111,483)	57,611	8,739	(45,056)	27,525	54,154	122,567	19,803	46,737
<b>Total District</b>	<b>\$ 2,041,780</b>	<b>\$ (657,323)</b>	<b>\$ 2,218,969</b>	<b>\$ (3,190,460)</b>	<b>\$ 1,151,648</b>	<b>\$ (265,378)</b>	<b>\$ 6,537,073</b>	<b>\$ 3,488,791</b>	<b>\$ (990,216)</b>	<b>\$ (495,007)</b>

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

	FISCAL YEAR ENDING JUNE 30									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund:</b>										
Reserved	\$ 767,744	\$ 497,865	\$ 1,190,360	\$ 1,232,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	321,190	126,960	102,749	24,008	-	-	-	-	-	-
Restricted	-	-	-	-	1,012,355	734,010	888,120	1,185,811	941,309	891,574
Assigned	-	-	-	-	200,000	381,487	575,000	331,070	328,396	100,000
Committed	-	-	-	-	472,912	260,388	71,487	39,699	20,875	89,987
Unassigned	-	-	-	-	178,622	325,279	324,865	478,144	320,256	446,724
<b>Total General Fund</b>	<b>\$ 1,088,934</b>	<b>\$ 624,825</b>	<b>\$ 1,293,109</b>	<b>\$ 1,256,448</b>	<b>\$ 1,863,889</b>	<b>\$ 1,701,164</b>	<b>\$ 1,859,472</b>	<b>\$ 2,034,724</b>	<b>\$ 1,610,836</b>	<b>\$ 1,528,285</b>
<b>All Other Governmental Funds</b>										
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	30,780	6,915	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 30,780</b>	<b>\$ 3,849,034</b>	<b>\$ 1,242,876</b>	<b>\$ 62,304</b>	<b>\$ 34,097</b>	<b>\$ 3,058</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues:</b>										
Tax levy	\$ 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	\$ 33,006,879
Tuition charges	106,081	240,990	178,156	147,472	257,784	334,873	318,393	154,516	237,924	62,512
Transportation Fees	-	80,899	225,390	289,757	292,256	241,860	242,460	247,395	305,942	388,356
Miscellaneous	573,408	241,277	177,447	224,094	296,162	300,504	222,332	397,416	202,657	274,296
State Sources	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	9,627,979
Federal Sources	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	1,140,871
Other	-	-	-	-	-	45,795	48,136	66,069	47,239	54,250
<b>Total revenue</b>	<b>33,780,177</b>	<b>34,161,104</b>	<b>36,239,370</b>	<b>36,822,247</b>	<b>35,693,396</b>	<b>36,252,624</b>	<b>40,252,389</b>	<b>41,592,578</b>	<b>42,364,555</b>	<b>44,555,143</b>
<b>Expenditures</b>										
Instruction:										
Regular Instruction	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	9,762,795
Special Education Instruction	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	4,322,071
Other Special Instruction	137,509	133,406	146,181	150,209	152,971	97,235	63,004	111,476	117,455	50,304
Vocational Education	97,034	98,785	101,297	102,842	103,436	85,932	88,290	89,926	212,930	207,116
Other Instruction	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	1,382,094
Support Services:										
Tuition	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	2,181,727
Student & Inst. Related Services	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	3,691,615
Other Administrative Services	1,046,923	846,477	790,993	930,022	788,484	842,564	766,481	686,206	715,401	777,155
School Administrative Services	1,051,177	918,003	945,841	957,572	940,552	984,402	959,898	975,453	1,123,976	1,217,463
Central Services	613,194	649,351	461,782	458,367	466,520	499,108	468,133	468,586	456,113	462,671
Admin. Information Technology	3,685,340	2,981,790	2,729,660	2,842,918	3,173,990	3,373,352	2,892,214	2,753,879	2,667,798	2,870,000
Plant Operations & Maintenance	2,018,781	2,011,998	2,244,262	2,272,104	2,894,527	2,924,584	2,994,816	3,057,008	2,910,811	3,093,827
Pupil transportation	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	12,264,429
Unallocated benefits	10,812	25,084	37,885	42,338	63,951	63,674	64,575	80,471	-	-
Special Schools	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	1,291,457
Capital outlay	875,000	915,000	955,000	1,155,000	1,205,000	1,245,000	1,280,000	850,000	769,527	1,282,000
Debt Service:	254,235	218,061	270,050	260,486	221,586	173,124	124,152	103,130	103,469	164,586
Principal										
Interest & Other Charges										
<b>Total Expenditures</b>	<b>35,455,901</b>	<b>34,934,485</b>	<b>38,314,862</b>	<b>38,039,481</b>	<b>37,126,113</b>	<b>39,960,459</b>	<b>40,254,635</b>	<b>41,470,075</b>	<b>43,729,282</b>	<b>45,137,695</b>

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
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)	122,503	(1,364,727)	(582,552)
Other Financing Sources/(Uses):										
Community Disaster Loan (FEMA)	-	-	-	-	1,977,151	2,721,517	-	-	-	-
Capital Leases (Budgeted)	-	-	-	-	-	-	-	-	725,000	500,000
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	500,000
Net Change in Fund Balances	\$ (1,235,894)	\$ (1,675,724)	\$ (635,761)	\$ (2,075,492)	\$ 794,717	\$ 2,081,354	\$ (3,550,339)	\$ 175,252	\$ (423,887)	\$ (82,552)
Debt Service as a Percentage of Noncapital Expenditures	3.23%	3.28%	3.58%	3.94%	3.97%	3.85%	3.67%	2.42%	2.12%	3.30%

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	
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
2019	114,656	388,356	250	54,250	-	267,051	824,563

Source: District records

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**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.

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**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 EQUALIZED) VALUE
<b>BERKELEY</b>											
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	325,273,300	24,742,200	58,796,400	5,140,623,100	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	291,170,700	24,462,500	57,997,000	5,089,815,160	1,274,856,100	-	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	5,102,034,098	1,278,099,500	-	6,380,133,598	-	5,093,712,990
2016	139,576,200	4,610,354,810	285,994,700	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	5,107,174,648	1,293,195,830	-	6,400,910,478	1.067	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	1.066	5,585,512,630
2019	126,574,300	4,684,455,500	279,661,700	16,853,300	63,128,800	5,175,652,820	1,310,862,800	-	6,486,515,620	-	-
<b>ISLAND HEIGHTS</b>											
2010	13,762,500	315,343,500	23,101,200	-	489,300	352,696,500	22,460,600	189,570	375,157,100	0.301	444,532,862
2011	13,983,900	314,685,500	23,043,100	-	489,300	352,201,800	22,460,000	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	-	372,639,500	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	0.939	345,395,292
2019	11,224,600	333,025,700	24,591,600	-	499,400	369,544,341	32,553,600	-	402,099,941	N/A	355,243,188
<b>OCEAN GROVE</b>											
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	4,488,300	252,790,400	4,683,100	-	1,299,000	262,260,800	12,032,500	153,416	262,414,216	-	281,398,499
2012	3,804,100	253,620,900	4,683,100	-	1,299,000	263,407,100	12,082,500	-	275,489,600	0.969	261,862,114
2013	3,668,700	245,470,200	4,387,600	-	1,602,000	254,686,700	12,082,500	-	266,769,200	0.993	241,936,639
2014	4,510,200	243,127,500	4,277,600	-	1,602,000	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	255,456,077	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	-	233,021,535	1.267	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	1.267	244,292,517
2019	2,558,000	211,911,100	4,509,000	-	1,106,900	220,163,874	13,970,300	-	234,134,174	N/A	-
<b>SEASIDE HEIGHTS</b>											
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	513,122,400	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	172,293,800	-	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	-	28,414,000	640,833,200	62,720,400	-	703,553,600	-	659,157,786
2016	25,230,100	393,639,500	186,208,200	-	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	84,865,300	-	722,272,300	0.879	665,907,856
2019	24,022,500	402,655,000	185,718,300	-	29,332,200	641,728,000	84,335,200	-	726,063,200	0.900	-
<b>SEASIDE PARK</b>											
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	1,161,885,100	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	-	8,354,000	1,118,767,200	176,890,500	-	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	0.405	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	-	1,185,685,826
2018	29,031,300	1,052,081,300	35,125,100	-	7,881,800	1,124,119,500	179,016,300	-	1,303,135,800	0.430	1,161,160,521
2019	21,823,400	1,069,596,400	35,110,200	-	7,881,800	1,134,411,800	178,736,300	-	1,313,148,100	0.546	-

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	
<b>Berkeley</b>							
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	2.069
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
2019	0.456	0.010	0.466	0.600	0.656	0.445	2.167
<b>Island Heights</b>							
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
2019	0.332	0.005	0.337	0.615	0.537	0.402	1.891
<b>Ocean Gate</b>							
2010	0.341	0.015	0.363	0.604	0.628	0.350	1.945
2011	0.349	0.015	0.364	0.604	0.635	0.366	1.969
2012	0.345	0.015	0.360	0.609	0.634	0.362	1.965
2013	0.347	0.015	0.362	0.631	0.654	0.373	2.020
2014	0.350	0.015	0.365	0.647	0.659	0.376	2.047
2015	0.346	0.015	0.361	0.646	0.653	0.378	2.038
2016	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
2019	0.430	0.007	0.437	0.887	0.837	0.457	2.618
<b>Seaside Heights</b>							
2010	0.245	0.012	0.257	0.302	0.516	0.357	1.432
2011	0.273	0.016	0.289	0.312	0.544	0.326	1.471
2012	0.254	0.016	0.270	0.333	0.571	0.325	1.499
2013	0.251	0.016	0.267	0.328	0.813	0.417	1.825
2014	0.248	0.016	0.264	0.390	0.866	0.435	1.955
2015	0.365	0.015	0.380	0.427	0.901	0.427	2.135
2016	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	0.404	0.013	0.417	0.462	0.412	1.002	2.293
2019	0.415	0.014	0.429	0.471	1.021	0.434	2.355
<b>Seaside Park</b>							
2010	0.252	0.013	0.382	0.062	0.430	0.377	1.251
2011	0.358	0.013	0.371	0.060	0.429	0.394	1.254
2012	0.358	0.014	0.372	0.717	0.876	0.417	2.382
2013	0.363	0.013	0.376	0.055	0.449	0.428	1.308
2014	0.416	0.012	0.428	0.053	0.449	0.439	1.369
2015	0.342	0.011	0.353	0.052	0.480	0.427	1.312
2016	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
2019	0.485	0.008	0.493	0.053	0.517	0.424	1.487

Source: Municipal Tax Collector

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

	2019			2010		
	Taxable Assessed Value	% of Total District Net Assessed Value	Rank	Taxable Assessed Value	% of Total District Net Assessed Value	
<b>Berkeley Township</b>						
Hovchild Partnership LLC	\$ 31,876,200	0.62%	1	39,686,700	0.77%	
Plainfield Properties LLC	28,289,800	0.55%	2	28,289,800	0.55%	
Quaker Malls LP	17,721,200	0.34%	3	23,404,000	0.45%	
Baywick Plaza LLC	15,000,000	0.29%	4	17,721,200	0.34%	
Arlington Beach Co	14,746,700	0.28%	5	16,631,000	0.32%	
Berkeley Healthcare Assoc LLC	11,500,000	0.22%	6	13,500,000	0.26%	
Millers Camp Inc C/O Josephine	8,434,900	0.16%	7	13,500,000	0.26%	
Bay Housing Association	8,160,000	0.16%	8	11,451,900	0.22%	
Hope Springs LLC	8,143,100	0.16%	9	10,269,900	0.20%	
BNJ Realty LLC	8,000,000	0.15%	10	9,489,500	0.18%	
<b>Total</b>	<b>\$ 119,995,700</b>	<b>2.34%</b>		<b>183,944,000</b>	<b>3.55%</b>	
<b>Island Heights</b>						
FLM Marine LLC	\$4,950,500	1.34%	1	4,850,000	2.39%	
Conza Builders LLC	\$2,706,600	0.73%	2	2,534,600	0.80%	
Linda Tavares	\$2,386,600	0.65%	3	2,378,600	0.69%	
Nelson Properties Partnership	\$2,147,300	0.58%	4	2,307,800	0.66%	
Peter M & Elisa A Rapaport	\$1,900,700	0.51%	5	1,888,400	0.54%	
George & Harriet Prepis	\$1,847,300	0.50%	6	1,821,800	0.54%	
Linda Bartlett	\$1,780,400	0.48%	7	1,761,400	0.50%	
Henry J. Kelly, Jr.	\$1,760,300	0.48%	8	1,716,500	0.49%	
Steven Brick	\$1,706,400	0.46%	9	1,687,000	0.48%	
Sal T. & Gina M. Laforgia	\$1,614,900	0.44%	10	1,670,400	0.48%	
<b>Total</b>	<b>\$22,801,000</b>	<b>6.55%</b>		<b>22,616,500</b>	<b>7.57%</b>	
<b>Ocean Gate</b>						
Randall Nunn	\$1,186,800	0.54%	1	1,701,700	0.49%	
Chester & Linda Lakomy	\$956,700	0.43%	2	855,700	0.25%	
Gary & Mary Mease	\$747,300	0.34%	3	777,700	0.23%	
Smith Investment Properties LLC	\$725,300	0.33%	4	7,312,000	0.21%	
Richard & Judith Mihalkovitz	\$720,200	0.33%	5	715,000	0.21%	
James & Anna Fry	\$709,100	0.32%	6	701,200	0.12%	
Leslie & Debra Cauvin	\$701,300	0.32%	7	675,000	0.19%	
Ocean Gate Yacht Club	\$686,600	0.31%	8	666,300	0.17%	
Robert Lange	\$674,100	0.31%	9	661,100	0.17%	
Sledzik Associates	\$655,800	0.30%	10	643,500	0.16%	
<b>Total</b>	<b>\$7,763,200</b>	<b>3.54%</b>		<b>14,709,200</b>	<b>2.20%</b>	
<b>Seaside Heights</b>						
AFMV LLC	\$ 30,988,800	4.83%	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%	
Seaside Heights LLC	5,838,000	0.91%	4	7,729,100	0.52%	
Shree Atlantic Hospitality LLC	5,228,800	0.81%	5	7,644,200	0.45%	
Samuel Tilles Inc.	4,295,300	0.67%	6	7,144,700	0.40%	
Nini Feldman & Jill Finlay	3,700,000	0.58%	7	6,695,300	0.31%	
Saddy Family LLC	3,526,900	0.55%	8	6,633,000	0.28%	
Con Castle Amusements	3,400,000	0.53%	9	5,978,100	0.27%	
Larsen Partnerships #2	3,274,600	0.51%	10	5,250,400	0.26%	
<b>Total</b>	<b>\$ 73,732,200</b>	<b>11.57%</b>		<b>110,674,600</b>	<b>11.38%</b>	
<b>Seaside Park</b>						
Friedland Family Trust	6,542,700	0.58%	1	15,955,800	3.19%	
Joy-Jam Inc c/o Windjammer	3,499,000	0.31%	2	4,169,600	0.40%	
T&H Homes Inc.	3,054,400	0.27%	3	3,499,000	0.39%	
Stephen & Bonnie Holmes	2,737,800	0.24%	4	2,693,400	0.32%	
Shree Jyoti LLC	2,693,400	0.24%	5	2,539,900	0.29%	
Leonard & Diane Light	2,623,900	0.23%	6	2,525,300	0.22%	
Cheryl Raley & Roy Bortor	2,310,100	0.20%	7	2,310,100	0.19%	
Robert & Mary Greeley	2,238,100	0.20%	8	1,704,300	0.13%	
John & Penny Welch	2,207,700	0.19%	9	1,563,800	0.12%	
Seaside Park Yacht Club	2,100,000	0.19%	10	1,551,800	0.12%	
<b>Total</b>	<b>\$ 30,007,100</b>	<b>2.67%</b>		<b>38,513,000</b>	<b>5.37%</b>	

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	
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
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A

**Island Heights**

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
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A

**Ocean Gate**

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
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A

**Seaside Heights**

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
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A

**Seaside Park**

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
2018	N/A	N/A	N/A	N/A
2019	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.

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**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 PER CAPITA PER CAPITA	
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	ANTICIPATION NOTES (BANs)	CAPITAL LEASES		PER CAPITA INCOME	PER CAPITA
2019	816,134	N/A	N/A	N/A	N/A	N/A	N/A
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

**ISLAND HEIGHTS**

2019	42,308	N/A	N/A	N/A	N/A	N/A	N/A
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

**OCEAN GATE**

2019	32,668	N/A	N/A	N/A	N/A	N/A	N/A
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

**SEASIDE HEIGHTS**

2019	91,940	N/A	N/A	N/A	N/A	N/A	N/A
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

**SEASIDE PARK**

2019	189,950	N/A	N/A	N/A	N/A	N/A	N/A
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

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		
2019	816,134	N/A	816,134	0.016%	N/A
2018	1,349,040	N/A	1,349,040	N/A	N/A
2017	1,896,540	N/A	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

**ISLAND HEIGHTS**

2019	42,308	N/A	42,308	0.011%	N/A
2018	55,440	N/A	55,440	N/A	N/A
2017	77,940	N/A	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

**OCEAN GATE**

2019	32,668	N/A	32,668	0.015%	N/A
2018	55,440	N/A	55,440	N/A	N/A
2017	77,940	N/A	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

**SEASIDE HEIGHTS**

2019	91,940	N/A	91,940	0.014%	N/A
2018	129,360	N/A	129,360	N/A	N/A
2017	181,860	N/A	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

**SEASIDE PARK**

2019	189,950	N/A	189,950	0.017%	N/A
2018	258,720	N/A	258,720	N/A	N/A
2017	363,720	N/A	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

**CENTRAL REGIONAL SCHOOL DISTRICT**  
**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2019**  
**Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENTAGE APPLICABLE	OVERLAPPING DEBT
<b>Berkeley</b>			
Debt Repaid With Property Taxes:			
Berkeley Township	\$54,568,308	100.000%	\$ 54,568,308
Berkeley Twp. Sewerage Authority	\$6,530,204	100.000%	6,530,204
Berkeley Township MUA	\$6,453,749	100.000%	6,453,749
Ocean County General Obligation Debt	\$468,706,376	5.486%	25,713,232
Local School Debt	7,180,000	100.000%	<u>7,180,000</u>
Subtotal, Overlapping Debt			100,445,493
Regional School Debt	1,173,000	69.58%	<u>816,134</u>
Total Direct & Overlapping Debt			<u>\$ 101,261,626</u>
<b>Island Heights</b>			
Debt Repaid With Property Taxes:			
Island Heights	\$2,091,253	100.000%	\$ 2,091,253
Ocean County General Obligation Debt	\$468,706,376	0.354%	1,659,221
Local School Debt	3,118,000	100.000%	<u>3,118,000</u>
Subtotal, Overlapping Debt			6,868,474
Regional School Debt	1,173,000	3.61%	<u>42,308</u>
Total Direct & Overlapping Debt			<u>\$ 6,910,782</u>
<b>Ocean Gate</b>			
Debt Repaid With Property Taxes:			
Ocean Gate	\$2,906,254	100.000%	\$ 2,906,254
Ocean County General Obligation Debt	\$468,706,376	0.236%	1,106,147
Local School Debt	361,000	100.00%	<u>361,000</u>
Subtotal, Overlapping Debt			4,373,401
Regional School Debt	1,173,000	2.78%	<u>32,668</u>
Total Direct & Overlapping Debt			<u>\$ 4,406,069</u>
<b>Seaside Heights</b>			
Debt Repaid With Property Taxes:			
Seaside Heights	\$10,629,231	100.000%	\$ 10,629,231
Ocean County General Obligation Debt	\$468,706,376	0.666%	3,121,584
Local School Debt			<u>-</u>
Subtotal, Overlapping Debt			13,750,815.46
Regional School Debt	1,173,000	7.84%	<u>91,940</u>
Total Direct & Overlapping Debt			<u>\$ 13,842,756</u>
<b>Seaside Park</b>			
Debt Repaid With Property Taxes:			
Seaside Park	\$4,877,221	100.000%	\$ 4,877,221
Ocean County General Obligation Debt	\$468,706,376	1.216%	5,699,470
Local School Debt			<u>-</u>
Subtotal, Overlapping Debt			10,576,691
Regional School Debt	1,173,000	16.19%	<u>189,950</u>
Total Direct & Overlapping Debt			<u>\$ 10,766,640</u>
TOTAL ALL DEBT DIRECT & OVERLAPPING	565,476,596		<u>\$ 137,187,873</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 born 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**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt Limit	\$ 274,149,391	\$ 268,081,788	\$ 268,081,788	\$ 267,342,416	\$ 280,926,611	\$ 280,926,611	\$ 280,926,611	\$ 303,276,070	N/A	N/A	N/A
Total Net Debt Applicable to Limit	1,173,000	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	\$ 272,976,391	\$ 266,233,788	\$ 265,483,788	\$ 263,894,416	\$ 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	0.67%	0.69%	0.97%	1.29%	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
	Island Heights	Ocean Gate	Seaside Hgts	Seaside Park	
2018	\$ 5,585,512,630	\$ 244,292,517	\$ 665,907,856	\$ 1,161,160,521	\$ 8,012,116,712
2017	\$ 5,419,664,792	\$ 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	\$ 7,660,769,096
Average Equalized Valuation of Taxable Personal Services -					\$ 23,498,519,251
Debt Limit (3.5% of Average Equalization Value)					7,832,839,750
Net Bonded School Debt					274,149,391
Legal Debt Margin					1,173,000
					\$ 272,976,391

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

**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.

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

YEAR		POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
<b>Berkeley</b>				
2019		N/A	N/A	N/A
2018		41,762	N/A	5.60%
2017		41,573	50,184	6.30%
2016		41,601	48,116	6.70%
2015		41,609	46,849	7.60%
2014		41,526	44,808	9.00%
2013	*	41,428	43,171	12.90%
2012		41,233	42,807	15.60%
2011		41,335	41,557	14.90%
2010		41,294	39,766	14.20%
<b>Island Heights</b>				
2019		N/A	N/A	N/A
2018		1,674	N/A	3.70%
2017		1,660	50,184	4.40%
2016		1,643	48,116	4.60%
2015		1,638	46,849	5.40%
2014		1,645	44,808	N/A
2013	*	1,631	43,171	6.90%
2012		1,632	42,807	10.30%
2011		1,638	41,557	10.60%
2010		1,642	39,766	10.04%
<b>Ocean Gate</b>				
2019		N/A	N/A	N/A
2018		2,026	N/A	5.20%
2017		2,012	50,184	6.40%
2016		2,003	48,116	6.70%
2015		1,992	46,849	6.60%
2014		1,994	44,808	7.80%
2013	*	1,992	43,171	7.80%
2012		1,998	42,807	10.60%
2011		2,006	41,557	10.30%
2010		2,000	39,766	9.90%
<b>Seaside Heights</b>				
2019		N/A	N/A	N/A
2018		2,906	N/A	6.60%
2017		2,891	50,184	8.00%
2016		2,889	48,116	7.80%
2015		2,884	46,849	7.80%
2014		2,886	44,808	9.40%
2013	*	2,880	43,171	17.20%
2012		2,873	42,807	14.30%
2011		2,884	41,557	14.00%
2010		2,887	39,766	13.50%
<b>Seaside Park</b>				
2019		N/A	N/A	N/A
2018		1,545	N/A	5.30%
2017		1,543	50,184	5.60%
2016		1,547	48,116	5.90%
2015		1,549	46,849	7.40%
2014		1,563	44,808	7.50%
2013	*	1,574	43,171	6.80%
2012		1,574	42,807	13.50%
2011		1,579	41,557	13.20%
2010		1,581	39,766	12.70%

<sup>c</sup> Per Capita

<sup>d</sup> 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	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction:										
Regular	118	111	111	108	109	109	109	108	108	107
Special Education	77	72	67	78	62	62	62	62	62	54
Vocational and Other Instructional	7	7	2	1	1	1	1	1	1	1
Support Services:										
Student & Instruction Related Services	58	59	60	42	35	35	35	35	35	42
General Administration	3	3	3	3	5	5	5	5	5	7
School Administration Services	13	13	12	12	11	11	11	11	11	13
Central Service	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	2	3	3	3	3	3	1
Plant Operations & Maintenance	33	33	33	34	32	32	32	32	32	35
Pupil Transportation	27	28	28	27	32	32	32	32	32	32
Other Support Services			3	6	3	3	3	3	3	3
<b>Total</b>	<b>344</b>	<b>334</b>	<b>327</b>	<b>320</b>	<b>299</b>	<b>299</b>	<b>299</b>	<b>298</b>	<b>298</b>	<b>301</b>

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.

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**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				
2019	2220	\$ 42,399,652	\$ 19,099	2.55%	197	15.5	9.8	2,197.1	2,057	8.18%	93.61%
2018	2134	40,362,701	18,919	2.23%	186	15.6	13.6	2,114.2	1,974	9.94%	93.39%
2017	2059	38,348,324	18,625	0.64%	175	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%

**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	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
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	776	667	667	667	667	680	680	693	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	1,444	1,256	1,256	1,256	1,256	1,266	1,266	1,225	1,482	1,482
Other:										
Superintendent Office: (1972)	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122
Square Feet										
Board Office: (1972)	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699
Square Feet										

Number of Schools at June 30, 2019:  
 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
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
2019		597,973	262,932	860,905

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, 2019  
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)		
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

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HOLMAN | FRENIA  
ALLISON, P.C.

*Certified Public Accountants & Consultants*

680 Hooper Avenue, Bldg B, Toms River, NJ 08753 • Tel: 732.797.1333  
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612  
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800  
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010

[www.hfacpas.com](http://www.hfacpas.com)

## 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, 2019, 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 December 17, 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, No. 2470

Toms River, New Jersey  
December 17, 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, 2019. 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, 2019.

## 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, No. 2470

Toms River, New Jersey  
December 17, 2019

**CENTRAL REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2019 (ACCOUNTS RECEIVABLE)	DEFERRED REVENUE	DUE TO GRANTOR
<b>U.S. Department of Agriculture</b>												
Passed Through New Jersey Department of Agriculture												
Child Nutrition Cluster:												
Food Distribution Program - Commodities	10.555	19INJ04N1099	Unavailable	\$ 55,082	7/1/18-6/30/19	\$ -	\$ 55,082	\$ (55,082)	\$ -	\$ -	\$ -	\$ -
Summer Food Program	10.559	18INJ04N1099	100-010-3350-026	8,836	7/1/18-6/30/19	(11,142)	3,935	(3,935)	-	-	-	-
National School Lunch Program	10.555	18INJ04N1099	100-010-3350-026	257,821	7/1/17-6/30/18	(11,142)	11,142	-	-	-	-	-
National School Lunch Program	10.555	19INJ04N1099	100-010-3350-026	255,090	7/1/18-6/30/19	(11,142)	245,734	(255,090)	-	(9,356)	-	-
Subtotal							315,893	(314,107)	-	(9,356)	-	-
School Breakfast Program	10.553	18INJ04N1099	100-010-3350-028	45,445	7/1/17-6/30/18	(1,848)	1,848	(43,969)	-	(1,800)	-	-
School Breakfast Program	10.553	19INJ04N1099	100-010-3350-028	43,969	7/1/18-6/30/19	(1,848)	42,169	(43,969)	-	(1,800)	-	-
Subtotal							44,017	(43,969)	-	(1,800)	-	-
Total Child Nutrition Cluster						(12,990)	359,910	(358,076)	-	(11,156)	-	-
<b>Total U.S. Department of Agriculture</b>						(12,990)	359,910	(358,076)	-	(11,156)	-	-
<b>U.S. Department of Health and Human Services</b>												
Passed Through New Jersey Department of Human Services:												
Medicaid Cluster:												
Medical Assistance Program (SEMI)	93.778	1905NJ5MAP	100-054-7540-211	46,204	7/1/18-6/30/19	-	46,204	(46,204)	-	-	-	-
Total Medicaid Cluster						-	46,204	(46,204)	-	-	-	-
<b>Total U.S. Department of Health and Human Services:</b>						-	46,204	(46,204)	-	-	-	-
<b>U.S. Department of Education</b>												
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	(81,203)	81,203	-	-	-	-	-
Title I - Part A	84.010	S010A160030	100-034-5064-194	488,078	7/1/18-6/30/19	-	496,178	(496,178)	-	-	-	-
Subtotal						(81,203)	577,381	(496,178)	-	-	-	-
Title II - Part A, Supporting Effective Instructor	84.367	S367A180029	100-034-5063-290	77,790	7/1/17-6/30/18	-	79,597	(79,597)	-	-	-	-
Title II - Part A, Supporting Effective Instructor	84.367	S367A170029	100-034-5063-290	79,597	7/1/18-6/30/19	-	79,597	(79,597)	-	-	-	-
Subtotal						-	79,597	(79,597)	-	-	-	-
I.D.E.A. Part B (Special Education Cluster)	84.027	H027A170100	100-034-5065-016	518,892	7/1/18-6/30/19	-	518,892	(518,892)	-	-	-	-
Basic						-	518,892	(518,892)	-	-	-	-
Total Special Education Cluster						-	518,892	(518,892)	-	-	-	-
<b>Total U.S. Department of Education</b>						(81,203)	1,175,870	(1,094,667)	-	-	-	-
<b>Total Expenditures of Federal Awards</b>						\$ (94,193)	\$ 1,581,984	\$ (1,498,947)	\$ -	\$ (11,156)	\$ -	\$ -

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, 2019**

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2019	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b><u>New Jersey Department of Education:</u></b>										
General Fund:										
State Aid - Public:										
Special Education Aid	495-034-5120-089	\$ 1,160,698	7/1/18-6/30/19	\$ -	\$ 1,160,698	\$ (1,160,698)	\$ -	\$ -	\$ 104,838	\$ 1,160,698
Adjustment Aid	495-034-5120-085	55,587	7/1/18-6/30/19	-	55,587	(55,587)	-	-	5,021	55,587
Security Aid	495-034-5120-084	295,909	7/1/18-6/30/19	-	295,909	(295,909)	-	-	26,727	295,909
Choice Aid	495-034-5120-068	1,419,283	7/1/18-6/30/19	-	1,419,283	(1,419,283)	-	-	128,195	1,419,283
Total State Aid - Public					<u>2,931,477</u>	<u>(2,931,477)</u>			<u>264,781</u>	<u>2,931,477</u>
Transportation Aid	495-034-5120-014	1,325,310	7/1/18-6/30/19	-	1,325,310	(1,325,310)	-	-	119,707	1,325,310
Additional Nonpublic School Transportation Aid	495-034-5120-014	23,267	7/1/17-6/30/18	(23,267)	23,267	-	-	-	-	-
Additional Nonpublic School Transportation Aid	495-034-5120-014	14,098	7/1/18-6/30/19	-	-	(14,098)	-	(14,098)	-	14,098
Extraordinary Aid	495-034-5120-044	222,746	7/1/17-6/30/18	(222,746)	222,746	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	234,798	7/1/18-6/30/19	-	867	(234,798)	-	(233,931)	-	234,798
Lead Testing for Schools Aid	495-034-5120-104	1,092,154	7/1/18-6/30/19	-	1,038,403	(1,092,154)	-	(53,751)	-	1,092,154
Reimbursed TPAF Social Security Contributions	495-034-5094-003	2,702,106	7/1/18-6/30/19	-	2,702,106	(2,702,106)	-	-	-	2,702,106
TPAF - Pension Contributions (Noncash Assistance)	495-034-5094-002	1,653	7/1/18-6/30/19	-	1,653	(1,653)	-	-	-	1,653
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	1,225,671	7/1/18-6/30/19	-	1,225,671	(1,225,671)	-	-	-	1,225,671
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5095-001									
Total General Fund				<u>(246,013)</u>	<u>9,471,500</u>	<u>(9,527,267)</u>		<u>(301,780)</u>	<u>384,488</u>	<u>9,527,267</u>
<b>Total New Jersey Department of Education</b>				<u>(246,013)</u>	<u>9,471,500</u>	<u>(9,527,267)</u>		<u>(301,780)</u>	<u>384,488</u>	<u>9,527,267</u>
<b><u>State Department of Agriculture:</u></b>										
Enterprise Fund:										
National School Lunch Program	100-010-3360-067	6,983	7/1/18-6/30/19	-	6,734	(6,983)	-	(249)	-	6,983
National School Lunch Program	100-010-3360-067	6,856	7/1/17-6/30/18	(285)	285	-	-	-	-	-
Total State Department of Agriculture				<u>(285)</u>	<u>7,019</u>	<u>(6,983)</u>		<u>(249)</u>		<u>6,983</u>
<b><u>State Department of Children and Families:</u></b>										
General Fund:										
Homeless Tuition	495-034-5120-005	76,215	7/1/17-6/30/18	(38,003)	38,003	-	-	-	-	-
Homeless Tuition	495-034-5120-005	52,144	7/1/18-6/30/19	-	26,072	(52,144)	-	(26,072)	-	52,144
Total State Department of Children and Families:				<u>(38,003)</u>	<u>64,075</u>	<u>(52,144)</u>		<u>(26,072)</u>		<u>52,144</u>
<b>Total State Financial Assistance</b>				<u>\$ (284,301)</u>	<u>\$ 9,542,594</u>	<u>\$ (9,586,394)</u>		<u>\$ (328,101)</u>	<u>\$ 384,488</u>	<u>\$ 9,586,394</u>
State Financial Assistance Programs not subject to Calculation for Major Program Determination:										
TPAF - Pension Contributions (Noncash Assistance)	495-034-5094-002	\$ 2,702,106	7/1/18-6/30/19		\$ -	\$ 2,702,106				
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	1,653	7/1/18-6/30/19			1,653				
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5095-001	1,225,671	7/1/18-6/30/19			1,225,671				
<b>Total State Financial Assistance subject to Calculation for Major Program Determination</b>						<u>\$ (5,656,964)</u>				

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, 2019**

**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, 2019. 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, 2019.

**CENTRAL REGIONAL SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2019 (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	\$ 46,204	\$ 9,575,835	\$ 9,622,039
Special Revenue Fund	1,094,667	-	1,094,667
Food Service Fund	358,076	6,983	365,059
Total Awards & Financial Assistance	<u>\$ 1,498,947</u>	<u>\$ 9,582,818</u>	<u>\$ 11,081,765</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 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, 2019, the District paid \$207,000 of principal and interest, leaving a remaining balance, including accrued interest of \$1,009,126 as of June 30, 2019.

**CENTRAL REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2019**

**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   X   no

2) Significant deficiency(ies) identified?            yes   X   none reported

Noncompliance material to financial statements noted?            yes   X   no

**Federal Awards**

Internal control over major programs:

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

2) Significant deficiency(ies) identified?            yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?            yes   X   no

Identification of major programs:

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

Dollar threshold used to determine Type A programs            \$ 750,000

Auditee qualified as low-risk auditee?   X   yes            no



**CENTRAL REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2019**

**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, 2019**

**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 Principles, 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, 2019**

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 Principals, 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.