

**Comprehensive Annual
Financial Report**

of the

**Bridgewater-Raritan Regional School District
County of Somerset**

Bridgewater, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

**Bridgewater-Raritan Regional School District
Board of Education
Business Office**

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INTRODUCTORY SECTION

Board of Education

Bridgewater-Raritan Regional School District

836 Newmans Lane, P. O. Box 6030
Bridgewater, New Jersey 08807-0030

(908) 685-2777 ext. 3212
Fax (908) 231-8496

Dr. Thomas Ficarra
Superintendent of Schools

Peter F. Starrs
School Business Administrator/Board Secretary

December 21, 2020

Honorable President and
Members of the Board of Education
Bridgewater-Raritan Regional School District
836 Newmans Lane
Bridgewater, NJ 08807

Dear Board Members:

The comprehensive annual financial report of the Bridgewater-Raritan Regional School District for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Bridgewater-Raritan Regional Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2020 and the government-wide financial statements of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to complement Management’s Discussion and Analysis and should be read in conjunction with it), the Districts 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 and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Amendment of 1996 and the provisions of the Uniform Guidance and New Jersey OMB Circular 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments”. 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 recommendations are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES:

Bridgewater-Raritan Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and the government-wide statements of the District are included in this report. The Bridgewater-Raritan Regional Board of Education and all its schools constitute the District’s reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the **2019-2020** fiscal year with an average daily enrollment of 8,420 students.

The following details the changes in the student enrollment of the District over the last 5 years based on the October 15th count.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-2016	8,554	(0.19%)
2016-2017	8,518	(0.42%)
2017-2018	8,509	(0.11%)
2018-2019	8,450	(0.69%)
2019-2020	8,420	(0.36%)

2) ECONOMIC CONDITION AND OUTLOOK OF THE LOCAL ECONOMY:

Both Bridgewater Township and Raritan Borough are situated approximately 45 minutes west of New York City by train, bus or car with major highways running through the communities. Both communities are characterized by educated supportive residents.

Raritan Borough is an established community that is almost fully developed. It is a well-maintained, single-family, residential community. Commercial uses serving the immediate are concentrated on Routes 202 and 206.

Bridgewater Township is a diverse and thriving township with a mix of urban and suburban life. The Township is prime ground for many new and large businesses with its location and easy accessibility. It is home to the Bridgewater Commons Mall and numerous major companies in various industries.

The District has had a stable tax base of approximately \$10,500,000,000 and anticipates growth at a modest rate. The District exhibits wealth and income levels that are above state medians. The District has a low debt burden as a percentage of equalized valuation.

3) MAJOR INITIATIVES UNDERTAKEN:

Bridgewater-Raritan students continue to excel and demonstrate proficiency in local, state and national assessments where data is monitored and analyzed. The District is currently working to increase the use of quantitative and qualitative data to improve performance. The District continues its implementation of its strategic plan.

4) INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting 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 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.

4) **INTERNAL ACCOUNTING CONTROLS (CONTINUED):**

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

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

5) **BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the county office of the New Jersey Department of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6) **ACCOUNTING SYSTEM AND REPORTS:**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (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) **FINANCIAL INFORMATION AT FISCAL YEAR-END:**

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. You should review in detail the management's discussion and analysis for the fiscal year ended **June 30, 2020**, for Financial Summaries.

8) **DEBT ADMINISTRATION:**

At **June 30, 2020**, the District's outstanding debt issues included \$17,070,000 of general obligation bonds.

9) **CASH MANAGEMENT:**

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statement" Note 2. 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.

10) **RISK MANAGEMENT:**

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

11) **OTHER INFORMATION:**

Independent Audit – State statutes require an annual audit by independent certified public accountants or certified municipal accountants. The accounting firm of Suplee, Clooney and Company, CPAs was selected by the Board of Education at the annual Reorganization Meeting. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

11) **ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Bridgewater-Raritan 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,



Dr. Thomas Ficarra
Superintendent of Schools



Peter F. Starrs
School Business Administrator/Board Secretary

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2020**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Jacqueline Barlow – President	2021
Jill Gladstone – Vice President	2022
Lynne Hurley	2022
AJ Joshi	2021
Zachary Malek	2020
Ann Marie Mead	2020
Steve Singer	2023
Melanie Thiesse	2021
Barry Walker	2020

Other Officials

Dr. Thomas Ficarra, Superintendent of Schools
Peter F. Starrs, Business Administrator/Board Secretary
Nicole Petrone, Treasurer of School Monies
Nicholas Celso, III, School Board Attorney

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
Consultants and Advisors

ARCHITECTS

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

AUDIT FIRM

Suplee, Clooney & Company
308 East Broad Street
Westfield, NJ 07090

ATTORNEYS

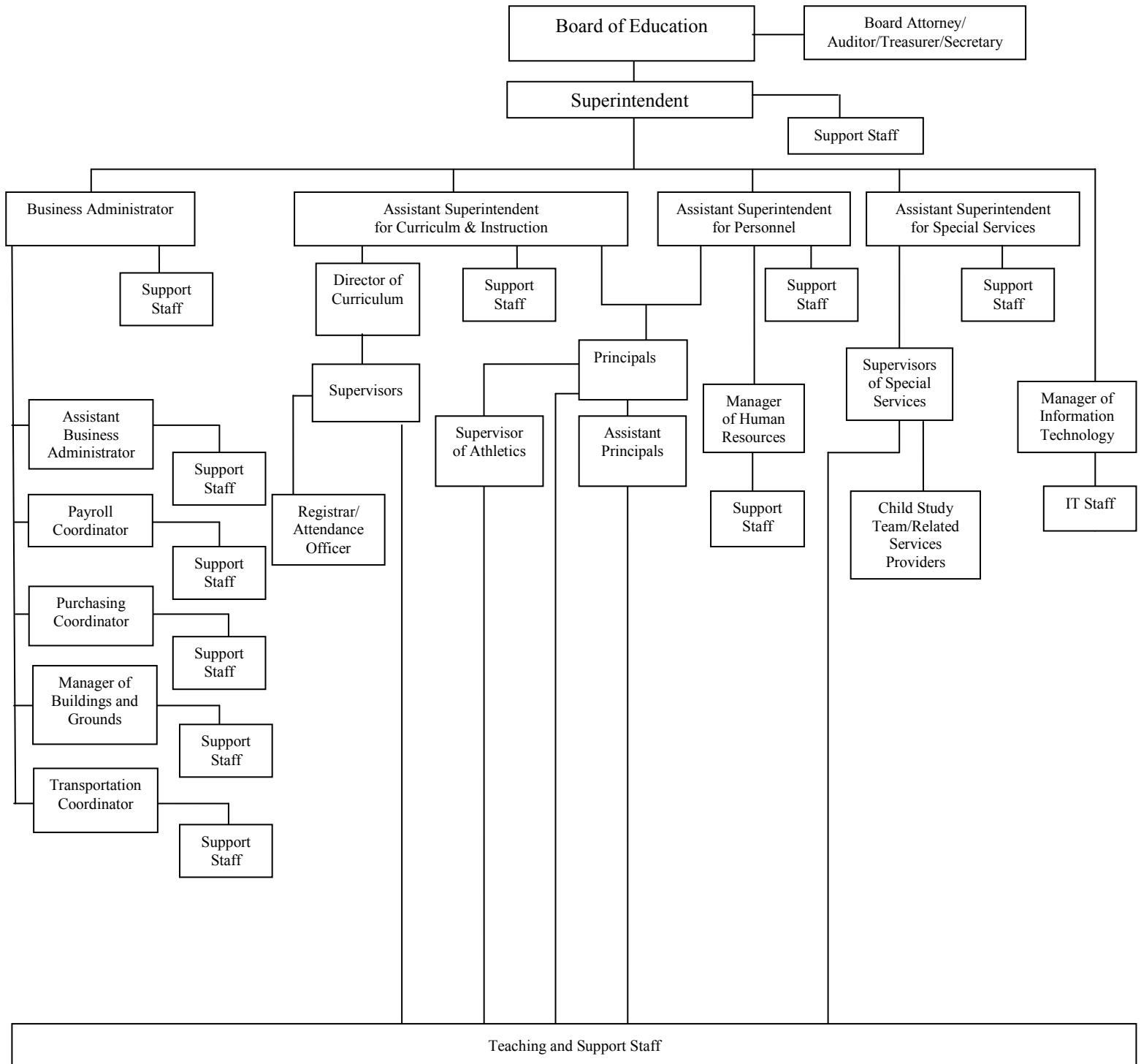
Nicholas Celso, III
Busch Law Group
450 Main Street
Metuchen, NJ 08840

OFFICIAL DEPOSITORY

PNC Bank
Washington Valley Road
Martinsville, NJ 08836

New Jersey Cash Management
P.O. Box 290
Trenton, NJ 08625-0290

1110 ORGANIZATIONAL CHART



Adopted: 25 August 2015
 Revised: 13 September 2016
 Revised: 12 September 2017

FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR REPORT

Honorable President and Members
of the Board of Education
Bridgewater-Raritan Regional School District
836 Newmans Lane
Bridgewater, New Jersey 08807

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 Bridgewater-Raritan Regional School District, County of Somerset, New Jersey (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the 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 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, and the audit 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 State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

SUPLEE, CLOONEY & COMPANY

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

Opinion

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 Bridgewater-Raritan Regional School District, County of Somerset, New Jersey as of June 30, 2020, 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 in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedule related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibit M-1 and M-2 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bridgewater-Raritan Regional School District's basic financial statements. The accompanying supplementary schedules such as the combining and individual fund financial statements, long-term debt schedules and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

SUPLEE, CLOONEY & COMPANY

The accompanying supplementary information schedules such as the combining and individual fund financial statements, long-term debt schedules and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, and the schedule 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 other information, such as the introductory and statistical sections, has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 2020 in our consideration of the Bridgewater-Raritan Regional 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 Bridgewater-Raritan Regional School District's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 21, 2020

REQUIRED SUPPLEMENTARY INFORMATION – PART I

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

This section of the Bridgewater-Raritan Regional School District's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately 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 the State and Local Governments. Certain comparative information between the current fiscal year (2019-2020) and the prior fiscal year (2018-2019) is presented in the MD&A.

Financial Highlights

- At the district-wide financial statements, revenue from governmental activities accounted for \$191,709,508.61 or 98.5 percent of total school district revenue. The other 1.5 percent of revenue was generated by the business type activities.
- The Board of Education used \$255,900.00 of capital reserve funds to fund various capital projects in 2019-2020. By resolution at year end the Board of Education transferred \$5,669,793.91 into capital reserve for future capital projects.
- The Board of Education established a maintenance reserve at year end and transferred \$2,000,000.00 into this reserve for future maintenance projects.
- Debt Service for capital leases and bonds payable decreased 21.15% in 2019-2020.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and supplementary Government-Wide Financial Statements

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

District-Wide Financial Statements

The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the assets, deferred inflows and outflows and liabilities of the District, with the difference between the four 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 activities 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 (e.g., earned but unused vacation leave).

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.

The District maintains three funds types:

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on 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 government'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 district-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 in 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.

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund, special revenue fund and debt service fund to demonstrate compliance with this budget.

Proprietary funds. The District maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the district-wide financial statements. The District uses an enterprise fund to account for the operations of its food service program and its before and after care program.

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 statements because the resources of those funds are not available to support the District's own programs.

The District utilizes trust funds to account for its unemployment compensation insurance fund. The District uses agency funds to account for resources held for student activities and groups, and payroll related liabilities.

Notes to the basic 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.

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

**Financial Highlights
District-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$14,368,375.99 at the close of fiscal year 2020. The following table provides a summary of net position at June 30, 2020 and 2019 relating to the District's governmental and business-type activities:

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

- The State withheld both of the June fiscal year state aid payments until July 2020.
- The state aid awarded in 2019-2020 increased by \$395,158.00 from 2019-2020.

Financial Analysis of the District as a Whole

Recall that the Statement of Net Position provides the perspective of the District as a whole. On the subsequent page, Table 1 reflects the District's net position as a whole. Table 2 reflects the changes in net position from operating results.

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

**Table 1
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	Change
Current and Other Assets	\$39,875,375.88	\$31,797,319.52	\$1,005,384.30	\$835,238.30	\$40,880,760.18	\$32,632,557.82	25.28%
Capital Assets	51,158,538.90	49,195,847.20	382,566.98	336,193.76	51,541,105.88	49,532,040.96	4.06%
Total Assets	91,033,914.78	80,993,166.72	1,387,951.28	1,171,432.06	92,421,866.06	82,164,598.78	12.48%
Deferred Outflows:							
Deferred amt of bond	737,758.00	967,814.00			737,758.00	967,814.00	-23.77%
Related to pensions	7,342,805.00	10,928,719.00			7,342,805.00	10,928,719.00	-32.81%
Total Deferred Outflow	8,080,563.00	11,896,533.00			8,080,563.00	11,896,533.00	-32.08%
Short-Term Liabilities	10,613,599.26	9,383,093.57	308,210.95	289,282.47	10,921,810.21	9,672,376.04	12.92%
Long-Term Liabilities	50,842,929.39	60,800,012.27			50,842,929.39	60,800,012.27	-16.38%
Total Liabilities	61,456,528.65	70,183,105.84	308,210.95	289,282.47	61,764,739.60	70,472,388.31	-12.36%
Deferred Inflows:							
Related to pensions	12,812,449.00	12,033,334.00			12,812,449.00	12,033,334.00	6.47%
Net Position:							
Net Investment in Capital Assets	33,058,209.99	26,228,982.57	382,566.98	336,193.76	33,440,776.97	26,565,176.33	25.88%
Restricted	33,127,946.18	25,669,289.98			33,127,946.18	25,669,289.98	29.06%
Unrestricted (Deficit)	(41,340,656.04)	(41,225,012.67)	697,173.35	545,955.83	(40,643,482.69)	(40,679,056.84)	-0.09%
Total Net Position	\$24,845,500.13	\$10,673,259.88	\$1,079,740.33	\$882,149.59	\$25,925,240.46	\$11,555,409.47	124.36%

A large portion of the District's net position is its net investment in capital assets. Restricted net positions include those items that are subject to external restrictions (e.g. for capital projects, capital reserve and excess fund balance in the general fund).

Current and other assets increased from the prior fiscal year while total liabilities decreased. The increase in assets was due to an increase in state aids, a cut in spending and an increase in capital and maintenance reserves while the decrease in liabilities was due to a reduction of bonds payable compensated absences and net pension liability. Investment in capital assets increased as various capital projects were completed from the current and prior years. Restricted net position increased as funds were set aside for future capital and maintenance projects. Unrestricted net position remained about the same from fiscal year 2019 to fiscal year 2020 and is a large deficit due to the implementation of GASB 68 in fiscal year 2015 and GASB 75 in fiscal year 2018.

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

**Table 2
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District	
	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2019</u>
Revenue:						
Program Revenue:						
Charges for Services			\$2,084,872.49	\$2,533,504.07	\$2,084,872.49	\$2,533,504.07
Operating Grants, State Aid & Contributions	\$40,855,405.07	\$47,051,556.65	803,713.80	731,138.53	41,659,118.87	47,782,695.18
General Revenue:						
Property Taxes	149,443,862.42	145,979,446.00			149,443,862.42	145,979,446.00
Federal and State Aid	10,360,063.78	10,029,422.39			10,360,063.78	10,029,422.39
Other	1,946,998.16	1,857,449.52	20,999.81	26,813.18	1,967,997.97	1,884,262.70
Total Revenue	202,606,329.43	204,917,874.56	2,909,586.10	3,291,455.78	205,515,915.53	208,209,330.34
Expenses:						
Instruction	121,404,997.44	125,935,688.09			121,404,997.44	125,935,688.09
Student & Instructional Support Services	27,444,890.96	27,536,828.75			27,444,890.96	27,536,828.75
Administrative, Central and Technology	17,394,603.85	18,562,102.42			17,394,603.85	18,562,102.42
Maintenance & Operations	12,863,710.90	13,281,951.42			12,863,710.90	13,281,951.42
Transportation	8,285,784.84	9,839,543.07			8,285,784.84	9,839,543.07
Other	886,180.19	1,043,388.93	2,713,450.36	3,076,700.44	3,599,630.55	4,120,089.37
Total Expenses	188,280,168.18	196,199,502.68	2,713,450.36	3,076,700.44	190,993,618.54	199,276,203.12
Canceled Receivables	(1,592.38)			(82,208.75)	(1,592.38)	(82,208.75)
Disposal of Capital Assets	(152,328.62)				(152,328.62)	
Transfer		300,000.00		(300,000.00)		
Increase/(Decrease) in Net Position	\$14,172,240.25	\$8,418,371.88	\$196,135.74	\$432,546.59	\$14,368,375.99	\$8,850,918.47

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

Sources of Revenue

The District's total revenue for the 2019-2020 school year was \$205,515,915.53 as reflected in Table 3 below. Property taxes accounted for 72.72 percent of the total revenue with the other 29.16 percent consisting of state and federal aid, grants, charges for services, and miscellaneous sources.

**Table 3
Sources of Revenue**

<u>Sources of Revenue</u>	<u>FY 2020</u>		<u>FY 2019</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Property Taxes	\$149,443,862.42	72.72%	\$145,979,446.00	70.11%
State and Federal Aid	49,561,510.90	24.12%	55,280,267.87	26.55%
Federal and State Grants	2,379,584.91	1.16%	2,456,425.85	1.18%
Charges for Services	2,084,872.49	1.01%	2,533,504.07	1.22%
Other	2,046,084.81	0.99%	1,959,686.55	0.94%
	<u>\$205,515,915.53</u>	<u>100.00%</u>	<u>\$208,209,330.34</u>	<u>100.00%</u>

The increase in property taxes of \$3,464,416.42 is a 2.3% increase allowed under current state regulations.

All other revenues, state and federal aid, federal and state grants, charges for services and other income all remained relatively the same with slight increases or decreases in each one.

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

Expenses for the Fiscal Year 2020 and 2019

The total expenditures for the 2019-2020 fiscal year for all programs and services were \$190,993,618.54. Table 4 below summarizes these program costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 82.27 percent of the total District costs. Administrative and central and technology expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, the Technology Office, and the Principal's Offices in all five school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, unallocated depreciation expense and the costs of the business-type activities of the proprietary funds. It is important to note that depreciation expense on capital assets is included in expenses for the year under the new accounting reporting model; expenses therefore include \$1,768,964.48 for depreciation for the fiscal year 2020.

**Table 4
Expenses for Fiscal Year 2020 and 2019**

<u>Expense Category</u>	<u>FY 2020</u>		<u>FY 2019</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$121,404,997.44	63.56%	\$125,935,688.09	63.20%
Student and Instruction Services	27,444,890.96	14.37%	27,536,828.75	13.82%
Administrative, Central and Technology	17,394,603.85	9.11%	18,562,102.42	9.31%
Maintenance and Operations	12,863,710.90	6.74%	13,281,951.42	6.67%
Transportation	8,285,784.84	4.34%	9,839,543.07	4.94%
Other	3,599,630.55	1.88%	4,120,089.37	2.06%
	<u>\$190,993,618.54</u>	<u>100.00%</u>	<u>\$199,276,203.12</u>	<u>100.00%</u>

Governmental Activities

Table 5 presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of six major District activities: instruction, student & instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

**Table 5
Net Cost of Governmental Activities**

<u>Expense Category</u>	<u>FY 2020</u>		<u>FY 2019</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$91,996,241.76	62.48%	\$92,001,793.16	61.76%
Student & Instruction Services	20,766,488.35	14.10%	19,882,103.42	13.35%
Administrative, Central and Technology	14,283,044.07	9.70%	14,755,853.04	9.91%
Maintenance & Operations	12,863,710.90	8.74%	13,281,951.42	8.92%
Transportation	6,629,097.84	4.50%	8,182,856.07	5.49%
Other	711,044.26	0.48%	855,446.77	0.57%
	<u>\$147,249,627.18</u>	<u>100.00%</u>	<u>\$148,960,003.88</u>	<u>99.99%</u>

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the general fund. During the fiscal year there were differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts.

Described below are explanations for variations in revenues and expenditures for certain lines where the modified budgeted amounts differ from the original budget by significant amounts. All other fluctuations were considered immaterial and no explanations were deemed required.

Expenditures

The actual amounts expended directly for regular, special education and other programs increased in fiscal year 2020, especially special education costs. Indirect costs for instruction decreased for compensated absences and actuarial post retirement and pension benefits.

Costs for required maintenance and plant operations decreased due to schools being shut down during the coronavirus pandemic beginning in March 2020. Student transportation costs saw a decrease for the same reason the last few months of the school year.

Revenues

Excluding the change in the state pension, revenues remained relatively the same as in the prior year. Tuition from individuals and other lea's as well as other miscellaneous revenues saw small decreases from the prior year due to the coronavirus pandemic. Taxes increased by the allowable amount by the state.

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

Capital Assets

During the fiscal year 2019-2020 the District had various capital acquisitions and construction projects therefore capital assets net of depreciation increased. Table 6 reflects the comparative balances of capital assets net of depreciation. The detail of the changes in capital assets is reflected in Note 3 to the financial statements.

**Table 6
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	FY 2019	FY 2019	FY 2019	FY 2019	FY 2020	FY 2019	
Land and Site Improvements	\$31,630,387.54	\$24,022,382.07			\$31,630,387.54	\$24,022,382.07	31.67%
Building and Building Improvements	15,608,500.27	19,468,333.90			15,608,500.27	19,468,333.90	-19.83%
Construction in Progress	1,373,309.07	3,210,275.94			1,373,309.07	3,210,275.94	-57.22%
Machinery and Equipment	2,546,342.02	2,494,855.29	\$382,566.98	\$336,193.76	2,928,909.00	2,831,049.05	3.46%
Total Assets	\$51,158,538.90	\$49,195,847.20	\$382,566.98	\$336,193.76	\$51,541,105.88	\$49,532,040.96	4.06%

Debt Administration

At June 30, 2020 the District had \$56,354,070.91 of outstanding long-term liabilities, consisting of bonds payable, unamortized bond premium, compensated absences, capital leases and net pension liability. The District will continue to pay down its debt, as the obligations are due. Table 7 reflects the comparison of outstanding liabilities for the past two fiscal years. More information of the District's long-term liabilities is presented in Note 4 to the financial statements.

**Table 7
Outstanding Long-term Liabilities**

	Total School Debt		Total Percentage Change
	FY 2020	FY 2019	
Capital Leases	\$800,342.91	\$798,620.63	0.22%
Compensated Absences	9,087,563.00	9,511,667.81	-4.46%
Bonds Payable	17,070,000.00	21,865,000.00	-21.93%
Net Pension Liability	28,428,421.00	32,679,670.00	-13.01%
Unamortized Bond Premium	967,744.00	1,271,058.00	-23.86%
	\$56,354,070.91	\$66,126,016.44	-14.78%

**BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
COUNTY OF SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
UNAUDITED**

The District's Future

The District is presently in stable financial position. A major concern for the community is that even though the District has seen an increase in state aid after major cuts in prior years, the burden of the rising cost of education is focused on taxpayers to support their local schools. Despite these concerns, the Bridgewater-Raritan Regional School District is committed to maintaining fiscal responsibility as well as achieving educational excellence for all of the students of the District. The current pandemic that the Country and State is facing and its financial uncertainties is an added concern. In response to the pandemic and our efforts to maintain a quality educational experience, the district has increased spending on technology, supplies, and personal protective equipment to ensure the safety of students and staff through cleanliness, social distancing and to provide a seamless virtual/hybrid learning experience.

Contacting the District's Financial Management Team

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Peter F. Starrs, School Business Administrator/Board Secretary at the Bridgewater-Raritan Regional School District, 836 Newmans Lane, P.O. Box 6030, Bridgewater, New Jersey 08807-0030. Please visit our website at www.brrsd.k12.nj.us.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2020.

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$16,159,440.85	\$754,981.79	\$16,914,422.64
Receivables, net	2,604,703.20	189,936.55	2,794,639.75
Inventory		60,465.96	60,465.96
Restricted assets:			
Restricted cash and cash equivalents	21,111,231.83		21,111,231.83
Capital assets:			
Capital assets not being depreciated	23,061,009.07		23,061,009.07
Other capital assets, net	28,097,529.83	382,566.98	28,480,096.81
Total assets	<u>91,033,914.78</u>	<u>1,387,951.28</u>	<u>92,421,866.06</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred amounts on refunding bonds	737,758.00		737,758.00
Related to pensions	7,342,805.00		7,342,805.00
Total Deferred Outflows of Resources	<u>8,080,563.00</u>		<u>8,080,563.00</u>
LIABILITIES			
Accounts payable	4,252,404.73	110,098.99	4,362,503.72
Payable to state government	56,019.59		56,019.59
Interfunds payable	1,943.18		1,943.18
Unearned revenue	592,153.60	199,566.96	791,720.56
Accrued interest payable	199,936.64		199,936.64
Noncurrent liabilities:			
Due within one year	5,511,141.52		5,511,141.52
Due beyond one year:			
Net pension liability	28,428,421.00		28,428,421.00
Compensated absences payable	9,087,563.00		9,087,563.00
Original issue premium	967,744.00		967,744.00
Bonds and capital leases payable	12,359,201.39		12,359,201.39
Total liabilities	<u>61,456,528.65</u>	<u>309,665.95</u>	<u>61,766,194.60</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to pensions	12,812,449.00		12,812,449.00
Total Deferred Inflows of Resources	<u>12,812,449.00</u>		<u>12,812,449.00</u>
NET POSITION			
Net investment in capital assets	33,058,209.99	382,566.98	33,440,776.97
Restricted for:			
Capital projects fund	18,610,291.38		18,610,291.38
Other purposes	14,517,654.80		14,517,654.80
Unrestricted (deficit)	<u>(41,340,656.04)</u>	<u>695,718.35</u>	<u>(40,644,937.69)</u>
Total net position	<u>\$24,845,500.13</u>	<u>\$1,078,285.33</u>	<u>\$25,923,785.46</u>

The accompanying notes to the financial statements are an integral part of this statement.

MAJOR FUND FINANCIAL STATEMENTS

The Individual fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>CAPITAL</u> <u>PROJECTS</u> <u>FUND</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
ASSETS AND OTHER DEBITS:				
Assets:				
Cash and cash equivalents	\$15,925,606.55	\$101,109.44	\$131,724.86	\$16,158,440.85
Change fund	1,000.00			1,000.00
Accounts receivable:				
State	1,806,027.39	7,736.00		1,813,763.39
Federal	13,739.62	448,779.00		462,518.62
Other	327,844.94	576.25		328,421.19
Interfund	206,045.35			206,045.35
Restricted cash and cash equivalents:				
Held with fiscal agent, held in escrow	500,940.45			500,940.45
Capital reserve account	18,610,291.38			18,610,291.38
Maintenance reserve account	2,000,000.00			2,000,000.00
Total assets	<u>39,391,495.68</u>	<u>558,200.69</u>	<u>131,724.86</u>	<u>40,081,421.23</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	2,275,782.49	277,929.75	26,962.49	2,580,674.73
Intergovernmental payable- state		56,019.59		56,019.59
Interfunds payable	74,950.33	133,038.20		207,988.53
Unearned revenue	500,940.45	91,213.15		592,153.60
Total liabilities	<u>2,851,673.27</u>	<u>558,200.69</u>	<u>26,962.49</u>	<u>3,436,836.45</u>
Fund balances:				
Restricted for:				
Capital reserve account	18,610,291.38			18,610,291.38
Maintenance reserve account	2,000,000.00			2,000,000.00
Excess surplus designated for subsequent years expenditures	5,250,000.00			5,250,000.00
Excess surplus - current year	5,000,000.00			5,000,000.00
Assigned for year-end encumbrances	2,162,892.43			2,162,892.43
Committed for:				
Year-end encumbrances			104,762.37	104,762.37
Unassigned:				
General fund	3,516,638.60			3,516,638.60
Total fund balances	<u>36,539,822.41</u>		<u>104,762.37</u>	<u>36,644,584.78</u>
Total liabilities and fund balances	<u>\$39,391,495.68</u>	<u>\$558,200.69</u>	<u>\$131,724.86</u>	<u>\$40,081,421.23</u>

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
JUNE 30, 2020

Total Fund Balances (Brought Forward)		\$36,644,584.78
<p>Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of Assets	\$333,274,369.58	
Accumulated Depreciation	<u>(282,115,830.68)</u>	51,158,538.90
<p>Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Net pension liability	(28,428,421.00)	
Serial bonds payable	(17,070,000.00)	
Original Issue Premium, net	(967,744.00)	
Deferred Amount on Refunding Bonds, net	737,758.00	
Capital leases payable	(800,342.91)	
Compensated absences payable	<u>(9,087,563.00)</u>	(55,616,312.91)
<p>Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.</p>		
Pensions:		
Deferred Outflows		
Pension related		7,342,805.00
Deferred Inflows:		
Pension related		(12,812,449.00)
<p>Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Accounts Payable - Pension related	(1,671,730.00)	
Accrued Interest Payable	<u>(199,936.64)</u>	<u>(1,871,666.64)</u>
Net Position of Governmental Activities		<u><u>\$24,845,500.13</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local tax levy	\$143,938,489.00			\$5,505,373.42	\$149,443,862.42
Other local government units - restricted	283,365.00				283,365.00
Interest earned on capital reserve funds	171,520.10				171,520.10
Miscellaneous	1,188,799.06	\$78,086.84			1,266,885.90
Total revenues-local sources	145,582,173.16	78,086.84		5,505,373.42	151,165,633.42
State sources	38,050,775.32	191,955.02			38,242,730.34
Federal sources	111,931.78	2,187,629.89			2,299,561.67
Total revenues	183,744,880.26	2,457,671.75		5,505,373.42	191,707,925.43
EXPENDITURES:					
Current expense:					
Instruction:					
Regular	47,230,499.22	413,582.90			47,644,082.12
Special education	14,909,443.77	1,527,030.04			16,436,473.81
Other instruction	6,880,350.68				6,880,350.68
Support services:					
Tuition	4,195,034.74				4,195,034.74
Student and instruction related services	16,163,202.12	471,814.19			16,635,016.31
General administrative services	2,247,811.62				2,247,811.62
School administrative services	7,616,324.54				7,616,324.54
Central services	1,233,553.80				1,233,553.80
Administration information technology	364,359.72				364,359.72
Plant operations and maintenance	10,920,689.92				10,920,689.92
Student transportation services	7,561,540.91				7,561,540.91
Unallocated benefits	52,757,282.34				52,757,282.34
Allocated benefits	542,235.53				542,235.53
Capital outlay	4,168,790.92	45,244.62	626,563.71		4,840,599.25
Charter school	17,843.00				17,843.00
Debt service:					
Principal				4,795,000.00	4,795,000.00
Interest				710,373.42	710,373.42
Total expenditures	176,808,962.83	2,457,671.75	626,563.71	5,505,373.42	185,398,571.71
Excess (deficiency) of revenues over (under) expenditures	6,935,917.43		(626,563.71)		6,309,353.72
Other financing sources (uses):					
Operating transfer in			255,900.00		255,900.00
Operating transfer out	(255,900.00)				(255,900.00)
Capital leases (non-budgeted)	807,726.45				807,726.45
Accounts receivable canceled	(1,592.38)				(1,592.38)
Total financing sources(uses):	550,234.07		255,900.00		806,134.07
Net change in fund balances	7,486,151.50		(370,663.71)		7,115,487.79
Fund balances, July 1, 2019	29,053,670.91		475,426.08		29,529,096.99
Fund balances, June 30, 2020	\$36,539,822.41	\$-0-	\$104,762.37	\$-0-	\$36,644,584.78

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

BRIDGEWATER-RARITAN 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, 2020

Total net change in fund balances - governmental funds (from B-2)		\$7,115,487.79
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation expense	(\$1,768,964.48)	
Capital outlays	4,840,599.25	
Capital outlays not capitalized	<u>(956,614.45)</u>	
		2,115,020.32
Repayment of bond principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net assets and is not reported in the statements of activities.		
Paid - principal on bond		4,795,000.00
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 position.		
Proceeds from capital leases		(807,726.45)
Loss on refunding bonds		(230,056.00)
Original issue premium on refunding bonds		303,314.00
Repayment of long-term debt is 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.		
Payment of capital leases payable		806,004.17
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed.		
		(152,328.62)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		
		54,249.23
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
District pension contributions	1,534,681.00	
Less: Pension expense	<u>(1,785,510.00)</u>	
		(250,829.00)
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In 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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>424,104.81</u>
Change in net position of governmental activities		<u>\$14,172,240.25</u>

The accompanying notes to the financial statements are an integral part of this statement.

OTHER FUNDS

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

ASSETS:	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>BEFORE & AFTER SCHOOL CARE</u>	<u>TOTAL</u>
Current assets:			
Cash and cash equivalents	\$523,008.52	\$231,973.27	\$754,981.79
Accounts receivable:			
State	7,573.14		7,573.14
Federal	64,488.44		64,488.44
Other	42,924.64		42,924.64
Interfunds	74,950.33		74,950.33
Inventories	60,465.96		60,465.96
	773,411.03	231,973.27	1,005,384.30
Total current assets			
Noncurrent assets			
Furniture, machinery and equipment	843,135.94	14,760.00	857,895.94
Less: Accumulated depreciation	(475,328.96)		(475,328.96)
	367,806.98	14,760.00	382,566.98
Total noncurrent assets			
TOTAL ASSETS	1,141,218.01	246,733.27	1,387,951.28
LIABILITIES:			
Current liabilities:			
Accounts payable	95,242.60	14,856.39	110,098.99
Unearned Revenue	198,111.96	1,455.00	199,566.96
	293,354.56	16,311.39	309,665.95
Total current liabilities			
NET POSITION:			
Net Investment in capital assets	367,806.98	14,760.00	382,566.98
Unrestricted	480,056.47	215,661.88	695,718.35
TOTAL NET POSITION	\$847,863.45	\$230,421.88	\$1,078,285.33

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	<u>FOOD SERVICE</u>	<u>BEFORE & AFTER SCHOOL CARE</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Local sources:			
Daily sales-reimbursable programs:			
School lunch program	\$1,070,897.42		\$1,070,897.42
Daily sales non-reimbursable programs	602,121.00		602,121.00
Charges for services:			
Program fees		\$411,854.07	411,854.07
Total operating revenue	<u>1,673,018.42</u>	<u>411,854.07</u>	<u>2,084,872.49</u>
OPERATING EXPENSES:			
Salaries	829,879.16	122,331.53	952,210.69
Employee benefits and taxes	83,224.38	9,342.75	92,567.13
Other purchased services	46,710.49	2,799.15	49,509.64
Management fees	40,800.00		40,800.00
Rental fees		95,000.00	95,000.00
Supplies and materials	185,258.98	9,220.11	194,479.09
Repairs and other	18,236.56	132.10	18,368.66
Depreciation	40,753.78		40,753.78
Cost of sales- reimbursable programs	677,086.37		677,086.37
Cost of sales- non-reimbursable programs	552,675.00		552,675.00
Total operating expenses	<u>2,474,624.72</u>	<u>238,825.64</u>	<u>2,713,450.36</u>
Operating income (loss)	<u>(801,606.30)</u>	<u>173,028.43</u>	<u>(628,577.87)</u>
Nonoperating revenues:			
State sources:			
State school lunch program	28,295.63		28,295.63
Federal sources:			
National school lunch program	526,804.96		526,804.96
National school breakfast program	104,972.19		104,972.19
National food distribution commodities	143,641.02		143,641.02
Interest earned	20,999.81		20,999.81
Total nonoperating revenues	<u>824,713.61</u>		<u>824,713.61</u>
Excess (deficiency) of revenues over (under) expenditures	23,107.31	173,028.43	196,135.74
Net position - July 1	<u>824,756.14</u>	<u>57,393.45</u>	<u>882,149.59</u>
Net position - June 30	<u>\$847,863.45</u>	<u>\$230,421.88</u>	<u>\$1,078,285.33</u>

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>BEFORE & AFTER SCHOOL CARE</u>	<u>2019</u>
Cash flows from operating activities:			
Receipts from customers	\$1,741,227.24	\$413,309.07	\$2,154,536.31
Payments for salaries	(827,261.96)	(122,331.53)	(949,593.49)
Payments for employee benefits	(83,775.53)	(9,342.75)	(93,118.28)
Payments to suppliers	(1,666,075.19)	(92,385.73)	(1,758,460.92)
Net cash provided (used) by operating activities	<u>(835,885.44)</u>	<u>189,249.06</u>	<u>(646,636.38)</u>
Cash flows from noncapital financing activities:			
State sources	23,207.02		23,207.02
Federal sources	748,402.21		748,402.21
Net cash provided (used) by noncapital financing activities	<u>771,609.23</u>		<u>771,609.23</u>
Cash flows from investing activities:			
Interest Earned	20,999.81		20,999.81
Net cash provided (used) by investing activities	<u>20,999.81</u>		<u>20,999.81</u>
Cash flows from capital and related financing activities:			
Purchases of capital assets	(72,367.00)	(14,760.00)	(87,127.00)
Net cash provided (used) by capital and related financing activities	<u>(72,367.00)</u>	<u>(14,760.00)</u>	<u>(87,127.00)</u>
Net increase(decrease) in cash and cash equivalents	(115,643.40)	174,489.06	58,845.66
Cash and cash equivalents, July 1	638,651.92	57,484.21	696,136.13
Cash and cash equivalents, June 30	<u>\$523,008.52</u>	<u>\$231,973.27</u>	<u>\$754,981.79</u>
Operating income(loss)	(\$801,606.30)	\$173,028.43	(\$628,577.87)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation and net amortization	40,753.78		40,753.78
Change in assets and liabilities:			
Increase (Decrease) in unearned revenue	60,966.24	1,455.00	62,421.24
(Increase) Decrease in inventory	(15,184.81)		(15,184.81)
(Increase) Decrease in other accounts receivable	(64,010.96)		(64,010.96)
Increase (Decrease) in accounts payable	(56,803.39)	14,765.63	(42,037.76)
Net cash provided (used) by operating activities	<u>(\$835,885.44)</u>	<u>\$189,249.06</u>	<u>(\$646,636.38)</u>

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	STATE UNEMPLOYMENT INSURANCE	<u>AGENCY FUNDS</u>	
		<u>STUDENT ACTIVITIES</u>	<u>PAYROLL</u>
ASSETS:			
Cash and cash equivalents	<u>\$3,263,235.48</u>	<u>\$935,815.29</u>	<u>\$1,302,346.13</u>
Total assets	<u>3,263,235.48</u>	<u>935,815.29</u>	<u>1,302,346.13</u>
LIABILITIES:			
Liabilities:			
Interfunds payable		72,899.00	108.15
Payroll deductions & withholdings			1,302,237.98
Due to student groups		<u>862,916.29</u>	
Total liabilities		<u>935,815.29</u>	<u>1,302,346.13</u>
NET POSITION:			
Held in trust for state unemployment	<u>3,263,235.48</u>		
Total net position	<u>\$3,263,235.48</u>	<u>\$-0-</u>	<u>\$-0-</u>

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>STATE UNEMPLOYMENT INSURANCE</u>
ADDITIONS:	
Investment Earnings:	
Interest on Deposits	49,283.93
	49,283.93
 Total additions	 49,283.93
DEDUCTIONS:	
Unemployments Claims	15,000.00
	15,000.00
 Total deductions	 15,000.00
Change in net assets	34,283.93
Net position beginning of the year	3,228,951.55
Net position end of the year	\$3,263,235.48

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

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Bridgewater-Raritan Regional School District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

Reporting Entity

The Bridgewater-Raritan Regional School District is a Type II District located in Somerset County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a 9 member board elected to three-year terms and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet all of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate *organization* are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary, middle and high schools located in the Township of Bridgewater and the Borough of Raritan. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

District-Wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: The District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Types

General Fund - The general fund is the general operating fund of the District. It 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 subfund.

As required by the New Jersey State Department of Education, the 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, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources from State and Federal Governments (other than major capital projects or the enterprise funds) and local appropriations that are restricted or committed to expenditures for specified purposes, other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report all financial resources that are restricted, committed, or assigned to an expenditure for capital outlay, including the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds and state grants that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund accounts for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund

Enterprise Fund - The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District also considers the operation of the Before and After School Care Program as an enterprise fund.

Fiduciary Fund Types

Agency Funds – The agency funds are used to account for assets held by the district on behalf of others and are custodial in nature. The agency funds included in this category are as follows:

Unemployment Compensation Insurance Trust Fund - A trust fund used to account for assets to finance the costs of unemployment benefits. Since the Board has adopted the direct reimbursement method, the District is under obligation to appropriate sufficient funds out of its general fund and hold them in trust for this purpose.

Payroll and Student Activities Funds (Agency) - These are agency funds used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting – Measurement Focus

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transactions can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements.

The County Board of Taxation is responsible for the assessment of properties, and the Township Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April 2013 school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. 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. All budget amendments and transfers must be approved by School Board resolution. The over-expenditures related to on-behalf payments in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. 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 recognition of the last 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 records.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

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 District has received advances are reflected in the balance sheet as unearned revenues 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.

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The Interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

Inventories

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Donation Commodities, at stated value which approximates market.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

The District has an established formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their acquisition value on the date of donation.

Capital assets are depreciated in the government-wide statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

Compensated Absences

The 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.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (continued)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's 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 District for the unused sick leave in accordance with the District's agreements with the various employee unions and contracts.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Fund Balance and Net Position

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unassigned net position represents the remains of the District's equity in the cumulative earnings of the proprietary fund.

Unearned Revenue

Unearned revenue in the special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under generally accepted accounting principles.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the Government-wide financial statements. In general, governmental 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, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Net Position

GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Fund Balances

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Emergency Reserve, Maintenance Reserve and Excess Surplus as Restricted Fund Balance.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances as Assigned Fund Balance. The District also reports amounts Designated for Subsequent Year's Expenditures as Assigned Fund Balance.

Unassigned -is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues – Exchange and Non-Exchange Transactions (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from property taxes is recognized in the period in which the revenue is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the District, these revenues are sales in the Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Accounting and Financial Reporting for Pensions

In the district-wide financial statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and 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.

In the governmental fund financial statements the year end pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The governmental fund financial statements reflect both a revenue and expense for this pension contribution.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has two items that qualifies for reporting in this category, deferred amounts related to pensions and deferred amounts from refunding debts.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has one item that qualifies in this category, deferred amounts related to pension.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, deposits in the government money market account, and short-term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than \$25,000,000.00. Under (GUDPA), 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 the deposits to the governmental unit.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

The Bridgewater-Raritan Regional School District had the following cash and cash equivalents at June 30, 2020.

	<u>Cash in Bank</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reconciled Balance</u>
Governmental Funds	\$37,700,052.98	\$2,208.98	\$933,529.73	\$36,768,732.23
Proprietary Fund	757,218.94		2,237.15	754,981.79
Fiduciary Fund	<u>5,811,129.42</u>	<u>4,464.70</u>	<u>314,197.52</u>	<u>5,501,396.60</u>
	<u>\$44,268,401.34</u>	<u>\$6,673.68</u>	<u>\$1,249,964.40</u>	<u>\$43,025,110.62</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2020, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$250,000.00 was covered by Federal Depository Insurance and \$29,319,866.88 was covered by NJGUDPA. The New Jersey Cash Management Fund is an investment pool and is not insured by either FDIC or GUDPA. The amount in the New Jersey Cash Management Fund is \$14,698,534.46.

Investments

The purchase of investments by the Board is strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts.
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4);
or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and;
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2019, the Board had \$14,698,534.46 on deposit with NJ Cash Management. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 3: CHANGE IN CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Retirements</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$21,687,700.00			\$21,687,700.00
Construction in progress	3,210,275.94	\$1,311,530.77	(\$3,148,497.64)	1,373,309.07
Total capital assets that are not depreciated	<u>24,897,975.94</u>	<u>1,311,530.77</u>	<u>(3,148,497.64)</u>	<u>23,061,009.07</u>
Capital assets being depreciated:				
Site improvements	5,237,831.38	2,144,526.37	\$6,382,123.98	13,764,481.73
Building and building improvements	289,041,367.78		(3,707,351.72)	285,334,016.06
Machinery and equipment	10,365,538.30	427,927.66	321,396.76	11,114,862.72
Total capital assets being depreciated	<u>304,644,737.46</u>	<u>2,572,454.03</u>	<u>2,996,169.02</u>	<u>310,213,360.51</u>
Total gross assets	329,542,713.40	3,883,984.80	(152,328.62)	333,274,369.58
Less: accumulated depreciation for:				
Site improvements	(2,903,149.31)	(918,644.88)		(3,821,794.19)
Building and building improvements	(269,573,033.88)	(152,481.91)		(269,725,515.79)
Machinery and equipment	(7,870,683.01)	(697,837.69)		(8,568,520.70)
	<u>(280,346,866.20)</u>	<u>(1,768,964.48)</u>		<u>(282,115,830.68)</u>
Total Capital Assets being depreciated net of depreciation	<u>24,297,871.26</u>	<u>803,489.55</u>	<u>2,996,169.02</u>	<u>28,097,529.83</u>
Governmental activities capital assets, net	<u>\$49,195,847.20</u>	<u>\$2,115,020.32</u>	<u>(\$152,328.62)</u>	<u>\$51,158,538.90</u>
Business type activities:				
Machinery and equipment	\$770,768.94	\$87,127.00		\$857,895.94
Less: accumulated depreciation	(434,575.18)	(40,753.78)		(475,328.96)
Business type activities capital assets, net	<u>\$336,193.76</u>	<u>\$46,373.22</u>		<u>\$382,566.98</u>

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 3: CHANGE IN CAPITAL ASSETS (CONTINUED)

Depreciation Expense was charged to governmental expenses as follows:

Instruction:	
Regular	(\$100,818.88)
Special	(11,055.18)
Other	(36,319.10)
Support Services:	
Student and instruction related services	(16,423.38)
General administration	(165,649.46)
School administration	(8,171.06)
Plant operations and maintainance	(1,266,897.26)
Student transportation	(163,630.16)
	(1,768,964.48)
	(1,768,964.48)

NOTE 4: LONG-TERM LIABILITIES

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

At June 30, 2020, the District had no bonds or notes authorized but not issued.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of changes in governmental activities long-term liabilities that effect other long-term obligations for the year ended June 30, 2020.

	<u>Capital Leases Payable</u>	<u>Bonds Payable</u>	<u>Original Issue Premium</u>	<u>Net Pension Liability</u>	<u>Compensated Absences Payable</u>	<u>Total</u>
Balance, July 1, 2019	\$798,620.63	\$21,865,000.00	\$1,271,058.00	\$32,679,670.00	\$9,511,667.81	\$66,126,016.44
Additions/Issued	807,726.45				607,105.22	1,414,831.67
Reductions	<u>806,004.17</u>	<u>4,795,000.00</u>	<u>303,314.00</u>	<u>4,251,249.00</u>	<u>1,031,210.03</u>	<u>11,186,777.20</u>
Balance, June 30, 2020	<u>\$800,342.91</u>	<u>\$17,070,000.00</u>	<u>\$967,744.00</u>	<u>\$28,428,421.00</u>	<u>\$9,087,563.00</u>	<u>\$56,354,070.91</u>
Amounts Due Within One Year	<u>\$531,141.52</u>	<u>\$4,980,000.00</u>				<u>\$5,511,141.52</u>

Compensated absences are liquidated by expenditures charged to the General Fund. Bonds Payable are liquidated by expenditures charged to the Debt Service Fund.

Bonds Payable

The annual requirements to amortize all debt outstanding as of June 30, 2020, with interest payments on issued debt, are as follows:

Year Ending	<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021		\$4,980,000.00	\$529,406.82	\$5,509,406.82
2022		5,185,000.00	342,503.02	5,527,503.02
2023		5,405,000.00	141,685.89	5,546,685.89
2024		755,000.00	27,590.63	782,590.63
2025		<u>745,000.00</u>	<u>9,312.50</u>	<u>754,312.50</u>
		<u>\$17,070,000.00</u>	<u>\$1,050,498.86</u>	<u>\$18,120,498.86</u>

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

Capital Leases Payable

The District is leasing computer technology and other equipment under capital leases. All capital leases are for terms of three to five years. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2020.

<u>Fiscal Year</u>	<u>Amount</u>
2021	\$550,000.00
2022	275,000.00
	825,000.00
Total minimum lease payments	825,000.00
Less: Amount representing interest	(24,657.09)
Present value of net minimum lease payment	\$800,342.91

NOTE 5: PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

Pension Plan Design Changes

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43:3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (*i.e.* the State of New Jersey makes the employer contribution on behalf of public school districts).

PERS Contribution Requirements

Three-Year Trend Information for PERS

<u>Year</u> <u>Funding</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
6/30/2020	1,534,681.00	100%	1,534,681.00
6/30/2019	1,650,916.00	100%	1,650,916.00
6/30/2018	1,630,011.00	100%	1,630,011.00

During the fiscal years ended June 30, 2020, 2019 and 2018, the State of New Jersey contributed \$15,232,488.00, \$13,561,694.00 and \$10,263,619.00 respectively to the TPAF pension system on behalf of the District.

Also, in accordance with N.J.S.A. 18A:66-66, during the years ended June 30, 2020, 2019 and 2018, the State of New Jersey reimbursed the District \$5,252,625.32, \$5,233,918.95 and \$5,159,971.00, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2020, the District reported a liability of \$28,428,421.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the District's proportion was 0.1577736634 percent, which was a decrease of 0.1336880066 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the District recognized pension expense of \$1,785,510.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$510,253	\$125,584
Changes of assumptions	2,838,682	9,867,415
Net difference between projected and actual earnings on pension plan investments		448,754
Changes in proportion and differences between District contributions and proportionate share of contributions	2,322,140	2,370,696
District contributions subsequent to the measurement date	<u>1,671,730</u>	
	<u>\$ 7,342,805</u>	<u>\$12,812,449</u>

The \$1,671,730 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(Continued)

Public Employees Retirement System (PERS) (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
<u>June 30</u>	<u>Amount</u>
2020	(\$830,594)
2021	(2,672,641)
2022	(2,387,552)
2023	(1,126,230)
2024	<u>(124,357)</u>
	<u>(\$7,141,374)</u>

Actuarial Assumptions

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation	2.75%	2.25%
Salary Increases		
Through 2026	2.00-6.00%	1.65-4.15%
Thereafter	3.00-7.00%	2.65-5.15%
	Based on	Based on
	Years of Service	Age
Investment Rate of Return	7.00%	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-20.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions(Continued)

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2019 and June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and 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, 2019 are summarized in the following table:

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

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Long-Term Rate of Return (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.28% and 5.66% as of June 30, 2019 and June 30, 2018, respectively. These single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30, 2019 and June 30, 2018 and a municipal bond rate of 3.50% and 3.87% for June 30, 2019 and June 30, 2018 respectively based on 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.

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 based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2019 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension 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:

	1% Decrease <u>5.28%</u>	At Current Discount Rate <u>6.28%</u>	1% Increase <u>7.28%</u>
District's proportionate share of the pension liability	\$39,060,467	\$28,428,421	\$24,357,035

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Teachers Pensions and Annuity Fund (TPAF)

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, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2020 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$414,504,013</u>
	<u><u>\$414,504,013</u></u>

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF)

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 which was rolled forward to June 30, 2019. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2019, the proportion of the TPAF net pension liability associated with the District was .6754075903% which was an increase of .0107179350 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue of \$24,448,556.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

Actuarial Assumptions

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through 2026	1.55%-4.45%	1.55%-4.55%
Thereafter	2.75%-5.65%	2.00%-5.45%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (continued)

Actuarial Assumptions (Continued)

Mortality Rate

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2019 and June 30, 2018 respectively) 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.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (continued)

Actuarial Assumptions (Continued)

Long-Term Expected Rate of Return (Continued)

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, 2019 are summarized in the following table:

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

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.60% and 4.86% as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00, and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and 2018, respectively, based on 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. 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 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Pension Plan Fiduciary Net Position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 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. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. 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.

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	148,051
Inactive Plan Members or Beneficiaries	
Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,943</u>

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Total Non-Employer OPEB Liability

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2020 was as follows:

Total OPEB Liability:	
District's Proportionate Share	-0-
State's Proportionate Share associated With the District	<u>\$247,352,188</u>
	<u>\$247,352,188</u>

The total Non-Employer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

The total Non-Employer OPEB Liability was determined separately based on actual data of the District.

For the year ended June 30, 2020, the District recognized on-behalf post-employment expense and revenue of \$7,029,995.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2019 measurement date.

At June 30, 2019, the District's proportion was 0.5927573333 percent, which was an increase of .0067903608 from its proportion measured as of June 30, 2018.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The total Non-Employer 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 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:

	<u>June 30, 2019</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation 2.5 percent			
Salary Increases			
Through 2026	1.55-3.05%*	2.00-6.00%*	3.25-15.25%*
Thereafter	1.55-3.05%*	3.00-7.00%*	Applied to All Future Years

*Based on Years of Service

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS and PFRS, respectively.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2020 and June 30, 2019 was 3.50% and 3.87% respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total Non-Employer OPEB Liability

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2018 to June 30, 2019.

Balance at 6/30/18		\$270,194,252
Changes for the year:		
Service cost	\$10,588,460	
Interest	10,725,075	
Differences between expected and actual experience	(40,475,742)	
Changes in assumptions or other inputs	3,688,041	
Membership Contributions	225,077	
Benefit payments - Net	<u>(7,592,975)</u>	
Net changes		<u>(22,842,064)</u>
Balance at 6/30/19		<u><u>\$247,352,188</u></u>

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	<u>1.00%</u> <u>Decrease (2.50%)</u>	<u>At Discount</u> <u>Rate (3.50%)</u>	<u>1.00%</u> <u>Increase (4.50%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$292,220,681	\$247,352,188	\$211,711,117

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	<u>1.00%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1.00%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$203,807,178	\$247,352,188	\$304,996,840

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability

At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience		\$62,150,401.00
Changes of assumptions		50,274,887.00
Changes in proportion	<u>\$5,870,914.00</u>	<u>219,596.00</u>
	<u>\$5,870,914.00</u>	<u>\$112,644,884.00</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB associated with the District will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2020	(\$13,964,463)
2021	(\$13,964,463)
2022	(\$13,964,463)
2023	(\$13,964,463)
2024	(\$13,964,463)
Total	
Thereafter	<u>(\$36,951,653)</u>
	<u>(\$106,773,970)</u>

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

NOTE 8: LITIGATION

The Board attorney's letter advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the Board's financial position.

NOTE 9: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2019-2020 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 10: RISK MANAGEMENT

The 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. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

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

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

<u>Fiscal Year</u>	<u>Interest and Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$49,283.93	\$15,000.00	\$3,263,235.48
2018-2019	175,233.89	14,998.34	3,228,951.55
2017-2018	226,061.00	93,916.00	3,068,716.00

NOTE 11: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2020:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$206,045.35	\$74,950.33
Special Revenue Fund		133,038.20
Proprietary Fund	74,950.33	
Fiduciary Fund		73,007.15
	<u>\$280,995.68</u>	<u>\$280,995.68</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

All interfunds are expected to be repaid within one year.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 12: FUND BALANCE APPROPRIATED

General Fund – Of the \$36,539,822.41 General Fund fund balance at June 30, 2020, \$2,162,893.43 is assigned for year-end encumbrances; \$18,610,291.38 has been restricted in the capital reserve account; \$2,000,000.00 has been restricted in the maintenance reserve account; \$3,516,638.60 is unassigned fund balance; and \$10,250,000.00 has been restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which \$5,250,000.00 has been appropriated and included as anticipated revenue in the 2020-2021 Budget.

NOTE 13: CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004,c.73 (S1701), the Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to 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. Based on this calculation, the Bridgewater-Raritan Regional School District has \$5,000,000.00 excess fund balance resulting from the year ended June 30, 2020.

General Fund Expenditures Fiscal Year Ended June 30, 2020	\$176,808,962.83
Add:	
Transfer from Capital Reserve to Capital Projects Fund	255,900.00
	177,064,862.83
Less:	
On-Behalf TPAF Pension and Social Security Reimbursement	26,145,956.32
Assets Acquired under Capital Leases	807,726.45
	807,726.45
Adjusted General Fund Expenditures	150,111,180.06
Excess Surplus Percentage	2%
2% of Adjusted 2019-20 General Fund Expenditures	3,002,223.60
Greater of Line Above of \$250,000.00	3,002,223.60
Add: Allowable Adjustments	1,519,528.00
Maximum Unreserved/Undesignated Fund Balance	4,521,751.60
Actual Unreserved/Undesignated Fund Balance	9,521,751.60
Excess Surplus	\$5,000,000.00

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 14: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Bridgewater-Raritan Regional Board of Education by the inclusion of \$1,000.00 in the 2000-2001 school year 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.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2019		\$13,025,877.37
Add: Interest earnings	\$170,520.10	
Add: Transfer per Board Resolution	<u>5,669,793.91</u>	
		<u>5,840,314.01</u>
		\$18,866,191.38
Less: Transfer per Board Resolution		<u>255,900.00</u>
Ending balance, June 30, 2020		<u><u>\$18,610,291.38</u></u>

NOTE 15: DEFERRED COMPENSATION

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans permit 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. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2020.

Bridgewater-Raritan Regional School District
Notes to the Financial Statements
June 30, 2020

NOTE 16: MAINTENANCE RESERVE

A maintenance reserve was established through a board resolution by the Bridgewater-Raritan Regional School District in the amount of \$2,000,000.00 in the 2019-2020 school year for the accumulation of funds for the required maintenance of a facility in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (S1701). N.J.S.A. 18A:7G-31(c), 18A:7G-13 and N.J.A.C. 6A:23A-14.2 permits districts, by board resolution, to transfer undesignated general fund balance to the maintenance reserve account if approved in the district's original budget certified for taxes or if the district received voter approval by a separate proposal at budget time or by special question at one of the four special elections authorized pursuant to N.J.S.A.19:60-2. N.J.S.A. 18A:7F-41(a), 18A:7F-41(b) and N.J.A.C.6A:23A-14.3 permit a district board of education to transfer by board resolution (prior to June 30) any unanticipated revenue or unexpended line-item appropriation amounts to the maintenance reserve for withdrawal in subsequent school years.

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

Add: Board resolution	<u>\$2,000,000.00</u>
Ending balance, June 30, 2020	<u><u>\$2,000,000.00</u></u>

NOTE 17: INVENTORY

Inventory in the Food Service Fund at June 30, 2020 consisted of the following:

Food and Supplies	<u>\$60,465.96</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

NOTE 18: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through December 21, 2020 which is the date the financial statements were available to be issued. The impact of the COVID-19 Corona Virus on the District's operations in the 2020-2021 school year cannot reasonably be estimated at this time but may negatively affect revenues.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
REVENUES:					
Local sources:					
Local tax levy	\$143,938,489.00		\$143,938,489.00	\$143,938,489.00	
Other local government units - restricted	275,000.00		275,000.00	283,365.00	\$8,365.00
Interest earned on capital reserve funds	1,000.00		1,000.00	171,520.10	170,520.10
Miscellaneous - unrestricted	1,029,000.00		1,029,000.00	1,188,799.06	159,799.06
Total - local sources	145,243,489.00		145,243,489.00	145,582,173.16	338,684.16
State sources:					
Categorical Special education aid	6,071,821.00		6,071,821.00	6,071,821.00	
Equalization aid	2,018,666.00		2,018,666.00	2,018,666.00	
Categorical security aid	683,937.00		683,937.00	683,937.00	
Categorical transportation aid	1,656,687.00		1,656,687.00	1,656,687.00	
Extraordinary aid				1,474,653.00	1,474,653.00
Other state aid				44,875.00	44,875.00
On-behalf TPAF pension - post retirement medical (non budgeted)				5,650,973.00	5,650,973.00
On-behalf TPAF pension contribution (non-budgeted)				14,964,270.00	14,964,270.00
On-behalf TPAF non-contributory insurance (non-budgeted)				268,218.00	268,218.00
On-behalf TPAF long term disability insurance (non-budgeted)				9,870.00	9,870.00
Reimbursed TPAF social security cont. (non-budgeted)				5,252,625.32	5,252,625.32
Total state sources	10,431,111.00		10,431,111.00	38,096,595.32	27,665,484.32
Federal Sources:					
Medicaid Reimbursement (SEMI)	135,158.00		135,158.00	96,141.45	(39,016.55)
Medicaid Reimbursement (MAC)				15,790.33	15,790.33
Total federal sources	135,158.00		135,158.00	111,931.78	(23,226.22)
Total revenues	\$155,809,758.00		\$155,809,758.00	\$183,790,700.26	\$27,980,942.26

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Kindergarten - salaries of teachers	\$933,941.00	\$54,913.00	\$988,854.00	\$966,333.68	\$22,520.32
Grades 1-5 - salaries of teachers	15,733,399.00	(10,193.68)	15,723,205.32	15,712,042.41	11,162.91
Grades 6-8 - salaries of teachers	11,458,030.00	120,354.62	11,578,384.62	11,578,384.62	
Grades 9-12 - salaries of teachers	15,726,921.00	(125,395.00)	15,601,526.00	15,574,960.14	26,565.86
Regular programs - home instruction:					
Salaries of teachers	250,000.00	(67,643.89)	182,356.11	175,950.02	6,406.09
Purchased professional-educational services	85,752.00	21,838.02	107,590.02	107,362.02	228.00
Regular programs - undistributed instruction:					
Other salaries for instruction	97,424.00	889.95	98,313.95	98,313.95	
Purchased professional educational services	310,701.00	800.00	311,501.00	311,501.00	800.00
Purchased technical and professional services	854,960.00	34,000.00	888,960.00	826,882.14	134,165.00
Other purchased services (400-500 series)	3,198,190.80	(161,285.25)	3,036,905.55	1,952,797.96	28,077.86
General supplies	424,146.00	(160,500.00)	263,646.00	21,831.78	1,084,107.59
Textbooks	9,753.00	476.00	10,229.00	5,104.50	241,814.22
Other objects					5,124.50
Total regular programs - instruction	49,083,217.80	(291,746.23)	48,791,471.57	47,230,499.22	1,560,972.35
Special education - instruction:					
Learning and/or language disabilities:					
Salaries of teachers	494,921.00	(5,276.00)	489,645.00	489,474.75	170.25
Other salaries for instruction	229,859.00	86,458.00	316,317.00	304,698.75	11,618.25
General supplies	15,000.00	(5,000.00)	10,000.00	5,421.59	4,578.41
Total learning and/or language disabilities	739,780.00	76,182.00	815,962.00	799,595.09	16,366.91
Behavioral disabilities:					
Salaries of teachers	144,506.00	19,494.00	164,000.00	158,130.02	5,869.98
Other salaries for instruction	61,364.00	45,577.00	106,941.00	99,163.22	7,777.78
General supplies	5,300.00		5,300.00	3,685.01	1,614.99
Total behavioral disabilities	\$211,170.00	\$65,071.00	\$276,241.00	\$260,978.25	\$15,262.75

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Multiple disabilities:					
Salaries of teachers	\$439,262.00	\$265,469.00	\$704,731.00	\$703,609.33	\$1,121.67
Other salaries for instruction	265,526.00	77,389.00	342,915.00	337,184.98	5,730.02
General supplies	9,000.00	6,655.00	15,655.00	12,773.29	2,881.71
Total multiple disabilities:	<u>713,788.00</u>	<u>349,513.00</u>	<u>1,063,301.00</u>	<u>1,053,567.60</u>	<u>9,733.40</u>
Resource room/resource center:					
Salaries of teachers	9,651,385.00	(33,408.81)	9,617,976.19	9,609,406.32	8,569.87
Other salaries for instruction	483,684.00	331,989.25	815,673.25	543,199.63	272,473.62
General supplies	9,000.00	(2,000.00)	7,000.00	4,282.90	2,717.10
Textbooks	1,000.00		1,000.00		1,000.00
Total resource room/resource center	<u>10,145,069.00</u>	<u>296,580.44</u>	<u>10,441,649.44</u>	<u>10,156,888.85</u>	<u>284,760.59</u>
Autism:					
Salaries of teachers	710,721.00	(154,823.00)	555,898.00	539,327.35	16,570.65
Other salaries for instruction	391,304.00	45,820.00	437,124.00	417,940.09	19,183.91
Purchased professional educational services		58,000.00	58,000.00	55,219.76	2,780.24
General supplies	32,000.00	(26,500.00)	5,500.00	1,384.50	4,115.50
Total autism	<u>1,134,025.00</u>	<u>(77,503.00)</u>	<u>1,056,522.00</u>	<u>1,013,871.70</u>	<u>42,650.30</u>
Preschool disabilities - part-time:					
Salaries of teachers	462,267.00	64,675.00	526,942.00	520,359.67	6,582.33
Other salaries for instruction	394,581.00	87,669.17	482,250.17	470,943.62	11,306.55
General supplies	30,000.00	(24,402.61)	5,597.39	5,597.39	
Total preschool disabilities - part-time	<u>886,848.00</u>	<u>127,941.56</u>	<u>1,014,789.56</u>	<u>996,900.68</u>	<u>17,888.88</u>
Preschool disabilities - full-time:					
Salaries of teachers	262,609.00	52,397.00	315,006.00	300,505.13	14,500.87
Other salaries for instruction	418,627.00	(75,420.00)	343,207.00	320,686.73	22,520.27
General supplies	20,000.00	(13,000.00)	7,000.00	6,449.74	550.26
Total preschool disabilities - full-time	<u>701,236.00</u>	<u>(36,023.00)</u>	<u>665,213.00</u>	<u>627,641.60</u>	<u>37,571.40</u>
Total special education - instruction	<u>\$14,531,916.00</u>	<u>\$801,762.00</u>	<u>\$15,333,678.00</u>	<u>\$14,909,443.77</u>	<u>\$424,234.23</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Basic skills/remedial - instruction:					
Salaries of teachers	\$3,256,854.00	\$89,675.00	\$3,346,529.00	\$3,338,893.80	\$7,635.20
Other salaries for instruction	25,000.00	(20,000.00)	5,000.00	1,452.11	3,547.89
General supplies	8,500.00		8,500.00	8,232.43	267.57
Total basic skills/remedial - instruction	<u>3,290,354.00</u>	<u>69,675.00</u>	<u>3,360,029.00</u>	<u>3,348,578.34</u>	<u>11,450.66</u>
Bilingual education - instruction:					
Salaries of teachers	1,615,316.00	7,385.00	1,622,701.00	1,622,695.90	5.10
Other salaries for instruction	42,000.00		42,000.00	19,619.90	22,380.10
Other purchased services (400-500 series)	1,000.00		1,000.00		1,000.00
General supplies	14,500.00		14,500.00	205.25	14,294.75
Total bilingual education - instruction	<u>1,672,816.00</u>	<u>7,385.00</u>	<u>1,680,201.00</u>	<u>1,642,521.05</u>	<u>37,679.95</u>
School-sponsored curricular activities - instruction:					
Salaries	306,048.00	41,000.00	347,048.00	316,816.97	30,231.03
Purchased services (300-500 series)	83,950.00	7,500.00	91,450.00	50,274.77	41,175.23
Supplies and materials	90,850.00	(4,085.00)	86,765.00	47,212.29	39,552.71
Other objects	26,500.00	24.00	26,524.00	11,411.00	15,113.00
Total school-sponsored curricular activities - instruction	<u>507,348.00</u>	<u>44,439.00</u>	<u>551,787.00</u>	<u>425,715.03</u>	<u>126,071.97</u>
School sponsored athletics - instruction:					
Salaries	1,071,202.00		1,071,202.00	1,064,944.90	6,257.10
Purchased services (300-500 series)	314,550.00	250.00	314,800.00	177,698.15	137,101.85
Supplies and materials	225,430.00		225,430.00	184,796.21	40,633.79
Other objects	60,530.00	100.00	60,630.00	36,097.00	24,533.00
Total school sponsored athletics - instruction	<u>1,671,712.00</u>	<u>350.00</u>	<u>1,672,062.00</u>	<u>1,463,536.26</u>	<u>208,525.74</u>
Total other instruction	<u>7,142,230.00</u>	<u>121,849.00</u>	<u>7,264,079.00</u>	<u>6,880,350.68</u>	<u>383,728.32</u>
Total instruction	<u>\$70,757,363.80</u>	<u>\$631,864.77</u>	<u>\$71,389,228.57</u>	<u>\$69,020,293.67</u>	<u>\$2,368,934.90</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Undistributed expenditures - instruction:					
Tuition to other LEAs within the state - regular	\$1,362,900.86	\$38,390.00	\$38,390.00	\$38,385.00	\$5.00
Tuition to other LEAs within the state - special	270,225.00	(323,545.33)	1,039,355.53	564,086.72	475,268.81
Tuition to county vocational school district - regular	41,475.00	(25,000.00)	245,225.00	223,771.50	21,453.50
Tuition to county vocational school district - special	3,086,889.90	(30,858.76)	41,475.00	13,088.00	28,387.00
Tuition to private schools for the disabled - within state		107,767.35	3,056,031.14	2,891,238.86	164,792.28
Tuition - county special serv	496,100.00	(82,884.84)	107,767.35	107,767.35	
Tuition - other			413,215.16	356,697.31	56,517.85
Total undistributed expenditures - instruction	<u>5,257,590.76</u>	<u>(316,131.58)</u>	<u>4,941,459.18</u>	<u>4,195,034.74</u>	<u>746,424.44</u>
Undistributed expenditures - attendance and social work:					
Salaries	90,731.00	1,112.20	91,843.20	91,843.20	
Other purchased services (400-500 series)	1,200.00		1,200.00	622.72	577.28
Total undistributed expenditures - attendance and social work	<u>91,931.00</u>	<u>1,112.20</u>	<u>93,043.20</u>	<u>92,465.92</u>	<u>577.28</u>
Undistributed expenditures - health services:					
Salaries	1,555,448.00	(138,939.51)	1,416,508.49	1,404,423.39	12,085.10
Purchased professional and technical services	28,185.00	19,875.84	48,060.84	46,054.01	2,006.83
Supplies and materials	57,425.00	(1,730.85)	55,694.15	52,042.46	3,651.69
Total undistributed expenditures - health services	<u>\$1,641,058.00</u>	<u>(\$120,794.52)</u>	<u>\$1,520,263.48</u>	<u>\$1,502,519.86</u>	<u>\$17,743.62</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Undistributed expenditures - other support svcs. students-related services:					
Salaries	\$2,784,639.00	\$64,176.00	\$2,848,815.00	\$2,848,719.51	\$95.49
Purchased professional - educational services	225,250.79	206,483.84	431,734.63	413,881.11	17,853.52
Travel		1,701.54	1,701.54	1,701.54	
Supplies and materials	27,402.14	(4,086.97)	23,315.17	23,315.17	
Total undistrib. expend.-other support svcs. students-related services	3,037,291.93	268,274.41	3,305,566.34	3,287,617.33	17,949.01
Undistributed expenditures - other support svcs. students - extra services:					
Salaries of other professional staff	1,408,142.00	156,260.71	1,564,402.71	1,564,014.31	388.40
Purchased professional - educational services	562,886.98	13,209.25	576,096.23	553,917.45	22,178.78
General Supplies	2,500.00	(1,726.24)	773.76	773.76	
Other objects	950.00	(950.00)			
Total undistributed expend.-other support svcs. students - extra services	1,974,478.98	166,793.72	2,141,272.70	2,118,705.52	22,567.18
Undistributed expenditures - other support services students - regular:					
Salaries of other professional staff	2,855,849.00	(86,000.00)	2,769,849.00	2,769,025.41	823.59
Salaries of secretarial and clerical assistants	253,844.00	30,704.00	284,548.00	284,544.14	3.86
Other salaries	52,000.00		52,000.00	45,895.42	6,104.58
Purchased professional - educational services	72,350.00	1,759.00	74,109.00	71,784.60	2,324.40
Other purchased professional and technical services	3,000.00		3,000.00	3,000.00	
Other purchased services (400-500 series)	4,750.00	(2,960.06)	1,789.94	396.56	1,393.38
Supplies and materials	32,730.00	(798.03)	31,931.97	24,338.20	7,593.77
Other objects	2,880.00		2,880.00	1,494.00	1,386.00
Total undistributed expenditures - other support svcs. students - regular	\$3,277,403.00	(\$57,295.09)	\$3,220,107.91	\$3,200,478.33	\$19,629.58

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Undistributed expenditures - other support services students - special:					
Salaries of teachers	\$2,995,273.00	\$1,555,497.00	\$1,555,497.00	\$1,549,488.34	\$6,008.66
Salaries of other professional staff	506,543.00	(1,398,497.00)	1,596,776.00	1,591,010.85	5,765.15
Salaries of secretarial and clerical assistants	65,000.00	(72,635.38)	433,907.62	433,907.62	
Other salaries	233,840.00	30,000.00	95,000.00	86,362.72	8,637.28
Purchased professional - educational services	38,000.00	(192,000.00)	41,840.00	40,211.57	1,628.43
Other purchased services		(26,000.00)	12,000.00	2,246.96	9,753.04
Misc. purchased services	65,430.80	26,500.00	26,500.00	26,452.97	47.03
Supplies and materials	7,950.00	(10,000.00)	55,430.80	38,947.94	16,482.86
Other objects		(500.00)	7,450.00	4,486.00	2,964.00
Total undistributed expenditures - other support svcs. students - special	3,912,036.80	(87,635.38)	3,824,401.42	3,773,114.97	51,286.45
Undistributed expenditures - improvement of instructional services:					
Other salaries	247,850.00	2,424.55	250,274.55	250,274.55	
Salaries of facilitators, Math and Literacy Coaches	71,563.00	3,868.83	75,431.83	67,480.50	7,951.33
Other purchased services (400-500)	20,262.85		20,262.85	9,383.48	10,879.37
Supplies and materials	8,700.00		8,700.00	5,727.49	2,972.51
Other objects	5,600.00	(2,500.00)	3,100.00	1,084.00	2,016.00
Total undistributed expenditures - improvement of instructional services	353,975.85	3,793.38	357,769.23	333,950.02	23,819.21
Undistributed expenditures - educational media services/school library:					
Salaries	1,651,000.00	6,373.00	1,657,373.00	1,614,809.68	42,563.32
Purchased professional and technical services	23,500.00		23,500.00	21,995.82	1,504.18
Other purchased services (400-500 series)	5,328.29		5,328.29	3,557.83	1,770.46
Supplies and materials	188,949.45	(37,980.00)	150,969.45	144,425.08	6,544.37
Total undist. expend. - educational media services/school library	1,868,777.74	(31,607.00)	1,837,170.74	1,784,788.41	52,382.33
Undistributed expenditures - instructional staff training services:					
Other salaries	55,000.00		55,000.00	41,210.89	13,789.11
Purchased professional - educational services	30,500.00		30,500.00	12,360.82	18,139.18
Other purchased services (400-500 series)	25,670.00		25,670.00	13,154.63	12,515.37
Supplies and materials	7,800.00		7,800.00	2,835.42	4,964.58
Other objects	2,000.00		2,000.00		2,000.00
Total undistributed expenditures - instructional staff training services	\$120,970.00		\$120,970.00	\$69,561.76	\$51,408.24

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Undistributed expenditures - support services - general administration:					
Salaries	\$800,008.00	(\$30,000.00)	\$770,008.00	\$762,416.14	\$7,591.86
Legal services	441,821.58	(94,155.56)	347,666.02	231,883.26	115,782.76
Audit fees	48,500.00	(4,000.00)	44,500.00	40,000.00	4,500.00
Architectural/Engineering Services	50,000.00		50,000.00	50,000.00	50,000.00
Other purchased professional services	94,000.00	(45,000.00)	49,000.00	46,318.81	2,681.19
Communications/telephone	503,985.00	(10,000.00)	493,985.00	406,278.76	87,706.24
BOE other purchased services	1,800.00		1,800.00	1,600.00	200.00
Miscellaneous purchased services(400-500) (other than 530 & 585)	573,368.66	(48,948.22)	524,420.44	447,353.78	77,066.66
Supplies and materials	7,500.00		7,500.00	1,786.24	5,713.76
BOE in-house training/meeting supplies	650.00	1,735.80	2,385.80	1,857.95	527.85
Judgements against the school district		279,765.98	279,765.98	275,304.98	4,461.00
Miscellaneous expenditures	12,250.00		12,250.00	6,349.00	5,901.00
BOE dues and fees	27,500.00		27,500.00	26,662.70	837.30
Total undistributed expenditures-support services-general administration	2,561,383.24	49,398.00	2,610,781.24	2,247,811.62	362,969.62
Undistributed expenditures - support services - school administration:					
Salaries of principals/assistant principals	3,069,453.00	(129,422.00)	2,940,031.00	2,897,841.80	42,189.20
Salaries of other professional staff	2,380,728.00	117,008.90	2,497,736.90	2,334,826.88	162,910.02
Salaries of secretarial and clerical assistants	2,061,283.00	142,602.10	2,203,885.10	2,133,605.19	70,279.91
Other salaries	28,217.00	423.00	28,640.00	28,639.32	0.68
Purchased professional and technical services	8,000.00	16,100.00	24,100.00	14,467.50	9,632.50
Other purchased services (400-500 series) and Travel	91,813.05	26,188.00	118,001.05	92,122.21	25,878.84
Supplies and materials	121,012.00	(8,832.75)	112,179.25	77,630.79	34,548.46
Other objects	57,475.00		57,475.00	37,190.85	20,284.15
Total Undistributed expenditures-support services-school administration	7,817,981.05	164,067.25	7,982,048.30	7,616,324.54	365,723.76
Undistributed expenditures - support services - central administration:					
Salaries	1,132,923.00	13,000.00	1,145,923.00	1,110,207.17	35,715.83
Purchased professional services	4,500.00		4,500.00	3,437.00	1,063.00
Purchased technical services	60,900.00	27,000.00	87,900.00	82,901.53	4,998.47
Miscellaneous purchased services (400-500 Series)	24,600.00		24,600.00	18,288.98	6,311.02
Supplies and materials	19,500.00		19,500.00	12,412.17	7,087.83
Other objects	6,700.00		6,700.00	6,306.95	393.05
Total undistributed expenditures-support services central administration	\$1,249,123.00	\$40,000.00	\$1,289,123.00	\$1,233,553.80	\$55,569.20

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Undistributed expend. - support services-admin. information technology:					
Purchased technical services	\$369,190.00	(\$14,646.17)	\$354,543.83	\$288,977.63	\$65,566.20
Supplies and materials	79,617.00		79,617.00	71,893.63	7,723.37
Other Objects	2,000.00	3,283.00	5,283.00	3,488.46	1,794.54
Total undist. expend. - support services - admin. information technology	450,807.00	(11,363.17)	439,443.83	364,359.72	75,084.11
Undistributed expenditures - required maintenance for school facilities:					
Salaries	1,087,505.00		1,087,505.00	1,020,163.74	67,341.26
Purchased professional services		81,750.00	81,750.00	53,648.23	28,101.77
Cleaning, repair and maintenance services	610,011.15	58,431.05	668,442.20	444,065.87	224,376.33
General supplies	397,758.17		397,758.17	279,992.25	117,765.92
Other objects	3,150.00		3,150.00		3,150.00
Total undistributed expenditures - required maint. for school facilities	2,098,424.32	140,181.05	2,238,605.37	1,797,870.09	440,735.28
Undistributed expenditures-other operations and maintenance of plant:					
Salaries	123,153.00		123,153.00	122,016.97	1,136.03
Salaries of non-instructional aides	572,624.00		572,624.00	561,337.95	11,286.05
Purchased professional and technical services	4,821,363.00		4,821,363.00	3,871,568.83	949,794.17
Cleaning, repair and maintenance services	768,792.19	(40,000.00)	728,792.19	442,108.54	286,683.65
Rental of land and buildings other than lease purchase	706,574.00		706,574.00	703,820.70	2,753.30
Other purchased property services	323,082.00	(52,455.03)	270,626.97	187,903.86	82,723.11
Insurance	220,000.00		220,000.00	210,331.00	9,669.00
Travel	1,000.00		1,000.00		1,000.00
General supplies	443,135.99	132,455.03	575,591.02	492,092.01	83,499.01
Energy (Natural Gas)	676,250.00	(87,000.00)	589,250.00	391,264.42	197,985.58
Energy (Electricity)	1,139,117.71		1,139,117.71	879,007.78	260,109.93
Energy (Gasoline)	94,475.91		94,475.91	46,564.04	47,911.87
Other objects	3,500.00		3,500.00	475.00	3,025.00
Total undistributed expenditures-other operations and maint. of plant	9,893,067.80	(47,000.00)	9,846,067.80	7,908,491.10	1,937,576.70
Undistributed expenditures - care and upkeep of grounds:					
Salaries	479,850.00		479,850.00	449,412.94	30,437.06
Clean, Repair, Maintenance	15,000.00	(1,000.00)	14,000.00	9,197.53	4,802.47
General Supplies	60,118.00	8,000.00	68,118.00	54,507.09	13,610.91
Total undistributed expenditures - care and upkeep of grounds	\$554,968.00	\$7,000.00	\$561,968.00	\$513,117.56	\$48,850.44

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Undistributed expenditures - security					
Salaries	\$14,500.00		\$14,500.00	\$8,147.20	\$6,352.80
Clean, Repair, Maintenance	727,542.62	\$7,500.00	735,042.62	292,719.44	442,323.18
General Supplies	431,464.43		431,464.43	400,344.53	31,119.90
Total undistributed expenditures - security	<u>1,173,507.05</u>	<u>7,500.00</u>	<u>1,181,007.05</u>	<u>701,211.17</u>	<u>479,795.88</u>
Total undistributed expend.-other operations and maint. of plant serv.	<u>13,719,967.17</u>	<u>107,681.05</u>	<u>13,827,648.22</u>	<u>10,920,689.92</u>	<u>2,906,958.30</u>
Undistributed expenditures - student transportation services:					
Salaries for pupil transportation (between home & school) - regular	1,052,684.00	(143,384.00)	909,300.00	907,892.40	1,407.60
Salaries for pupil transportation (between home & school) - special	193,049.00	120.00	193,169.00	183,627.51	9,541.49
Salaries for pupil transportation (other than between home and school)	115,850.00		115,850.00	85,665.00	30,185.00
Purchased technical services		22,006.28	22,006.28	14,881.28	7,125.00
Management fees - ESC and CTSA transportation programs	55,000.00	(11,000.00)	44,000.00	30,501.68	13,498.32
Other purchased professional and technical services	11,500.00	(11,500.00)			
Cleaning, repair and maintenance services	60,000.00	(3,000.00)	57,000.00	49,587.02	7,412.98
Rentals		2,000.00	2,000.00	1,950.00	50.00
Contracted services - aid in lieu of payments	239,500.00	(12,000.00)	227,500.00	120,135.50	107,364.50
Contracted services (between home and school) - vendors	4,424,107.00	69,352.70	4,493,459.70	3,528,134.54	965,325.16
Contracted services (other than between home and school) - vendors	96,210.00	(53,977.40)	42,232.60	32,232.60	10,000.00
Contracted services (special education students) - vendors	1,929,927.00	89,811.30	2,019,738.30	1,420,776.81	598,961.49
Contracted services (special education students) - joint agreements	50,000.00	34,000.00	84,000.00	36,976.58	47,023.42
Contracted services (regular students) - ESCs	40,000.00	(40,000.00)			
Contracted services (special education students) - ESCs	794,150.00	152,804.96	946,954.96	872,368.83	74,586.13
Miscellaneous purchased services - transportation and Travel	70,750.00	(5,474.56)	65,275.44	64,525.44	750.00
Supplies and materials	172,500.00	(166,040.25)	6,459.75	6,459.75	
Transportation supplies	162,843.90	(108,205.05)	54,638.85	46,633.40	8,005.45
Energy (Heat & Electricity)		225,333.47	225,333.47	156,940.02	68,393.45
Other objects	3,100.00	(847.45)	2,252.55	2,252.55	
Total undistributed expenditures - student transportation services	<u>\$9,471,170.90</u>	<u>\$40,000.00</u>	<u>\$9,511,170.90</u>	<u>\$7,561,540.91</u>	<u>\$1,949,629.99</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
Unallocated benefits:					
Social security contributions	\$1,518,093.00		\$1,518,093.00	\$1,376,120.54	\$141,972.46
Other retirement contributions - regular	1,941,155.64	(\$52,000.00)	1,889,155.64	1,618,139.13	271,016.51
DCRP		52,000.00	52,000.00	48,737.96	3,262.04
Workmen's compensation	507,150.00	19,752.00	526,902.00	526,901.87	0.13
Health and Dental benefits	24,832,236.00	(1,049,599.05)	23,782,636.95	21,164,442.43	2,618,194.52
Tuition reimbursement	577,522.93		577,522.93	311,503.50	266,019.43
Other employee benefits	944,357.00	6,500.00	950,857.00	917,365.80	33,491.20
Unused sick payment to terminated/retired staff	541,994.71	150,000.00	691,994.71	648,114.79	43,879.92
Total unallocated benefits	<u>30,862,509.28</u>	<u>(873,347.05)</u>	<u>29,989,162.23</u>	<u>26,611,326.02</u>	<u>3,377,836.21</u>
Allocated benefits:					
Social security contributions	110,850.00		110,850.00	89,735.53	21,114.47
Health benefits	452,500.00		452,500.00	452,500.00	
Total allocated benefits	<u>563,350.00</u>		<u>563,350.00</u>	<u>542,235.53</u>	<u>21,114.47</u>
On-behalf TPAF pension - post retirement medical (non budgeted)				5,650,973.00	(5,650,973.00)
On-behalf TPAF pension contribution (non-budgeted)				14,964,270.00	(14,964,270.00)
On-behalf TPAF non-contributory insurance (non-budgeted)				268,218.00	(268,218.00)
On-behalf TPAF long term disability insurance (non-budgeted)				9,870.00	(9,870.00)
Reimbursed TPAF social security cont. (non-budgeted)				5,252,625.32	(5,252,625.32)
Total on-behalf contributions				<u>26,145,956.32</u>	<u>(26,145,956.32)</u>
Total personal services - employee benefits	31,425,859.28	(873,347.05)	30,552,512.23	53,299,517.87	(22,747,005.64)
Total undistributed expenditures	88,231,805.70	(657,053.78)	87,574,751.92	103,602,035.24	(16,027,283.32)
Total general current expense	<u>\$158,989,169.50</u>	<u>(\$25,189.01)</u>	<u>\$158,963,980.49</u>	<u>\$172,622,328.91</u>	<u>(\$13,658,348.42)</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
CAPITAL OUTLAY:					
Interest deposit to capital reserve	\$1,000.00		\$1,000.00		\$1,000.00
Interest deposit to capital reserve	\$1,000.00		\$1,000.00		1,000.00
Equipment					
Regular programs - instruction:		\$12,242.86	12,242.86	\$12,242.86	
Grades 9-12		2,988.00	2,988.00	2,987.64	0.36
Grades 9-12		13,345.00	13,345.00	13,345.00	
Multiple disabilities		4,085.00	4,085.00	4,084.05	0.95
Athletics and Cocurriculars		32,660.86	32,660.86	32,659.55	1.31
Total Regular programs - instruction:					
Undistributed expenditures:					
Support services- related and extraordinary	445,700.00	(445,700.00)		262,768.05	24,420.00
Administrative info technology	10,000.00	277,188.05	287,188.05	11,393.78	13,350.00
Required maintenance of school facilities		24,743.78	24,743.78	58,834.72	
Custodial services		58,834.72	58,834.72	68,173.60	
Security		68,173.60	68,173.60	96,345.84	
School buses - regular	95,000.00	1,345.84	96,345.84	63,447.32	
School buses - special	75,000.00	(11,552.68)	63,447.32	560,963.31	37,770.00
Total undistributed expenditures:	625,700.00	(26,966.69)	598,733.31		
Total equipment	625,700.00	5,694.17	631,394.17	593,622.86	37,771.31
Facilities acquisition and construction services:					
Construction services	3,204,847.90		3,204,847.90	2,618,553.61	586,294.29
Assessment for debt service on SDA funding	148,888.00		148,888.00	148,888.00	
Total facilities acquisition and construction services	3,353,735.90		3,353,735.90	2,767,441.61	586,294.29
Assets acquired under capital leases (non-budgeted):					
undistributed expenditures				807,726.45	(807,726.45)
Total assets acquired under capital leases (non-budgeted)				807,726.45	(807,726.45)
Total capital outlay	\$3,980,435.90	\$5,694.17	\$3,986,130.07	\$4,168,790.92	(\$182,660.85)

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
CHARTER SCHOOL					
Transfer to charter school	\$12,325.00	\$19,494.84	\$31,819.84	\$17,843.00	\$13,976.84
Total expenditures	<u>162,981,930.40</u>		<u>162,981,930.40</u>	<u>\$176,808,962.83</u>	<u>(13,827,032.43)</u>
Excess (deficiency) of revenues Over (under) expenditures	<u>(7,172,172.40)</u>		<u>(7,172,172.40)</u>	<u>6,981,737.43</u>	<u>14,153,909.83</u>
Other financing sources(uses):				<u>(1,592.38)</u>	<u>(1,592.38)</u>
Canceled accounts receivable				<u>807,726.45</u>	<u>807,726.45</u>
Capital leases (non-budgeted)				<u>(255,900.00)</u>	<u>(255,900.00)</u>
Operating transfers out - capital reserve to capital projects fund					
Total other financing sources				<u>550,234.07</u>	<u>550,234.07</u>
Excess (deficiency) of revenues and other financing sources Over (under) expenditures and other financing sources (uses)	<u>(7,172,172.40)</u>		<u>(7,172,172.40)</u>	<u>7,531,971.50</u>	<u>14,704,143.90</u>
Fund balance, July 1	<u>30,012,963.91</u>		<u>30,012,963.91</u>	<u>30,012,963.91</u>	
Fund balance, June 30	<u>\$22,840,791.51</u>		<u>\$22,840,791.51</u>	<u>\$37,544,935.41</u>	<u>\$14,704,143.90</u>
Recapitulation:					
Assigned - year-end encumbrances				\$2,162,892.43	
Restricted - capital reserve				18,610,291.38	
Restricted - maintenance reserve				2,000,000.00	
Restricted - excess surplus - designated for subsequent year's expenditures				5,250,000.00	
Restricted - excess surplus - current year				5,000,000.00	
Unassigned fund balance				4,521,751.60	
				<u>37,544,935.41</u>	
Reconciliation to Government Fund Statements					
Last Federal and State aid payments not recognized on GAAP basis				(1,005,113.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$36,539,822.41</u>	

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR FISCAL YEARS ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
State sources	\$105,626.00	\$144,709.61	\$250,335.61	\$168,493.59	(\$81,842.02)
Federal sources	1,624,196.00	700,875.89	2,325,071.89	2,177,354.00	(147,717.89)
Other sources	92,458.00	76,841.99	169,299.99	77,334.56	(91,965.43)
Total revenues	1,822,280.00	922,427.49	2,744,707.49	2,423,182.15	(321,525.34)
EXPENDITURES:					
Instruction:					
Personal services - salaries	261,524.00	12,211.58	273,735.58	267,550.08	6,185.50
Purchased professional & technical services	56,498.00	18,208.00	74,706.00	54,282.20	20,423.80
Tuition	1,254,655.00	301,582.94	1,556,237.94	1,516,780.10	39,457.84
General supplies	17,349.00	130,031.15	147,380.15	77,765.59	69,614.56
Textbooks	10,203.00	3,606.00	13,809.00	13,232.75	576.25
Total instruction	1,600,229.00	465,639.67	2,065,868.67	1,929,610.72	136,257.95
Support services:					
Personal services - salaries		253,093.02	253,093.02	207,822.06	45,270.96
Personal services - employee benefits	84,268.00	98,004.08	182,272.08	170,952.36	11,319.72
Purchased professional services	38,434.00	107,141.38	145,575.38	55,674.95	89,900.43
Other purchased services		6,342.05	6,342.05		6,342.05
Supplies and materials		21,319.13	21,319.13	13,176.64	8,142.49
Miscellaneous expenditures		2,601.00	2,601.00	700.80	1,900.20
Total support services	122,702.00	488,500.66	611,202.66	448,326.81	162,875.85
Equipment, Facilities acquisition & construction services:					
Construction services		30,591.00	30,591.00	18,949.00	11,642.00
Instructional equipment		22,839.98	22,839.98	12,090.44	10,749.54
Non-instructional equipment		14,205.18	14,205.18	14,205.18	
Total facilities acquisition & construction services		67,636.16	67,636.16	45,244.62	22,391.54
Total expenditures	\$1,822,280.00	\$1,021,776.49	\$2,744,707.49	\$2,423,182.15	\$321,525.34

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$183,790,700.26	\$2,423,182.15
Difference - budget to GAAP Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and related revenue is recognized.		34,489.60
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	959,293.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,005,113.00)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	183,744,880.26	2,457,671.75
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules	176,808,962.83	2,423,182.15
Difference - budget to GAAP Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial purposes		34,489.60
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$176,808,962.83	\$2,457,671.75

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportion of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2014	0.1440815433%	\$27,536,846.00	\$9,808,000.00	280.76%	48.72%
2015	0.1468439082%	27,493,196.00	9,924,801.00	277.02%	52.08%
2016	0.1479154306%	33,204,050.00	10,187,396.00	325.93%	47.92%
2017	0.1505330370%	40,028,239.00	11,050,066.00	362.24%	40.14%
2018	0.1659751000%	32,679,670.00	11,219,183.00	291.28%	53.60%
2019	0.1577736634%	28,428,421.00	10,572,382.00	268.89%	56.27%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Fiscal Year Ending <u>June 30,</u>	Contractually Required <u>Contribution</u>	Contributions in Relation to the Contractually Required <u>Contributions</u>	Contribution Deficiency (<u>Excess</u>)	District's Covered- Employee <u>Payroll</u>	Contributions as a Percentage of Covered- Employee <u>Payroll</u>
2014	\$1,085,625.00	\$1,085,625.00	\$-0-	\$9,808,000.00	11.07%
2015	1,210,560.00	1,210,560.00	-0-	9,924,801.00	12.20%
2016	1,271,676.00	1,271,676.00	-0-	10,187,396.00	12.48%
2017	1,592,974.00	1,592,974.00	-0-	11,050,066.00	14.42%
2018	1,650,916.00	1,650,916.00	-0-	11,219,183.00	14.72%
2019	1,534,681.00	1,534,681.00	-0-	10,572,382.00	14.52%
2020	1,671,730.00	1,671,730.00	-0-	10,961,795.00	15.25%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS PENSION AND ANNUITY FUND
LAST TEN YEARS

<u>Measurement Date Ending June 30,</u>	<u>District's Proportion of the Net Pension Liability (Asset)</u>	<u>State's Proportionate Share of the Net Pension Liability (asset) associated with the District</u>	<u>District's Covered-Employee Payroll</u>	<u>District's Proportion of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll</u>	<u>State's Proportionate Share of the Net Pension Liability associated with the District as a percentage of the District's Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2014	0.6613012648%	\$334,216,458.00	\$65,261,396.00	\$-0-	512.12%	33.64%
2015	0.6420338543%	343,146,199.00	66,342,194.00	-0-	517.24%	28.71%
2016	0.6513336303%	411,670,668.00	67,880,654.00	-0-	606.46%	22.33%
2017	0.6606516718%	445,435,179.00	67,021,476.00	-0-	664.62%	25.41%
2018	0.6646896553%	422,861,281.00	70,837,298.00	-0-	596.95%	26.49%
2019	0.6754075903%	414,504,013.00	72,592,627.00	-0-	571.00%	26.95%

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (GASB 75)

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS

	Fiscal Year Ended June 30,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District			
Balance at 6/30	\$270,194,252	\$311,843,904	\$336,577,334
Changes for the year:			
Service cost	10,588,460	11,860,296	14,326,838
Interest	10,725,075	11,464,852	9,902,328
Differences between expected and actual experience	(40,475,742)	(26,993,463)	
Changes in assumptions or other inputs	3,688,041	(31,006,143)	(42,005,597)
Membership Contributions	225,077	249,704	265,968
Benefit payments - Net	(7,592,975)	(7,224,898)	(7,222,967)
Net changes	<u>(22,842,064)</u>	<u>(41,649,652)</u>	<u>(24,733,430)</u>
Balance at 6/30	<u>\$247,352,188</u>	<u>\$270,194,252</u>	<u>\$311,843,904</u>
Covered Employee Payroll	83,165,009	82,056,481	78,071,542
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the District as a percentage of the District's Covered Employee Payroll	297.42%	329.28%	399.43%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Change in benefit terms: None

Change in assumptions: The discount rate changed from 3.87% to 3.50% as of
June 30, 2019.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	TITLE I	TITLE II PART A	TITLE III	TITLE IV	IDEA PART B BASIC	IDEA PART B PRESCHOOL
REVENUES:						
State sources	\$240,164.00	\$114,303.00	\$26,743.00	\$8,150.00	\$1,724,719.00	\$63,275.00
Federal sources						
Other sources						
Total revenues	240,164.00	114,303.00	26,743.00	8,150.00	1,724,719.00	63,275.00
EXPENDITURES:						
Instruction:						
Personal services - salaries	180,820.58	82,915.00	3,814.50			
Purchased professional educational services					1,516,780.10	
Tuition						
General supplies	2,700.00		11,935.90			
Textbooks						
Total instruction	183,520.58	82,915.00	15,750.40		1,516,780.10	
Support services:						
Personal services - salaries	8,747.52				135,784.04	44,188.00
Personal services - employee benefits	47,895.90	30,938.00	291.80		72,154.86	19,087.00
Purchased professional services		450.00	10,000.00	8,150.00		
Supplies and materials						
Miscellaneous expenditures			700.80			
Total support services	56,643.42	31,388.00	10,992.60	8,150.00	207,938.90	63,275.00
Equipment:						
Construction services						
Instructional equipment						
Non-instructional equipment						
Total equipment						
Total expenditures	\$240,164.00	\$114,303.00	\$26,743.00	\$8,150.00	\$1,724,719.00	\$63,275.00

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BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	NON-PUBLIC CH 193 SUPP. INSTR.	NON-PUBLIC CH 193 EXAM & CLASS	NON-PUBLIC CH 193 CORR. SPEECH	NON-PUBLIC CH 192 COMP. ED.	NON-PUBLIC CH 192 ESL	NON-PUBLIC SECURITY
REVENUES:						
State sources	\$4,370.76	\$9,659.90	\$8,658.30	\$24,657.44	\$1,240.80	\$15,064.65
Federal sources						
Other sources						
Total revenues	<u>4,370.76</u>	<u>9,659.90</u>	<u>8,658.30</u>	<u>24,657.44</u>	<u>1,240.80</u>	<u>15,064.65</u>
EXPENDITURES:						
Instruction:						
Personal services - salaries						
Purchased professional educational services						
Tuition	4,370.76	9,659.90	8,658.30	24,657.44	1,240.80	
General supplies						
Textbooks						
Total instruction	<u>4,370.76</u>	<u>9,659.90</u>	<u>8,658.30</u>	<u>24,657.44</u>	<u>1,240.80</u>	
Support services:						
Personal services - salaries						
Personal services - employee benefits						15,064.65
Purchased professional services						
Supplies and materials						
Miscellaneous expenditures						
Total support services						<u>15,064.65</u>
Equipment:						
Construction services						
Instructional equipment						
Non-instructional equipment						
Total equipment						
Total expenditures	<u>\$4,370.76</u>	<u>\$9,659.90</u>	<u>\$8,658.30</u>	<u>\$24,657.44</u>	<u>\$1,240.80</u>	<u>\$15,064.65</u>

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BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	NON-PUBLIC TECHNOLOGY	NON-PUBLIC TEXTBOOKS	NON-PUBLIC NURSING	ADVANCED COMPUTER SCIENCE	LOCAL PROGRAMS	TOTAL 2020
REVENUES:						
State sources	\$3,376.69	\$13,232.75	\$22,010.30	\$66,222.00		\$168,493.59
Federal sources						2,177,354.00
Other sources					\$77,334.56	77,334.56
Total revenues	3,376.69	13,232.75	22,010.30	66,222.00	77,334.56	2,423,182.15
EXPENDITURES:						
Instruction:						
Personal services - salaries						267,550.08
Purchased professional educational services					5,695.00	54,282.20
Tuition						1,516,780.10
General supplies				56,174.75	6,954.94	77,765.59
Textbooks		13,232.75				13,232.75
Total instruction		13,232.75		56,174.75	12,649.94	1,929,610.72
Support services:						
Personal services - salaries				7,662.50	11,440.00	207,822.06
Personal services - employee benefits				584.80		170,952.36
Purchased professional services			22,010.30			55,674.95
Supplies and materials	3,376.69			1,799.95	8,000.00	13,176.64
Miscellaneous expenditures						700.80
Total support services	3,376.69		22,010.30	10,047.25	19,440.00	448,326.81
Equipment, Facilities acquisition & construction services:						
Construction services					18,949.00	18,949.00
Instructional equipment					12,090.44	12,090.44
Non-instructional equipment					14,205.18	14,205.18
Total facilities acquisition & construction services					45,244.62	45,244.62
Total expenditures	\$3,376.69	\$13,232.75	\$22,010.30	\$66,222.00	\$77,334.56	\$2,423,182.15

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<u>ISSUE / PROJECT TITLE</u>	<u>ORIGINAL DATE</u>	<u>APPROPRIATION</u>	<u>PRIOR YEARS</u>	<u>EXPENDITURES TO DATE</u> <u>CURRENT YEAR</u>	<u>(MEMO ONLY)</u> <u>UNEXPENDED</u> <u>BALANCE</u> <u>JUNE 30, 2020</u>
Fire Alarm Replacement	11/19/19	\$41,500.00		\$40,500.61	\$999.39
Eisenhower School Roof Replacement	02/26/19	162,500.00	\$141,609.30	15,770.76	5,119.94
High School HVAC Controls Update	03/19/19	506,133.00	58,139.32	380,727.39	67,266.29
Middle School Track Resurfacing	05/28/19	32,900.00	20,358.30	11,100.00	1,441.70
High School Roof Partial Replacement	11/19/19	60,500.00		57,433.00	3,067.00
Security Pre-Referendum Planning	10/29/19	147,900.00		121,031.95	26,868.05
		<u>\$951,433.00</u>	<u>\$220,106.92</u>	<u>\$626,563.71</u>	<u>\$104,762.37</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

REVENUES AND OTHER FINANCING SOURCES:	
Transfer from capital reserve	\$255,900.00
	<hr/>
Total revenues and other financing sources	255,900.00
	<hr/>
EXPENDITURES AND OTHER FINANCING USES:	
Purchased professional and technical services	248,917.00
Construction services	377,646.71
	<hr/>
Total expenditures and other financing uses	626,563.71
	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(370,663.71)
Fund balance - July 1	475,426.08
	<hr/>
Fund balance - June 30	\$104,762.37
	<hr/> <hr/>
<u>Reconciliation to GAAP Basis:</u>	
Fund Balance June 30 - Budgetary Basis (Exhibit F-2)	\$104,762.37
Less: Unrealized revenue SDA grant	<hr/>
Fund Balance June 30 - GAAP Basis (Exhibit B-2)	\$104,762.37
	<hr/> <hr/>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - FIRE ALARM REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital reserve	_____	\$41,500.00	\$41,500.00	\$41,500.00
Total revenues and other financing sources	_____	41,500.00	41,500.00	41,500.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	_____	40,500.61	40,500.61	41,500.00
Total expenditures and other financing uses	_____	40,500.61	40,500.61	\$41,500.00
Excess (deficiency) of revenues over (under) expenditures	<u>\$-0-</u>	<u>\$999.39</u>	<u>\$999.39</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$41,500.00			
Additional authorized cost				
Revised authorized cost	\$41,500.00			
Percentage increase over original authorized cost				
Percentage completion		98.00%		
Original target completion date		9/30/2020		
Revised target completion date		N/A		

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - EISENHOWER SCHOOL ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital reserve	\$162,500.00		\$162,500.00	\$162,500.00
Total revenues and other financing sources	162,500.00		162,500.00	162,500.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	141,609.30	15,770.76	157,380.06	162,500.00
Total expenditures and other financing uses	141,609.30	15,770.76	157,380.06	\$162,500.00
Excess (deficiency) of revenues over (under) expenditures	\$-0-	(\$15,770.76)	\$5,119.94	
ADDITIONAL PROJECT INFORMATION:				
Project number		19-7848		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$162,500.00			
Additional authorized cost				
Revised authorized cost	\$162,500.00			
Percentage increase over original authorized cost		N/A		
Percentage completion		100.00%		
Original target completion date		10/1/2019		
Revised target completion date		N/A		

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL HVAC CONTROLS UPDATE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital reserve	\$506,133.00		\$506,133.00	\$506,133.00
Total revenues and other financing sources	506,133.00		506,133.00	506,133.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	16,719.32	\$3,080.68	19,800.00	19,800.00
Construction services	41,420.00	377,646.71	419,066.71	486,333.00
Total expenditures and other financing uses	58,139.32	380,727.39	438,866.71	\$506,133.00
Excess (deficiency) of revenues over (under) expenditures	\$-0-	(\$380,727.39)	\$67,266.29	
ADDITIONAL PROJECT INFORMATION:				
Project number	19-03610			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$506,133.00			
Additional authorized cost				
Revised authorized cost	\$506,133.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	98.00%			
Original target completion date	12/1/2019			
Revised target completion date	N/A			

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - MIDDLE SCHOOL TRACK RESURFACING
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital reserve	<u>\$26,900.00</u>	<u>\$6,000.00</u>	<u>\$32,900.00</u>	<u>\$32,900.00</u>
Total revenues and other financing sources	<u>26,900.00</u>	<u>6,000.00</u>	<u>32,900.00</u>	<u>32,900.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	<u>20,358.30</u>	<u>11,100.00</u>	<u>31,458.30</u>	<u>32,900.00</u>
Total expenditures and other financing uses	<u>20,358.30</u>	<u>11,100.00</u>	<u>31,458.30</u>	<u>\$32,900.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$-0-</u>	<u>(\$5,100.00)</u>	<u>\$1,441.70</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$26,900.00			
Additional authorized cost	6,000.00			
Revised authorized cost	\$32,900.00			
Percentage increase over original authorized cost	22.30%			
Percentage completion	100.00%			
Original target completion date	11/1/2019			
Revised target completion date	6/30/2020			

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL ROOF PARTIAL REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital reserve	<u> </u>	<u>\$60,500.00</u>	<u>\$60,500.00</u>	<u>\$60,500.00</u>
Total revenues and other financing sources	<u> </u>	<u>60,500.00</u>	<u>60,500.00</u>	<u>60,500.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	<u> </u>	<u>57,433.00</u>	<u>57,433.00</u>	<u>60,500.00</u>
Total expenditures and other financing uses	<u> </u>	<u>57,433.00</u>	<u>57,433.00</u>	<u>\$60,500.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$-0-</u>	<u>\$3,067.00</u>	<u>\$3,067.00</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	0555-005-20-1000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$60,500.00			
Additional authorized cost				
Revised authorized cost	\$60,500.00			
Percentage increase over original authorized cost				
Percentage completion	98.00%			
Original target completion date	6/30/2020			
Revised target completion date	9/30/2020			

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - SECURITY PRE-REFERENDUM PLANNING
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital reserve	_____	\$147,900.00	\$147,900.00	\$147,900.00
Total revenues and other financing sources	_____	147,900.00	147,900.00	147,900.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	_____	121,031.95	121,031.95	147,900.00
Total expenditures and other financing uses	_____	121,031.95	121,031.95	\$147,900.00
Excess (deficiency) of revenues over (under) expenditures	<u>\$-0-</u>	<u>\$26,868.05</u>	<u>\$26,868.05</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost		\$147,900.00		
Additional authorized cost				
Revised authorized cost		\$147,900.00		
Percentage increase over original authorized cost				
Percentage completion		98.00%		
Original target completion date		6/30/2020		
Revised target completion date		N/A		

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food Services Fund: This fund provides for the operation of food services in all schools within the school district.

Before & After School Care Fund: This fund provides for the operation of a before & after school care in various schools.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>COMPARATIVE TOTALS - JUNE 30</u>	
	<u>FOOD SERVICE FUND</u>	<u>BEFORE & AFTER SCHOOL CARE FUND</u>	<u>2020</u>	<u>2019</u>
ASSETS:				
Current assets:				
Cash and cash equivalents	\$523,008.52	\$231,973.27	\$754,981.79	\$696,136.13
Accounts receivable:				
State	7,573.14		7,573.14	2,484.53
Federal	64,488.44		64,488.44	37,472.48
Other	42,924.64		42,924.64	53,864.01
Interfunds	74,950.33		74,950.33	
Inventories	60,465.96		60,465.96	45,281.15
Total current assets	<u>773,411.03</u>	<u>231,973.27</u>	<u>1,005,384.30</u>	<u>835,238.30</u>
Noncurrent assets				
Furniture, machinery & equipment	843,135.94	14,760.00	857,895.94	770,768.94
Less: Accumulated depreciation	(475,328.96)		(475,328.96)	(434,575.18)
Total noncurrent assets	<u>367,806.98</u>	<u>14,760.00</u>	<u>382,566.98</u>	<u>336,193.76</u>
TOTAL ASSETS	<u>1,141,218.01</u>	<u>246,733.27</u>	<u>1,387,951.28</u>	<u>1,171,432.06</u>
LIABILITIES:				
Current liabilities:				
Accounts payable	95,242.60	14,856.39	110,098.99	152,136.75
Unearned Revenue	198,111.96	1,455.00	199,566.96	137,145.72
Total current liabilities	<u>293,354.56</u>	<u>16,311.39</u>	<u>309,665.95</u>	<u>289,282.47</u>
NET POSITION:				
Net investment in capital assets	367,806.98	14,760.00	382,566.98	336,193.76
Unrestricted	480,056.47	215,661.88	695,718.35	545,955.83
TOTAL NET POSITION	<u>\$847,863.45</u>	<u>\$230,421.88</u>	<u>\$1,078,285.33</u>	<u>\$882,149.59</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>COMPARATIVE TOTALS - JUNE 30</u>	
	<u>FOOD SERVICE</u>	<u>BEFORE AND AFTER CARE</u>	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:				
Local sources:				
Daily sales-reimbursable programs	\$1,070,897.42		\$1,070,897.42	\$1,411,618.15
Daily sales non-reimbursable programs	602,121.00		602,121.00	983,175.92
Charges for services:				
Program fees		\$411,854.07	411,854.07	138,710.00
Total operating revenue	<u>1,673,018.42</u>	<u>411,854.07</u>	<u>2,084,872.49</u>	<u>2,533,504.07</u>
OPERATING EXPENSES:				
Salaries	829,879.16	122,331.53	952,210.69	1,190,367.54
Employee benefits and taxes	83,224.38	9,342.75	92,567.13	114,432.17
Other purchased services	46,710.49	2,799.15	49,509.64	35,148.45
Management fee	40,800.00		40,800.00	40,000.00
Rental fees		95,000.00	95,000.00	
Supplies and materials	185,258.98	9,220.11	194,479.09	152,693.49
Repairs and other	18,236.56	132.10	18,368.66	78,012.18
Depreciation	40,753.78		40,753.78	40,266.18
Cost of sales - reimbursable programs	677,086.37		677,086.37	975,581.07
Cost of sales - non-reimbursable programs	552,675.00		552,675.00	450,199.36
Total operating expenses	<u>2,474,624.72</u>	<u>238,825.64</u>	<u>2,713,450.36</u>	<u>3,076,700.44</u>
Operating income (loss)	<u>(801,606.30)</u>	<u>173,028.43</u>	<u>(628,577.87)</u>	<u>(543,196.37)</u>
Nonoperating revenues:				
State sources:				
State school lunch program	28,295.63		28,295.63	28,464.66
Federal sources:				
National school lunch program	526,804.96		526,804.96	508,391.72
National school breakfast program	104,972.19		104,972.19	15,191.49
National food distribution commodities	143,641.02		143,641.02	179,090.66
Interest earned	20,999.81		20,999.81	26,813.18
Total nonoperating revenues	<u>824,713.61</u>		<u>824,713.61</u>	<u>757,951.71</u>
Excess (deficiency) of revenues over (under) expenditures	23,107.31	173,028.43	196,135.74	214,755.34
Other financing sources (uses):				
Canceled receivables				(82,208.75)
Operating transfers out				(300,000.00)
Total other financing sources(uses)				<u>(382,208.75)</u>
Net income (loss)	23,107.31	173,028.43	196,135.74	(167,453.41)
Net position - July 1	<u>824,756.14</u>	<u>57,393.45</u>	<u>882,149.59</u>	<u>1,049,603.00</u>
Net position - June 30	<u>\$847,863.45</u>	<u>\$230,421.88</u>	<u>\$1,078,285.33</u>	<u>\$882,149.59</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>COMPARATIVE TOTALS - JUNE 30</u>	
	<u>FOOD SERVICE</u>	<u>BEFORE AND AFTER CARE</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:				
Receipts from customers	\$1,741,227.24	\$413,309.07	\$2,154,536.31	\$2,553,625.75
Payments for salaries	(827,261.96)	(122,331.53)	(949,593.49)	(1,220,352.83)
Payments for employee benefits	(83,775.53)	(9,342.75)	(93,118.28)	(108,290.15)
Payments to suppliers	(1,666,075.19)	(92,385.73)	(1,758,460.92)	(1,736,902.65)
Net cash provided (used) by operating activities	(835,885.44)	189,249.06	(646,636.38)	(511,919.88)
Cash flows from noncapital financing activities:				
State sources	23,207.02		23,207.02	23,863.30
Federal sources	748,402.21		748,402.21	624,802.47
Transfer out- general fund				(300,000.00)
Net cash provided (used) by noncapital financing activities	771,609.23		771,609.23	348,665.77
Cash flows from investing activities:				
Interest Earned	20,999.81		20,999.81	26,813.18
Net cash provided (used) by investing activities	20,999.81		20,999.81	26,813.18
Cash flows from capital and related financing activities:				
Purchases of capital assets	(72,367.00)	(14,760.00)	(87,127.00)	(44,072.94)
Net cash provided (used) by capital and related financing activities	(72,367.00)	(14,760.00)	(87,127.00)	(44,072.94)
Net increase(decrease) in cash and cash equivalents	(115,643.40)	174,489.06	58,845.66	(180,513.87)
Cash and cash equivalents, July 1	638,651.92	57,484.21	696,136.13	876,650.00
Cash and cash equivalents, June 30	<u>\$523,008.52</u>	<u>\$231,973.27</u>	<u>\$754,981.79</u>	<u>\$696,136.13</u>
Operating income(loss)	(\$801,606.30)	\$173,028.43	(\$628,577.87)	(\$543,196.37)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation and net amortization	40,753.78		40,753.78	40,266.18
Change in assets and liabilities:				
Increase (Decrease) in unearned revenue	60,966.24	1,455.00	62,421.24	46,480.72
(Increase) Decrease in inventory	(15,184.81)		(15,184.81)	8,120.85
(Increase) Decrease in other accounts receivable	(64,010.96)		(64,010.96)	(30,688.01)
Increase (Decrease) in accounts payable	(56,803.39)	14,765.63	(42,037.76)	(32,903.25)
Net cash provided (used) by operating activities	<u>(\$835,885.44)</u>	<u>\$189,249.06</u>	<u>(\$646,636.38)</u>	<u>(\$511,919.88)</u>

FIDUCIARY FUND DETAIL STATEMENTS

Fiduciary funds are used to account for fund received by the district for a specific purpose:

Unemployment Compensation Insurance Trust Fund: This trust fund is used to pay unemployment compensation claims as they arise.

Agency Funds are used to account for assets held by the district as an agent for another party:

Student Activity Fund: This agency fund is used to account for student funds held at the schools.

Payroll Fund: This agency fund is used to account for the payroll transactions of the school district.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
 FIDUCIARY FUND
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2020

	STATE UNEMPLOYMENT INSURANCE	TOTAL TRUST FUND	AGENCY		TOTAL AGENCY FUND
			STUDENT ACTIVITIES	PAYROLL	
ASSETS:					
Cash and cash equivalents	\$3,263,235.48	\$3,263,235.48	\$935,815.29	\$1,302,346.13	\$2,238,161.42
Total assets	<u>3,263,235.48</u>	<u>3,263,235.48</u>	<u>935,815.29</u>	<u>1,302,346.13</u>	<u>2,238,161.42</u>
LIABILITIES:					
Liabilities:					
Payroll deductions & withholdings				1,302,237.98	1,302,237.98
Due to student groups			862,916.29		862,916.29
Interfund accounts payable			72,899.00	108.15	73,007.15
Total liabilities			<u>935,815.29</u>	<u>1,302,346.13</u>	<u>2,238,161.42</u>
NET POSITION:					
Held in trust for state unemployment	3,263,235.48	3,263,235.48			
Total net position	<u>\$3,263,235.48</u>	<u>\$3,263,235.48</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	STATE UNEMPLOYMENT INSURANCE	TOTAL
	<u> </u>	<u> </u>
ADDITIONS:		
Interest on Deposits	<u>\$49,283.93</u>	<u>\$49,283.93</u>
Total additions	<u>49,283.93</u>	<u>49,283.93</u>
DEDUCTIONS:		
State unemployment insurance claims/taxes	<u>15,000.00</u>	<u>15,000.00</u>
Total deductions	<u>15,000.00</u>	<u>15,000.00</u>
Change in net position	34,283.93	34,283.93
Net position - July 1	<u>3,228,951.55</u>	<u>3,228,951.55</u>
Net position - June 30	<u><u>\$3,263,235.48</u></u>	<u><u>\$3,263,235.48</u></u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
STUDENT ACTIVITY FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
ASSETS:				
Cash and cash equivalents	\$946,297.03	\$916,651.44	\$927,133.18	\$935,815.29
Total assets	<u>946,297.03</u>	<u>916,651.44</u>	<u>927,133.18</u>	<u>935,815.29</u>
LIABILITIES:				
Interfunds account payable	68,367.78	72,899.00	68,367.78	72,899.00
Due student groups:				
High school	593,620.00	380,514.62	403,727.42	570,407.20
Middle school	130,854.18	349,970.62	365,127.47	115,697.33
Elementary schools:				
Adamsville	11,021.81	2,671.94	3,014.86	10,678.89
Bradley Gardens	11,220.45	1,986.39	1,078.00	12,128.84
Crim	14,632.33	3,829.10	1,539.86	16,921.57
Eisenhower	10,079.67	42,921.36	36,698.54	16,302.49
Hamilton	18,952.92	5,098.86	2,254.20	21,797.58
Hillside	49,304.36	32,229.85	18,120.13	63,414.08
John F. Kennedy	1,668.30	3,089.11	3,218.25	1,539.16
Milltown	6,421.74	6,674.14	4,770.25	8,325.63
Van Holten	30,153.49	14,766.45	19,216.42	25,703.52
Total liabilities	<u>\$946,297.03</u>	<u>\$916,651.44</u>	<u>\$927,133.18</u>	<u>\$935,815.29</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
PAYROLL AGENCY FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
ASSETS:				
Cash and cash equivalents	<u>\$1,259,480.55</u>	<u>\$48,106,864.81</u>	<u>\$48,063,999.23</u>	<u>\$1,302,346.13</u>
Total assets	<u>1,259,480.55</u>	<u>48,106,864.81</u>	<u>48,063,999.23</u>	<u>1,302,346.13</u>
LIABILITIES:				
Interfunds payable		108.15		108.15
Deductions payable	<u>1,259,480.55</u>	<u>48,106,756.66</u>	<u>48,063,999.23</u>	<u>1,302,237.98</u>
Total liabilities	<u>\$1,259,480.55</u>	<u>\$48,106,864.81</u>	<u>\$48,063,999.23</u>	<u>\$1,302,346.13</u>

LONG-TERM DEBT SCHEDULES

The Long-Term Debt schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

BRIDGewater-RARITAN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2020

<u>ISSUE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>MATURITIES</u>		<u>RATE OF INTEREST</u>	<u>BALANCE JULY 1, 2019</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2020</u>
			<u>DATE</u>	<u>AMOUNT</u>				
2012 Refunding Project School Bonds	5/1/2012	\$ 17,165,000.00	05/01/21	\$ 1,895,000.00	4.50%	\$7,790,000.00	\$1,795,000.00	\$5,995,000.00
			05/01/22	1,995,000.00	4.50%			
			05/01/23	2,105,000.00	2.25%			
2012 Refunding School Bonds	1/15/2013	5,940,000.00	07/15/20	655,000.00	5.000%	4,200,000.00	630,000.00	3,570,000.00
			07/15/21	690,000.00	5.000%			
			07/15/22	725,000.00	5.000%			
			07/15/23	755,000.00	2.375%			
			07/15/24	745,000.00	2.500%			
2014 Refunding School Bonds	7/19/2014	16,795,000.00	07/15/20	2,430,000.00	2.632%	9,875,000.00	2,370,000.00	7,505,000.00
			07/15/21	2,500,000.00	2.882%			
			07/15/22	2,575,000.00	3.079%			
						<u>\$21,865,000.00</u>	<u>\$4,795,000.00</u>	<u>\$17,070,000.00</u>

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT ACCOUNT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2020

<u>DESCRIPTION</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2019</u>	<u>ISSUED CURRENT YEAR</u>	<u>RETIRED CURRENT YEAR</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2020</u>
Various technology equipment	1.636%	\$270,573.00		\$270,573.00	
Various technology equipment	1.130%	528,047.63		260,431.17	\$267,616.46
Various technology equipment	2.154%		\$807,726.45	275,000.00	532,726.45
		<u>\$798,620.63</u>	<u>\$807,726.45</u>	<u>\$806,004.17</u>	<u>\$800,342.91</u>

EXHIBIT "I-3"

BRIDGEWATER RARITAN REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	2020		
	<u>BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
			<u>VARIANCE</u>
REVENUES:			
Local sources:			
Local tax levy	\$5,505,373.00	\$5,505,373.00	\$5,505,373.42
Total revenues	5,505,373.00	5,505,373.00	5,505,373.42
EXPENDITURES:			
Regular debt service:			
Interest	710,373.00	710,373.00	710,373.42
Redemption of principal	4,795,000.00	4,795,000.00	4,795,000.00
Total regular debt service-expenditures	5,505,373.00	5,505,373.00	5,505,373.42
Excess (deficiency) of revenues over (under) expenditures			(0.42)
Fund balance, July 1			
Fund balance, June 30	\$-0-	\$-0-	\$-0-

STATISTICAL SECTION
(UNAUDITED)

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
UNAUDITED

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities										
Net investment in capital assets										
Restricted	33,127,946.18	25,669,289.98	22,431,657.00	19,648,546.00	20,882,240.00	19,094,971.00	19,544,064.32	18,267,770.92	12,977,178.27	8,704,511.22
Unrestricted (Deficit)	(41,340,656.04)	(41,225,012.67)	(41,146,619.00)	(36,787,827.00)	(34,476,020.00)	(33,437,609.00)	(4,890,472.43)	(5,629,951.62)	(1,348,649.49)	(1,846,572.89)
Total governmental activities net position	<u>24,845,500.13</u>	<u>10,673,259.88</u>	<u>1,654,888.00</u>	<u>2,503,357.00</u>	<u>6,336,884.00</u>	<u>6,481,700.00</u>	<u>33,134,988.12</u>	<u>33,012,444.09</u>	<u>31,862,045.09</u>	<u>27,421,398.38</u>
Business-type activities										
Net investment in capital assets										
Unrestricted	382,566.98	336,193.76	332,387.00	368,314.00	303,360.00	223,621.00	246,788.68	273,704.54	286,543.69	260,111.92
Unrestricted (Deficit)	697,173.35	545,955.83	717,216.00	1,049,257.00	894,704.00	759,304.00	466,934.54	319,408.91	346,533.96	319,428.09
Total business-type activities net position	<u>1,079,740.33</u>	<u>882,149.59</u>	<u>1,049,603.00</u>	<u>1,417,571.00</u>	<u>1,198,064.00</u>	<u>982,925.00</u>	<u>713,723.22</u>	<u>593,113.45</u>	<u>633,077.65</u>	<u>579,540.01</u>
District-wide										
Net investment in capital assets										
Restricted	33,440,776.97	26,565,176.33	20,702,237.00	20,010,952.00	20,234,024.00	21,047,959.00	18,728,184.91	20,648,329.33	20,520,060.00	20,823,571.97
Unrestricted (Deficit)	(40,643,482.69)	(40,679,056.84)	(40,429,403.00)	(35,738,570.00)	(33,581,316.00)	(32,678,305.00)	(4,423,537.89)	(5,310,542.71)	(1,977,178.27)	(8,704,511.22)
Total district net position	<u>#####</u>	<u>#####</u>	<u>\$2,704,491.00</u>	<u>\$3,920,928.00</u>	<u>\$7,534,948.00</u>	<u>\$7,464,625.00</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>	<u>#####</u>

Source: District records

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental activities:										
Instruction:										
Regular	\$78,674,978.14	\$83,171,457.57	\$87,310,949.00	\$85,722,695.00	\$76,032,018.00	\$70,644,335.00	\$59,266,037.48	\$60,639,747.36	\$57,987,780.38	\$56,876,771.30
Special education	30,454,296.04	30,968,098.17	34,560,043.00	29,511,728.00	26,049,805.00	24,000,221.00	27,687,801.86	25,362,953.81	23,468,110.64	23,071,348.40
Other instruction	12,275,723.26	11,796,132.35	13,000,909.00	12,180,918.00	10,743,026.00	9,662,796.00	6,709,574.30	8,620,002.37	6,099,615.96	7,040,250.26
Support Services:										
Tuition										
Student & instruction related services	27,444,890.96	27,536,828.75	4,626,742.00	4,909,765.00	7,624,751.00	6,627,005.00	18,200,914.90	20,219,131.52	17,896,513.88	16,954,930.43
General administrative	2,702,573.03	2,567,908.79	2,658,606.00	26,228,513.00	20,874,850.00	19,712,752.00	1,699,074.68	2,332,394.96	2,738,255.61	2,612,827.26
School administrative services	12,693,273.84	13,810,396.27	10,723,326.00	11,510,574.00	10,275,635.00	11,187,503.00	10,565,876.69	9,427,398.52	9,317,039.07	9,348,901.65
Central services	1,634,397.26	1,796,969.82	2,523,380.00	1,719,255.00	1,627,302.00	1,628,099.00	1,811,529.89	1,617,631.41	1,566,166.35	1,484,746.15
Administrative Information Technology	364,359.72	386,827.54	394,616.00	341,226.00	375,895.00	331,869.00	268,100.40	483,405.34	251,263.43	349,757.96
Plant operations and maintenance	12,863,710.90	13,281,951.42	19,323,703.00	18,929,556.00	17,596,127.00	18,003,330.00	17,275,841.56	18,843,112.56	11,708,336.92	12,829,552.10
Student transportation services	8,285,784.84	9,839,943.07	9,516,864.00	9,371,725.00	9,002,460.00	9,183,741.00	8,727,337.83	8,061,068.63	9,437,729.05	9,526,062.93
Transfer of Funds to Charter Schools	886,180.19	1,043,868.93	876,524.00	38,445.00	27,292.00	26,835.00	1,812,608.66	1,891,940.89	1,973,150.01	2,275,287.38
Interest on long-term debt	188,280,168.18	196,199,502.68	212,312,935.00	203,857,189.00	183,622,191.00	174,194,846.00	154,024,399.25	157,418,807.37	144,474,161.30	142,370,465.82
Total governmental activities expenses										
Business-type activities:										
Food Service	2,474,624.72	3,025,383.89	2,976,887.00	2,754,171.00	2,749,606.00	2,572,797.00	2,715,132.67	2,781,829.31	2,723,023.98	2,755,702.93
Before and After Care	238,825.64	51,316.55	3,000.00							
Total business-type activities expense	2,713,450.36	3,076,700.44	2,979,887.00	2,754,171.00	2,749,606.00	2,572,797.00	2,715,132.67	2,781,829.31	2,723,023.98	2,755,702.93
Total district expenses	190,993,618.54	199,276,203.12	215,292,822.00	206,611,360.00	186,371,797.00	176,767,743.00	156,739,530.92	160,200,636.68	147,197,185.28	145,126,168.75
Program Revenues										
Governmental activities:										
Operating grants and contributions	40,855,405.07	47,051,556.65	66,390,328.00	60,726,503.00	46,496,128.00	39,395,375.00	15,242,454.61	17,768,880.05	13,802,256.21	12,461,726.56
Charges for services:										
Regular instruction			182,072.00	115,599.00	111,689.00	116,408.00				
Student transportation			386,048.00	332,941.00	346,919.00	376,291.00				
Total governmental activities program revenues	40,855,405.07	47,051,556.65	66,958,448.00	61,175,043.00	46,954,735.00	39,888,074.00	15,242,454.61	17,768,880.05	13,802,256.21	12,461,726.56
Business-type activities:										
Charges for services:										
Food Service	1,673,018.42	2,394,794.07	2,516,002.00	2,336,499.00	2,297,912.00	2,195,219.00	2,249,837.08	2,167,181.10	2,200,164.99	2,240,979.51
Before and After Care	411,854.07	138,710.00	1,380.00							
Operating grants and contributions:										
Food service	803,713.80	731,138.53	626,306.00	641,824.00	665,466.00	619,433.00	585,377.19	590,440.75	576,163.30	599,435.58
Total business type activities program revenues	2,888,586.29	3,264,642.60	3,143,688.00	2,978,323.00	2,963,378.00	2,814,652.00	2,835,214.27	2,757,621.85	2,776,328.29	2,840,415.09
Total district program revenues	43,743,991.36	50,316,199.25	70,102,136.00	64,153,366.00	49,918,114.00	42,702,726.00	18,077,669.88	20,526,501.90	16,578,584.90	15,302,141.65
Net (Expense)/Revenue										
Governmental activities	(147,424,763.11)	(149,147,946.03)	(145,354,487.00)	(142,682,146.00)	(136,667,455.00)	(134,306,872.00)	(138,781,943.64)	(139,649,927.32)	(130,671,905.09)	(129,908,739.26)
Business-type activities	175,135.93	187,942.16	163,801.00	224,152.00	213,772.00	241,855.00	120,081.60	(24,207.46)	53,304.31	84,712.16
Total district-wide net expenses	(\$147,249,627.18)	(\$148,960,003.87)	(\$145,190,686.00)	(\$142,457,994.00)	(\$136,453,683.00)	(\$134,065,017.00)	(\$138,661,862.04)	(\$139,874,134.78)	(\$130,618,600.78)	(\$129,824,027.10)

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes levied for general purposes	\$143,938,489.00	\$140,482,449.00	\$134,459,028.00	\$129,859,985.00	\$127,373,133.00	\$124,875,621.00	\$122,590,785.00	\$120,346,649.00	\$119,155,099.00	\$117,979,825.00
Property taxes levied for debt service principal	5,505,373.42	5,496,897.00	5,400,044.00	5,299,201.00	5,380,855.00	5,436,412.00	5,366,434.00	5,466,479.91	5,146,576.00	5,586,329.00
Federal and State aid not restricted	10,360,063.78	10,029,422.39	2,899,424.00	2,871,325.00	2,896,603.00	2,850,599.00	9,468,124.25	9,249,214.77	9,390,145.61	6,888,481.23
Capital grants					20,119.00	147,746.00	16,518.60		162,576.80	346,650.00
Investment earnings	533,315.78	484,528.22	92,253.00	47,442.00	35,175.00	29,816.00	33,070.10	16,883.14	18,209.20	28,675.00
Miscellaneous income	1,413,682.38	1,372,921.30	1,119,561.00	770,666.00	846,853.00	1,244,209.00	1,439,555.72	1,297,785.22	1,215,035.19	2,030,949.57
Retirement of fixed assets	(152,328.62)									(1,433,689.32)
Canceled receivable	(1,592.38)									
Transfer in		300,000.00	535,708.00					15,914.28		
Total government activities	161,597,003.36	158,166,317.91	144,506,018.00	138,848,619.00	136,522,738.00	134,584,393.00	138,904,487.67	136,412,926.32	135,089,581.80	131,389,220.48
Business-type activities:										
Transfer out		(300,000.00)	(535,708.00)	(6,021.00)				(15,914.28)		
Other		(82,208.75)								
Investment earnings	20,999.81	26,813.18	3,939.00	1,376.00	1,367.00	944.00	528.17	157.54	233.33	280.90
Total business-type activities	20,999.81	(355,395.57)	(531,769.00)	(4,645.00)	1,367.00	944.00	528.17	(15,756.74)	233.33	280.90
Total district-wide general revenues	161,618,003.17	157,810,922.34	143,974,249.00	138,843,974.00	136,524,106.00	134,585,337.00	138,905,015.84	136,397,169.58	135,089,815.13	131,399,501.38
Change in Net Position										
Governmental activities	14,172,240.25	9,018,371.88	(848,669.00)	(3,833,527.00)	(144,718.00)	277,521.00	122,544.03	(3,237,001.00)	4,417,676.71	1,490,481.22
Business-type activities	196,135.74	(167,453.41)	(937,963.00)	219,507.00	215,139.00	242,739.00	120,609.77	(39,964.20)	53,537.64	84,993.06
Total district-wide change in net assets	\$14,368,375.99	\$8,850,918.47	(\$1,786,632.00)	(\$3,614,020.00)	\$10,425.00	\$520,260.00	\$243,153.80	(\$3,276,965.20)	\$4,471,214.35	\$1,575,474.28

Source: District records

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
UNAUDITED

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Tax levy	\$49,443,862.42	\$145,979,446.00	\$139,859,072.00	\$135,159,186.00	\$132,763,989.00	\$130,312,033.00	\$127,957,219.00	\$125,833,128.91	\$124,303,675.00	\$123,538,154.00
Other Local Government Units	283,365.00	227,044.00	319,813.00	289,755.00	291,042.00	317,134.00	330,584.70	325,638.00	324,437.00	332,140.80
Interest earned on capital reserve	171,520.10	120,221.29	1,000.00	4,546.00	7,972.00	12,081.00	15,437.06	534.54	585.10	1,740.34
Miscellaneous	1,266,885.90	1,282,294.08	1,546,875.00	1,022,645.00	1,084,557.00	1,525,908.00	1,159,415.20	1,091,054.04	984,233.14	1,884,932.50
State sources	38,242,730.34	36,622,672.32	32,609,293.00	29,235,685.00	26,856,124.00	24,744,865.00	22,385,932.32	24,013,626.65	20,291,947.84	16,599,947.27
Federal sources	2,899,561.67	2,478,140.87	2,362,240.00	2,406,773.00	2,530,715.00	2,617,607.00	2,288,394.00	2,941,330.63	2,977,559.93	2,977,728.45
Total revenue	19,170,925.43	186,709,818.56	176,718,293.00	166,118,590.00	163,634,399.00	159,529,328.00	154,146,942.28	154,205,312.77	148,691,836.01	145,294,636.36
Expenditures										
Instruction:										
Regular instruction	47,644,082.12	47,409,089.45	45,947,843.00	44,655,188.00	43,395,923.00	42,794,436.00	41,957,655.90	41,760,638.84	39,449,291.15	41,294,430.79
Special education instruction	16,436,473.81	15,763,132.53	17,016,772.00	16,615,348.00	16,168,382.00	15,487,774.00	15,186,829.14	14,850,922.45	13,827,514.73	13,874,513.53
Other instruction	6,880,350.68	6,685,162.80	6,743,453.00	4,998,945.00	6,643,629.00	6,245,548.00	5,991,578.66	5,689,885.99	5,187,428.41	4,862,355.56
Support Services:										
Tuition	4,195,034.74	4,002,712.23	4,324,766.00	4,506,301.00	4,576,844.00	4,626,585.00	4,741,149.36	4,404,226.04	4,404,226.04	4,134,170.06
Student & instruction related services	16,635,016.31	16,100,399.61	15,313,347.00	15,359,079.00	14,914,566.00	14,693,060.00	13,815,245.04	13,723,919.52	12,300,002.10	12,433,405.96
General administrative services	2,247,811.62	1,991,651.58	1,952,864.00	1,826,679.00	1,842,235.00	1,586,392.00	1,472,656.20	1,739,016.44	1,620,467.19	1,624,811.22
School administrative services	7,616,324.54	7,811,862.47	7,427,102.00	7,302,843.00	7,109,778.00	7,148,799.00	7,146,185.11	6,539,928.35	6,307,236.53	6,634,918.99
Central services	1,233,553.80	1,197,032.18	1,215,313.00	1,253,390.00	1,227,369.00	1,264,935.00	1,302,449.37	1,282,261.26	1,246,525.55	1,217,901.50
Administrative Information Technology	364,359.72	366,827.54	339,549.00	341,226.00	375,895.00	331,869.00	288,100.40	434,326.78	204,486.73	288,178.43
Plant operations and maintenance	10,920,689.92	11,266,724.74	11,398,519.00	11,416,187.00	10,866,895.00	11,237,092.00	10,899,503.15	9,723,445.85	9,335,127.41	10,423,176.87
Student transportation	7,561,540.91	9,135,059.94	8,590,767.00	8,390,691.00	8,192,971.00	8,293,917.00	7,916,397.17	7,501,432.10	7,444,375.74	7,472,374.14
Employee benefits	53,299,517.87	52,640,427.00	47,360,081.00	41,620,700.00	39,079,014.00	37,457,285.00	34,807,964.29	36,590,679.62	34,425,878.69	31,442,154.34
Charter school	17,843.00	11,853.00	11,931.00	38,445.00	27,292.00	26,835.00	37,996.00	37,996.00		11,367.00
Capital outlay	4,840,599.25	4,967,872.03	4,452,391.00	3,158,361.00	2,616,433.00	3,554,088.00	2,679,911.05	1,715,819.86	1,962,635.31	2,525,259.35
Debt service:										
Principal	4,795,000.00	4,640,000.00	4,405,000.00	4,275,000.00	4,155,000.00	3,735,000.00	3,590,921.05	3,530,921.05	3,360,921.05	3,250,921.05
Interest and other charges	710,373.42	856,997.00	995,044.00	1,114,501.00	1,236,512.00	1,554,205.00	1,866,689.47	1,946,596.75	3,181,880.38	2,307,408.40
Total expenditures	185,398,571.71	184,866,803.20	177,494,744.00	168,776,076.00	162,428,738.00	160,037,820.00	154,189,080.73	151,624,944.22	144,277,993.01	143,797,307.21
Excess (Deficiency) of revenues over (under) expenditures	6,309,353.72	1,843,015.36	(776,451.00)	(657,486.00)	1,205,661.00	(508,492.00)	(42,138.45)	2,560,388.55	4,613,843.00	1,497,329.15
Other Financing sources (uses)										
Capital leases (non-budgeted)	807,726.45	803,047.63	811,792.00	814,406.00	815,024.00	816,334.00	815,816.00	814,054.85	807,002.45	817,741.12
Transfers in	255,900.00	1,429,216.96	535,708.00				1,204,590.00	201,142.19	1,048,380.35	1,374,215.25
Transfers out	(255,900.00)	(1,129,216.96)					(1,204,590.00)	(185,227.91)	(1,048,380.35)	(1,374,215.25)
Accounts receivable canceled										
Original issue premium						16,795,000.00		5,940,000.00	17,165,000.00	
Bond issuance costs						72,394.00		837,577.35	2,282,258.65	
Deferred amount on refunding						(123,216.00)		(86,907.35)		
Serial bonds defeased						(689,155.00)		(689,670.00)		
Total other financing sources (uses)	806,134.07	1,103,047.63	1,347,500.00	814,406.00	815,024.00	(741,357.00)	815,816.00	(6,001,000.00)	(18,284,000.00)	817,741.12
Net change in fund balances	\$7,115,487.79	\$2,946,062.99	\$571,049.00	\$156,920.00	\$2,020,685.00	\$232,865.00	\$773,677.55	\$3,410,337.68	\$6,584,102.10	\$2,315,070.27
Debt service as a percentage of noncapital expenditures	3.05%	3.06%	3.12%	3.25%	3.37%	3.38%	3.60%	3.65%	4.61%	3.93%

Source: District records

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Tuition</u>	<u>Transportation</u>	<u>Athletic &</u> <u>Activity Fees</u>	<u>Rentals</u>	<u>Interest</u>	<u>Parking</u> <u>Permits</u>	<u>Miscellaneous</u>	<u>Total</u>
2020	\$28,925.28	\$45,331.46	\$198,999.81	\$211,438.65	\$190,275.58	\$45,650.00	\$468,178.28	\$1,188,799.06
2019	41,719.58	71,795.51	174,887.52	224,320.50	244,085.64	52,021.28	398,040.20	1,206,870.23
2018	182,072.00	66,235.00	194,158.00	137,709.00	91,253.00	56,526.00	731,168.00	1,459,121.00
2017	115,599.00	43,186.00	198,151.00	190,772.00	42,896.00	50,157.00	331,586.00	972,347.00
2016	111,689.00	55,877.00	190,555.00	312,981.00	27,203.00	50,509.00	292,808.00	1,041,622.00
2015	116,408.00	59,157.00	206,402.00	167,346.00	16,835.00	39,510.00	831,851.00	1,437,509.00
2014	191,059.97	49,451.13	211,847.38	72,502.41	17,633.04	48,000.00	535,454.85	1,125,948.78
2013	250,508.29	70,732.26	193,745.00	130,712.00	16,348.60	47,900.00	269,440.74	979,386.89
2012	152,669.84	30,364.75	287,514.00	117,021.25	17,624.10	46,400.00	242,070.14	893,664.08
2011	119,659.02	78,478.15	192,472.62	120,410.75	26,934.66	49,980.00	1,137,813.23	1,725,748.43

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY -
TOWNSHIP OF BRIDGEWATER
UNAUDITED

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2019	\$96,440,400.00	\$6,605,515,100.00	\$4,123,400.00	\$1,801,073,600.00	\$374,598,300.00	\$86,882,000.00	\$9,968,632,800.00	\$8,752,847.00	\$8,977,385,647.00	\$9,308,455,045.00	\$1,443
2018	92,795,000.00	6,501,646,800.00	5,730,700.00	1,728,219,500.00	371,739,400.00	78,397,000.00	8,778,528,400.00	8,296,409.00	8,786,824,809.00	9,271,201,010.00	1,433
2017	89,619,700.00	6,337,930,500.00	8,256,300.00	1,687,082,300.00	360,638,900.00	69,455,400.00	8,552,983,100.00	8,250,544.00	8,561,233,644.00	9,375,495,711.00	1,415
2016	86,877,900.00	6,295,354,200.00	6,122,700.00	1,685,984,300.00	351,511,000.00	69,455,400.00	8,495,305,500.00	8,205,698.00	8,503,511,198.00	9,018,777,192.00	1,390
2015	83,358,500.00	6,227,830,600.00	6,076,800.00	1,670,545,500.00	347,565,400.00	67,432,200.00	8,402,809,000.00	8,475,958.00	8,411,284,958.00	9,100,392,294.00	1,390
2014	86,915,900.00	5,941,045,400.00	5,790,500.00	1,664,998,000.00	346,979,600.00	65,336,400.00	8,111,065,800.00	8,288,494.00	8,119,354,294.00	8,943,415,123.00	1,410
2013	91,159,500.00	5,884,075,400.00	5,841,200.00	1,662,956,200.00	381,478,600.00	64,053,900.00	8,089,564,800.00	10,951,801.00	8,100,516,601.00	8,967,110,457.00	1,386
2012	92,712,000.00	6,109,885,500.00	6,529,700.00	1,708,500,700.00	457,868,100.00	51,571,400.00	8,427,067,400.00	10,720,405.00	8,437,787,805.00	9,420,503,024.00	1,324
2011	94,751,000.00	6,095,715,300.00	6,507,800.00	1,713,746,500.00	454,103,800.00	51,256,400.00	8,416,080,800.00	10,752,577.00	8,426,833,377.00	9,614,811,907.00	1,297
2010	104,974,600.00	6,278,722,100.00	6,669,500.00	1,824,068,900.00	417,412,900.00	52,336,300.00	8,684,184,300.00	12,662,084.00	8,696,846,384.00	10,261,263,548.00	1,222

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

(a): Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(b): Tax rates are per \$100

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY -
BOROUGH OF RARITAN
UNAUDITED

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2019	\$28,236,700.00	\$607,635,134.00		\$183,709,458.00	\$272,685,900.00	\$111,630,500.00	\$1,203,897,692.00	\$1,409,134.00	\$1,205,306,826.00	\$1,279,538,319.00	\$1.507
2018	14,573,200.00	610,200,484.00		185,126,743.00	274,034,100.00	109,362,300.00	1,193,296,827.00	1,436,933.00	1,194,733,760.00	1,314,917,205.00	1.427
2017	9,682,200.00	608,608,584.00		188,656,542.00	276,534,100.00	109,362,300.00	1,192,843,726.00	1,497,630.00	1,194,341,356.00	1,236,443,788.00	1.365
2016	9,492,900.00	608,399,984.00		193,732,711.00	276,534,100.00	96,911,100.00	1,185,070,795.00	1,480,475.00	1,186,551,270.00	1,237,391,888.00	1.322
2015	9,323,900.00	608,340,284.00		234,644,574.00	276,534,100.00	54,550,100.00	1,183,392,958.00	1,472,350.00	1,184,865,308.00	1,162,138,926.00	1.239
2014	9,323,900.00	608,738,384.00		237,683,074.00	276,534,100.00	25,670,300.00	1,157,949,758.00	1,407,412.00	1,159,357,170.00	1,101,081,472.00	1.259
2013	9,067,400.00	609,609,984.00		237,740,974.00	276,551,500.00	3,956,100.00	1,186,925,958.00	1,646,255.00	1,138,572,213.00	1,182,829,015.00	1.295
2012	11,711,500.00	611,088,984.00		237,925,357.00	276,551,500.00	1,898,600.00	1,139,175,941.00	1,727,289.00	1,140,903,230.00	1,230,801,908.00	1.293
2011	11,385,200.00	611,721,584.00		237,926,357.00	276,551,500.00	1,898,600.00	1,139,483,241.00	1,718,485.00	1,141,201,726.00	1,281,753,212.00	1.271
2010	11,579,600.00	611,784,284.00		237,416,923.00	276,551,500.00	1,898,600.00	1,139,230,907.00	1,718,485.00	1,140,949,392.00	1,355,529,443.00	1.271

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

(a): Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(b): Tax rates are per \$100

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
UNAUDITED

Fiscal Year Ended <u>Dec. 31.</u>	Township of Bridgewater			Overlapping Rates		Total Direct and Overlapping <u>Tax Rate</u>
	<u>Basic Rate (a)</u>	<u>General Obligation Debt Service</u>	<u>Total Direct School Tax Rate</u>	<u>Municipality</u>	<u>County</u>	
2019	1.389	0.054	1.443	0.240	0.413	2.096
2018	1.378	0.055	1.433	0.247	0.411	2.091
2017	1.360	0.055	1.415	0.253	0.425	2.093
2016	1.334	0.056	1.390	0.255	0.417	2.062
2015	1.333	0.057	1.390	0.253	0.418	2.061
2014	1.351	0.059	1.410	0.262	0.421	2.093
2013	1.325	0.061	1.386	0.258	0.407	2.051
2012	1.269	0.055	1.324	0.247	0.396	1.967
2011	1.242	0.055	1.297	0.240	0.389	1.926
2010	1.165	0.057	1.222	0.223	0.400	1.845

Source: District Records and Municipal Tax Collector
(Rates are per \$100 of assessed value)

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
UNAUDITED

Fiscal Year Ended <u>Dec. 31.</u>	<u>Borough of Raritan</u>			<u>Overlapping Rates</u>		<u>Total Direct and Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service (b)</u>	<u>Total Direct School Tax Rate</u>	<u>Municipality</u>	<u>County</u>	
2019	1.451	0.056	1.507	0.652	0.391	2.550
2018	1.372	0.055	1.427	0.651	0.373	2.451
2017	1.312	0.053	1.365	0.651	0.370	2.386
2016	1.269	0.053	1.322	0.650	0.398	2.370
2015	1.188	0.051	1.239	0.649	0.353	2.241
2014	1.206	0.053	1.259	0.649	0.340	2.248
2013	1.239	0.056	1.295	0.647	0.353	2.295
2012	1.239	0.054	1.293	0.640	0.354	2.287
2011	1.214	0.057	1.271	0.641	0.359	2.271
2010	1.212	0.059	1.271	0.621	0.356	2.248

Source: District Records and Municipal Tax Collector
(Rates are per \$100 of assessed value)

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR
TOWNSHIP OF BRIDGEWATER
UNAUDITED

<u>Taxpayer</u>	2019		
	<u>Taxable Assessed Value</u>	<u>Rank [Optional]</u>	<u>% of Total District Net Assessed Value</u>
Bridgewater Commons Mall	\$212,309,204.00	1	2.36%
SCC Building c/o SJP Properties	156,000,000.00	2	1.74%
COE Bridgewater LLC	137,912,200.00	3	1.54%
ARC HR5XNFI001	101,969,600.00	4	1.14%
Chimney Rock Crossing	92,543,500.00	5	1.03%
Piedmont - Brwtr c/o Ryan LLC	76,400,000.00	6	0.85%
Bridgewater ODC, LLC Goldman Sachs	66,000,000.00	7	0.74%
724 Rte 202 Assoc. % Steiner Group	59,541,000.00	8	0.66%
WIMCORE Portfolio Owner	56,285,000.00	9	0.63%
CNL BWT HTL % CNL Hosp	50,304,600.00	10	0.56%
Total	<u>\$1,009,265,104.00</u>		<u>11.24%</u>

<u>Taxpayer</u>	2010		
	<u>Taxable Assessed Value</u>	<u>Rank [Optional]</u>	<u>% of Total District Net Assessed Value</u>
Taxpayer #1	\$202,450,000.00	1	2.33%
Taxpayer #2	140,800,000.00	2	1.62%
Taxpayer #3	106,200,000.00	3	1.22%
Taxpayer #4	80,000,000.00	4	0.92%
Taxpayer #5	65,500,000.00	5	0.75%
Taxpayer #6	57,500,000.00	6	0.66%
Taxpayer #7	52,250,000.00	7	0.60%
Taxpayer #8	49,600,000.00	8	0.57%
Taxpayer #9	49,600,000.00	9	0.57%
Taxpayer #10	44,880,000.00	10	0.52%
Total	<u>\$848,780,000.00</u>		<u>9.76%</u>

Source: Municipal Tax Assessor

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR
BOROUGH OF RARITAN
UNAUDITED

<u>Taxpayer</u>	2019		
	<u>Taxable Assessed Value</u>	<u>Rank [Optional]</u>	<u>% of Total District Net Assessed Value</u>
Ortho Pharmaceutical Corp.	\$212,496,000.00	1	17.63%
Bridge Walk, LLC	\$56,000,000.00	2	4.65%
Ortho Diagnostic Systems Inc.	52,298,000.00	3	4.34%
CL River Park L.P.	50,696,600.00	4	4.21%
Johnson & Johnson	45,506,000.00	5	3.78%
Laboratory Corp of America	16,664,300.00	6	1.38%
Levin Management Corporation	14,977,000.00	7	1.24%
Raritan Borough	14,107,113.00	8	1.17%
Raritan Center SPE Owner LLC	13,000,000.00	9	1.08%
Raritan Johnson Associates, LLC	11,569,000.00	10	0.96%
Total	<u>\$487,314,013.00</u>		<u>40.43%</u>

<u>Taxpayer</u>	2010		
	<u>Taxable Assessed Value</u>	<u>Rank [Optional]</u>	<u>% of Total District Net Assessed Value</u>
Taxpayer #1	\$200,145,000.00	1	17.54%
Taxpayer #2	54,798,000.00	2	4.80%
Taxpayer #3	45,506,000.00	3	3.99%
Taxpayer #4	41,625,900.00	4	3.65%
Taxpayer #5	19,895,000.00	5	1.74%
Taxpayer #6	14,977,000.00	6	1.31%
Taxpayer #7	1,728,800.00	7	0.15%
Taxpayer #8	12,351,000.00	8	1.08%
Taxpayer #9	9,569,000.00	9	0.84%
Taxpayer #10	8,623,000.00	10	0.76%
Total	<u>\$409,218,700.00</u>		<u>35.11%</u>

Source: Municipal Tax Assessor

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
TOWNSHIP OF BRIDGEWATER
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (a)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2020	\$126,059,679.00	\$126,059,679.00	100.00%	
2019	123,803,332.28	123,803,332.28	100.00%	
2018	123,563,476.00	123,563,476.00	100.00%	
2017	118,852,427.00	118,852,427.00	100.00%	
2016	117,729,667.00	117,729,667.00	100.00%	
2015	116,027,179.00	111,394,400.00	96.01%	\$4,632,779.00
2014	113,045,651.17	113,045,651.17	100.00%	
2013	111,300,325.28	111,300,325.28	100.00%	
2012	109,681,944.84	109,681,944.84	100.00%	
2011	109,277,842.77	109,277,842.77	100.00%	

Source: District records including the Certificate and Report of School Taxes (A4F form)

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in is the amount voted upon or certified prior to the end of the school year.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BOROUGH OF RARITAN
UNAUDITED

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (a)</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2020	\$17,878,810.00	\$17,878,810.00	100.00%	
2019	17,102,116.72	17,102,116.72	100.00%	
2018	16,295,596.00	16,295,596.00	100.00%	
2017	16,306,759.00	16,306,759.00	100.00%	
2016	15,034,322.00	15,034,322.00	100.00%	
2015	14,284,854.00	13,144,111.00	92.01%	\$1,140,743.00
2014	14,911,567.73	14,911,567.73	100.00%	
2013	14,532,803.63	14,532,803.63	100.00%	
2012	14,621,730.16	14,621,730.16	100.00%	
2011	14,415,304.16	14,415,304.16	100.00%	

Source: District records including the Certificate and Report of School Taxes (A4F form)

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in is the amount voted upon or certified prior to the end of the school year.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
TOWNSHIP OF BRIDGEWATER
UNAUDITED

Fiscal Year Ended June 30.	Governmental Activities				Total District	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Loans	Capital Leases				
2020	\$17,070,000.00		\$807,726.45		\$17,877,726.45	0.58%	\$406.61
2019	21,865,000.00		803,047.63		22,668,047.63	0.47%	510.52
2018	26,505,000.00		808,245.00		27,313,245.00	0.36%	611.57
2017	30,910,000.00		811,067.00		31,721,067.00	0.29%	711.41
2016	35,185,000.00		812,125.00		35,997,125.00	0.25%	804.89
2015	39,340,000.00		813,261.00		40,153,261.00	0.21%	893.90
2014	42,400,000.00		812,153.66		43,212,153.66	0.18%	960.21
2013	45,975,000.00	\$5,921.05	808,282.01		46,789,203.06	0.16%	1,038.81
2012	49,561,000.00	11,842.10	800,193.29		50,373,035.39	0.14%	1,125.25
2011	54,055,000.00	17,763.15	796,394.86		54,869,158.01	0.13%	1,233.76

Source: District CAFR Schedules I-1, I-2

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

(a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
BOROUGH OF RARITAN
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	Governmental Activities				Total <u>District</u>	Percentage of Personal <u>Income (a)</u>	<u>Per Capita (a)</u>
	General Obligation <u>Bonds (b)</u>	<u>Loans</u>	<u>Capital Leases</u>				
2020	\$17,070,000.00		\$807,726.45		\$17,877,726.45	0.58%	\$2,302.35
2019	21,865,000.00		803,047.63		22,668,047.63	0.47%	\$2,888.02
2018	26,505,000.00		808,245.00		27,313,245.00	0.36%	3,467.03
2017	30,910,000.00		811,067.00		31,721,067.00	0.29%	4,016.34
2016	35,185,000.00		812,125.00		35,997,125.00	0.25%	4,546.81
2015	39,340,000.00		813,261.00		40,153,261.00	0.21%	5,402.75
2014	42,400,000.00		812,153.66		43,212,153.66	0.18%	5,987.55
2013	45,975,000.00	\$5,921.05	808,282.01		46,789,203.06	0.16%	6,775.15
2012	49,561,000.00	11,842.10	800,193.29		50,373,035.39	0.14%	7,293.04
2011	54,055,000.00	17,763.15	796,394.86		54,869,158.01	0.13%	7,961.28

Source: District CAFR Schedules I-1, I-2

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

(a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(b) Includes Early Retirement Incentive Plan (ERIP) refunding

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
TOWNSHIP OF BRIDGEWATER
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds	Deductions			
2020	\$17,070,000.00		\$17,070,000.00	0.19%	\$388.24
2019	21,865,000.00		21,865,000.00	0.25%	492.43
2018	26,505,000.00		26,505,000.00	0.31%	593.47
2017	30,910,000.00		30,910,000.00	0.36%	693.22
2016	35,185,000.00		35,185,000.00	0.42%	786.73
2015	39,340,000.00		39,340,000.00	0.48%	875.80
2014	42,400,000.00		42,400,000.00	0.52%	942.16
2013	45,975,000.00		45,975,000.00	0.54%	1,020.74
2012	49,561,000.00		49,561,000.00	0.59%	1,107.11
2011	54,055,000.00		54,055,000.00	0.62%	1,215.46

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

(a) See Exhibit NJ J-6 for property tax data.

(b) Population data can be found in Exhibit NJ J-14.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
BOROUGH OF RARITAN
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	<u>General Bonded Debt Outstanding</u>		Net General Bonded Debt <u>Outstanding</u>	Percentage of Actual Taxable Value (a) of <u>Property</u>	<u>Per Capita (b)</u>
	<u>General Obligation Bonds</u>	<u>Deductions</u>			
2020	\$17,070,000.00		\$17,070,000.00	1.42%	\$2,198.33
2019	21,865,000.00		21,865,000.00	1.83%	2,785.71
2018	26,505,000.00		26,505,000.00	2.22%	3,364.43
2017	30,910,000.00		30,910,000.00	2.61%	3,913.65
2016	35,185,000.00		35,185,000.00	2.97%	4,444.23
2015	39,340,000.00		39,340,000.00	3.39%	5,293.33
2014	42,400,000.00		42,400,000.00	3.72%	5,875.02
2013	45,975,000.00		45,975,000.00	4.03%	6,657.25
2012	49,561,000.00		49,561,000.00	4.34%	7,175.47
2011	54,055,000.00		54,055,000.00	4.74%	7,843.15

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

(a) See Exhibit NJ J-6 for property tax data.

(b) Population data can be found in Exhibit NJ J-14.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019
UNAUDITED

	<u>Bridgewater Township</u>	<u>Raritan Borough</u>
Net Direct Debt of School District as of December 31, 2019	\$16,579,338.50	\$2,280,661.50
Net Overlapping Debt of School District:		
Municipal	71,493,979.89	9,088,230.09
County of Somerset	35,313,119.16	4,741,544.65
Total direct and overlapping debt as of December 31, 2019	<u><u>\$123,386,437.55</u></u>	<u><u>\$16,110,436.24</u></u>

Source: Annual Debt Statements, Somerset County Comptrollers Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district. 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 governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
TOWNSHIP OF BRIDGEWATER
UNAUDITED

Legal Debt Margin Calculation for Calendar Year 2019:

Equalized Valuation Basis

Calendar Year	2019	2018	2017
	\$9,299,702,198.00	9,607,627,408.00	9,164,237,758.00
	<u>28,071,567,364.00</u>		
	9,357,189,121.33	374,287,564.85	16,579,338.50
		<u>\$357,708,226.35</u>	

Average Equalized Valuation of Taxable Property
Debt Limit (4% of average equalization value)
Total Net Debt Applicable to Limit
Legal Debt Margin

	Calendar Year Ending December 31.									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$374,287,564.85	\$375,188,735.72	\$367,224,386.87	\$366,262,600.76	\$360,469,711.55	\$359,750,895.65	\$363,986,184.28	\$372,910,537.63	\$390,168,084.93	\$391,073,840.79
Total Net Debt Applicable To Limit	16,579,338.50	20,762,597.69	24,744,990.66	28,674,151.24	32,103,504.75	35,572,786.80	38,535,780.76	41,650,283.76	47,203,289.78	49,938,259.91
Legal Debt Margin	<u>\$357,708,226.35</u>	<u>\$354,426,138.03</u>	<u>\$342,479,396.21</u>	<u>\$337,588,449.52</u>	<u>\$328,366,206.80</u>	<u>\$324,178,108.85</u>	<u>\$325,450,403.52</u>	<u>\$331,260,253.87</u>	<u>\$342,954,795.15</u>	<u>\$341,135,580.88</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	4.43%	5.53%	6.74%	7.83%	8.91%	9.89%	10.59%	11.17%	12.10%	12.77%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department Treasury, Division of Taxation.
(a) Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
BOROUGH OF RARITAN
UNAUDITED

Legal Debt Margin Calculation for Calendar Year 2019:

Equalized Valuation Basis

Calendar Year	
2019	\$1,278,129,185.00
2018	1,313,480,272.00
2017	1,269,928,380.00
	<u>3,861,537,837.00</u>
	1,287,179,279.00
	51,487,171.16
	<u>2,817,402.31</u>
	<u>\$48,669,768.85</u>

Average Equalized Valuation of Taxable Property
Debt Limit (4% (a) of average equalization value)
Total Net Debt Applicable to Limit
Legal Debt Margin

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$51,487,171.16	\$50,911,626.20	\$49,877,483.08	\$48,421,524.87	\$46,614,483.59	\$45,885,258.35	\$49,250,429.76	\$51,658,423.23	\$51,531,020.64	\$52,913,023.11
Total Net Debt Applicable To Limit	<u>2,817,402.31</u>	<u>2,817,402.31</u>	<u>3,365,009.34</u>	<u>3,790,848.76</u>	<u>4,151,495.25</u>	<u>4,537,213.20</u>	<u>5,214,219.74</u>	<u>5,769,716.24</u>	<u>6,231,710.22</u>	<u>6,756,740.09</u>
Legal Debt Margin	<u>\$48,669,768.85</u>	<u>\$48,094,223.89</u>	<u>\$46,512,473.74</u>	<u>\$44,630,676.11</u>	<u>\$42,462,988.34</u>	<u>\$41,348,045.15</u>	<u>\$44,036,210.02</u>	<u>\$45,888,706.99</u>	<u>\$45,299,310.42</u>	<u>\$46,156,283.02</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	5.47%	5.53%	6.75%	7.83%	8.91%	9.89%	10.59%	11.17%	12.09%	12.77%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department Treasury, Division of Taxation.
(a) Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
TOWNSHIP OF BRIDGEWATER
UNAUDITED

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2019	43,968	N/A	N/A	2.80%
2018	44,402	\$4,715,225,988.00	\$106,194.00	3.20%
2017	44,661	4,445,243,313.00	99,533.00	3.60%
2016	44,589	4,113,246,072.00	92,248.00	3.60%
2015	44,723	3,951,277,050.00	88,350.00	3.80%
2014	44,919	3,747,726,927.00	83,433.00	4.10%
2013	45,003	3,531,025,386.00	78,462.00	4.90%
2012	45,041	3,385,777,011.00	75,171.00	5.50%
2011	44,766	3,198,530,700.00	71,450.00	6.90%
2010	44,473	3,079,088,155.00	69,235.00	6.50%

Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by municipality was computed using Census Bureau midyear population estimates.
 Estimates for 2010-2019 reflect county population.
- (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
BOROUGH OF RARITAN
UNAUDITED

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2019	7,765	N/A	N/A	3.20%
2018	7,849	\$833,516,706.00	\$106,194.00	3.40%
2017	7,878	784,120,974.00	99,533.00	3.80%
2016	7,898	728,574,704.00	92,248.00	4.40%
2015	7,917	699,466,950.00	88,350.00	4.20%
2014	7,432	620,074,056.00	83,433.00	5.20%
2013	7,217	566,260,254.00	78,462.00	5.60%
2012	6,906	519,130,926.00	75,171.00	10.60%
2011	6,907	493,505,150.00	71,450.00	10.20%
2010	6,892	477,167,620.00	69,235.00	10.30%

Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by municipality was computed using Census Bureau midyear population estimates.
 Estimates for 2010-2019 reflect county population.
- (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

N/A -Not Available

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 UNAUDITED

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction:										
Regular	589	607	622	625	615	613	662	624	593	597
Special education	272	275	285	257	261	262	205	249	241	266
Support Services:										
Student & instruction related services	220	156	177	177	141	166	166	163	170	156
General administrative services	6	6	6	5	5	5	5	5	5	5
School administrative services	79	81	81	82	82	82	78	76	78	78
Central services	15	14	16	17	17	17	21	17	17	17
Plant operations and maintenance	25	24	24	24	25	45	38	45	30	30
Pupil transportation	28	27	28	28	27	27	27	27	28	28
Total	1,234	1,190	1,239	1,215	1,173	1,217	1,202	1,206	1,162	1,177

Source: District Personnel Records

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	% Change	Teaching Staff (b)	Pupil/Teacher Ratio			Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2020	8,420	\$175,054,182.22	\$20,790.28	0.73%	861	N/A	N/A	N/A	8,495.4	8,115.2	-0.15%	95.52%
2019	8,450	174,401,734.17	20,639.26	4.76%	882	N/A	N/A	N/A	8,508.1	8,143.8	-0.30%	95.72%
2018	8,509	167,642,309.00	19,701.76	5.41%	907	N/A	N/A	N/A	8,534.0	8,188.0	-0.45%	95.95%
2017	8,573	160,228,214.00	18,689.87	3.53%	882	N/A	N/A	N/A	8,573.0	8,224.0	0.35%	95.93%
2016	8,554	154,420,793.00	18,052.47	2.32%	876	N/A	N/A	N/A	8,543.0	8,216.0	1.09%	96.17%
2015	8,570	151,194,527.00	17,642.30	5.70%	875	N/A	N/A	N/A	8,451.0	8,158.0	-0.39%	96.53%
2014	8,642	146,061,559.16	16,901.36	1.77%	867	N/A	N/A	N/A	8,527.4	8,210.2	-1.06%	96.28%
2013	8,697	144,431,606.56	16,607.06	7.90%	873	N/A	N/A	N/A	8,619.1	8,279.9	-0.99%	96.06%
2012	8,827	135,857,751.27	15,391.16	1.54%	834	9.8/1	9.9/1	11/1	8,705.6	8,362.3	-1.67%	96.06%
2011	8,953	135,713,718.41	15,158.46	-2.34%	863	9.8/1	10.1/1	11.1/1	8,853.8	8,501.1	-2.62%	96.02%

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).

(c) Obtained from school report card.

N/A - not available

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District Buildings										
Elementary Schools:										
Adamsville (1953)	69,996	69,996	69,996	69,996	69,996	69,996	69,996	69,996	69,996	69,996
Square Feet	501,111	501,111	501,111	501,111	501,111	501,111	501,111	501,111	501,111	501,111
Capacity (students)	515	517	569	548	550	538	537	505	603	572
Enrollment										
Bradley Gardens (1955)	47,150	47,150	47,150	47,150	47,150	47,150	47,150	47,150	47,150	47,150
Square Feet	340,080	340,080	340,080	340,080	340,080	340,080	340,080	340,080	340,080	340,080
Capacity (students)	281	289	294	259	270	291	293	283	295	326
Enrollment*										
Crim (1968)	47,140	47,140	47,140	47,140	47,140	47,140	47,140	47,140	47,140	47,140
Square Feet	340,180	340,180	340,180	340,180	340,180	340,180	340,180	340,180	340,180	340,180
Capacity (students)	429	409	384	359	328	344	356	409	402	421
Enrollment										
Eisenhower (1967)	92,850	92,850	92,850	92,850	92,850	92,850	92,850	92,850	92,850	92,850
Square Feet	652,840	652,840	652,840	652,840	652,840	652,840	652,840	652,840	652,840	652,840
Capacity (students)	747	759	771	728	746	773	766	811	885	890
Enrollment										
Hamilton (1965)	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000
Square Feet	369,570	369,570	369,570	369,570	369,570	369,570	369,570	369,570	369,570	369,570
Capacity (students)	511	516	505	491	467	475	499	470	395	410
Enrollment										
Hillside (1961)	73,070	73,070	73,070	73,070	73,070	73,070	73,070	73,070	73,070	73,070
Square Feet	515,390	515,390	515,390	515,390	515,390	515,390	515,390	515,390	515,390	515,390
Capacity (students)	607	588	574	578	562	578	598	599	588	576
Enrollment										
John F. Kennedy (1963)	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500
Square Feet	320,470	320,470	320,470	320,470	320,470	320,470	320,470	320,470	320,470	320,470
Capacity (students)	418	436	396	423	434	427	412	414	407	444
Enrollment										
Milltown (2006)	52,832	52,832	52,832	52,832	52,832	52,832	52,832	52,832	52,832	52,832
Square Feet	497,760	497,760	497,760	497,760	497,760	497,760	497,760	497,760	497,760	497,760
Capacity (students)	416	426	429	432	478	430	433	460	501	519
Enrollment										
Van Holten (1963)	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200	45,200
Square Feet	320,500	320,500	320,500	320,500	320,500	320,500	320,500	320,500	320,500	320,500
Capacity (students)	371	375	419	436	414	397	440	431	421	431
Enrollment										
Middle School (1966)	240,120	240,120	240,120	240,120	240,120	240,120	240,120	240,120	240,120	240,120
Square Feet	1,304,100	1,304,100	1,304,100	1,304,100	1,304,100	1,304,100	1,304,100	1,304,100	1,304,100	1,304,100
Capacity (students)	1,405	1,362	1,345	1,376	1,377	1,409	1,474	1,484	1,423	1,450
Enrollment										
Bridgewater-Raritan High School (1964)	331,390	331,390	331,390	331,390	331,390	331,390	331,390	331,390	331,390	331,390
Square Feet	1,603,670	1,603,670	1,603,670	1,603,670	1,603,670	1,603,670	1,603,670	1,603,670	1,603,670	1,603,670
Capacity (students)	2,684	2,826	2,806	2,855	2,793	2,777	2,834	2,831	2,907	2,914
Enrollment										
Other										
Maintenance/Transportation Building	11,120	11,120	11,120	11,120	11,120	11,120	11,120	11,120	11,120	11,120
Square Feet										
Central Administration (1959)	31,120	31,120	31,120	31,120	31,120	31,120	31,120	31,120	31,120	31,120
Square Feet										
Number of Schools at June 30, 2020										
Elementary School = 7										
Intermediate School = 2										
Middle School = 1										
High School = 1										
Other = 2										

Source: District records

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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

School Facilities * Project #(s)	Total	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Adamsville	\$734,043.00	\$83,011.00	\$124,273.00	\$86,901.00	\$86,204.00	\$76,837.00	\$136,310.00	\$75,231.00	\$94,535.00	\$107,414.00	\$70,611.00
Bradley Gardens	566,304.00	80,331.00	64,571.00	69,114.00	71,494.00	82,378.00	76,963.00	70,822.00	58,981.00	72,402.00	64,150.00
Chim	530,135.00	77,948.00	73,864.00	82,004.00	79,508.00	56,650.00	67,424.00	60,890.00	49,867.00	69,606.00	64,286.00
Eisenhower	1,230,724.00	161,798.00	161,814.00	159,537.00	162,168.00	138,210.00	141,184.00	144,500.00	150,823.00	155,785.00	178,517.00
Hamilton	568,833.00	78,870.00	63,234.00	65,998.00	77,846.00	77,831.00	56,982.00	90,887.00	73,682.00	65,517.00	60,090.00
Hillside	1,004,837.00	161,218.00	130,352.00	137,842.00	133,747.00	117,693.00	114,373.00	116,244.00	151,304.00	116,924.00	116,710.00
John F. Kennedy	570,828.00	85,389.00	59,700.00	66,872.00	72,203.00	58,698.00	63,404.00	78,913.00	77,058.00	87,454.00	66,226.00
Milltown	660,309.00	76,057.00	109,296.00	86,418.00	87,892.00	66,354.00	75,384.00	79,769.00	122,796.00	73,690.00	68,006.00
Van Hollen	514,986.00	64,058.00	61,276.00	62,485.00	81,980.00	64,178.00	57,447.00	71,460.00	64,944.00	61,130.00	51,382.00
Bridgewater-Raritan Middle School	2,485,744.00	341,783.00	315,527.00	345,752.00	374,294.00	312,544.00	305,085.00	298,761.00	253,135.00	288,390.00	306,783.00
Bridgewater-Raritan High School	4,105,970.00	567,452.00	486,199.00	451,476.00	634,208.00	464,906.00	545,181.00	572,005.00	462,622.00	516,083.00	459,489.00
Central Administration, Maintenance/Transportation	320,886.00	19,955.00	43,206.00	42,569.00	45,846.00	42,182.00	38,877.00	32,294.00	38,104.00	40,577.00	40,227.00
District Total	\$13,293,399.00	\$1,797,870.00	\$1,693,312.00	\$1,656,968.00	\$1,907,390.00	\$1,558,671.00	\$1,678,614.00	\$1,692,776.00	\$1,597,551.00	\$1,654,962.00	\$1,546,467.00

* - 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

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2020
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
New Jersey School Insurance Group:		
School Package Policy:		
Real and Personal Property	\$500,000,000.00	\$5,000.00
Extra Expense	50,000,000.00	5,000.00
Valuable Papers	10,000,000.00	5,000.00
General Liability	11,000,000.00	per occurrence
Automobile Liability	11,000,000.00	
EDP	2,000,000.00	1,000.00
Equipment Breakdown	100,000,000.00	5,000.00
Crime and Bonds:		
Faithful Performance Blanket Bond	250,000.00	1,000.00
Forgery and Alteration	100,000.00	1,000.00
Money and Securities	100,000.00	1,000.00
Money Orders/Counterfeit	25,000.00	500.00
Computer Fraud	50,000.00	500.00
Error and Omissions:	10,000,000.00	10,000.00
Workers' Compensation:		
Employer's Liability	Statutory 3,000,000.00	
Public Officials Bond Limit:		
Board Secretary/ School Business Administrator	575,000.00	500.00
Treasurer of School Monies	575,000.00	1,000.00

Source: District Records

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300 Fax 908-789-8535

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

Honorable President and Members
of the Board of Education
Bridgewater-Raritan Regional School District
836 Newmans Lane
Bridgewater, New Jersey 08807

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bridgewater-Raritan Regional School District, in the County of Somerset, State of New Jersey (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's control over financial reporting (internal control) as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bridgewater-Raritan 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 District'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.

SUPLEE, CLOONEY & COMPANY

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 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 financial statements. 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*.

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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 21, 2020



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAMS 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
Bridgewater-Raritan Regional School District
836 Newmans Lane
Bridgewater, New Jersey 08807

Report on Compliance for Each Major Federal and State Program

We have audited the Bridgewater-Raritan Regional School District's compliance with the types of compliance requirements described in the federal *OMB Compliance Supplement* and the New Jersey *OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Bridgewater-Raritan Regional School District's major federal and state programs for the year ended June 30, 2020. The 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 the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Bridgewater-Raritan 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; and 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 15-08*. Those standards, the *Uniform Guidance* and New Jersey *OMB 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 Bridgewater-Raritan Regional 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 Bridgewater-Raritan Regional School District's compliance

SUPLEE, CLOONEY & COMPANY

Opinion on Each Major Federal and State Program

In our opinion, the Bridgewater-Raritan 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, 2020.

Report on Internal Control Over Compliance

Management of the Bridgewater-Raritan 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 Bridgewater-Raritan Regional School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the *Uniform Guidance* and New Jersey *OMB 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 Bridgewater-Raritan Regional 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 and 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 State of New Jersey *OMB 15-08*. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

December 21, 2020

BRIDGEWATER-RARITAN REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAN NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2020	ADJUSTMENT	RECEIPTS	BUDGETARY EXPENDITURES	SUBRECIPIENT BUDGETARY EXPENDITURES	BALANCE AT JUNE 30, 2020	
											(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE
General Fund												
U.S. Department of Health and Human Services Medicaid Assistance Program (SEMI)	93.778	1905NJ5MAP	N/A	7/1/18 - 6/30/19	\$135,170.14	(\$2,760.69)	\$1,592.38	\$1,168.31				
Medicaid Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	7/1/19 - 6/30/20	96,141.45			96,141.45	(\$96,141.45)			
Medicaid Assistance Program (MAC)	93.778	2005NJ5MAP	N/A	7/1/19 - 6/30/20	15,790.33			15,790.33	(15,790.33)			
Total General Fund						(2,760.69)	1,592.38	113,100.09	(111,931.78)			
Enterprise Funds												
U.S. Department of Agriculture Passed-Through State Department of Education:												
Child Nutrition Cluster:												
National School Lunch Program - Commodities	10.555	191NJ304N1099	N/A	7/1/18 - 6/30/19	173,381.69	15,589.03			(15,589.03)			
National School Lunch Program - Commodities	10.555	201NJ304N1099	N/A	7/1/19 - 6/30/20	147,337.81			147,337.81	(128,051.99)		\$19,285.82	
National School Lunch Program	10.555	191NJ304N1099	N/A	7/1/18 - 6/30/19	508,391.72	(36,188.18)		36,188.18				
National School Lunch Program	10.555	201NJ304N1099	N/A	7/1/19 - 6/30/20	382,621.60			382,621.60	(382,621.60)			
National School Lunch Program - COVID-19	10.555	201NJ304N1099	N/A	7/1/19 - 6/30/20	144,183.36			102,489.48	(144,183.36)			
National School Breakfast Program	10.553	191NJ304N1099	N/A	7/1/18 - 6/30/19	15,191.49	(1,284.30)		1,284.30				
National School Breakfast Program	10.553	201NJ304N1099	N/A	7/1/19 - 6/30/20	26,180.95			26,180.95	(26,180.95)			
National School Breakfast Program - COVID-19	10.553	201NJ304N1099	N/A	7/1/19 - 6/30/20	78,791.24			55,995.68	(78,791.24)			
Total Child Nutrition Cluster						(21,883.45)		752,099.00	(775,418.17)			19,285.82
Total Enterprise Fund						(21,883.45)		752,099.00	(775,418.17)			19,285.82
Special Revenue Funds												
U.S. Department of Education Passed-Through State Department of Education:												
E.S.E.A.:												
Title I	84.010	S010A180030	NCLB055519	7/1/18 - 6/30/19	261,178.00	(102,767.55)		102,767.55				
Title I	84.010	S010A190030	NCLB055520	7/1/19 - 9/30/20	240,164.00			174,862.00			(65,302.00)	
Title II-Part A	84.367	S367A180029	NCLB055519	7/1/18 - 6/30/19	123,885.00	(69,985.70)		69,985.70	(240,164.00)			
Title II-Part A	84.367	S367A190029	NCLB055520	7/1/19 - 9/30/20	115,999.00			76,071.00			(38,232.00)	
Title III	84.365	S365A180030	NCLB055519	7/1/18 - 6/30/19	52,624.00	(21,761.17)		21,761.17	(114,303.00)			
Title III	84.365	S365A190030	NCLB055520	7/1/19 - 9/30/20	45,578.00			25,938.00	(26,743.00)		(805.00)	
Title IV	84.424	S424A180031	NCLB055519	7/1/18 - 6/30/19	24,821.00	(21,757.65)		21,757.65				
Title IV	84.424	S424A190031	NCLB055520	7/1/19 - 9/30/20	17,473.00			8,150.00	(8,150.00)			
Total E.S.E.A.						(113,504.52)		398,525.52	(389,360.00)			(104,339.00)
I.D.E.A. Part B Special Education Cluster:												
I.D.E.A. Part B, Basic	84.027	H027A180100	IDEA055519	7/1/18 - 6/30/19	1,852,763.00	(664,739.00)		664,739.00				
I.D.E.A. Part B, Basic	84.027	H027A190100	IDEA055520	7/1/19 - 9/30/20	1,832,397.00			1,399,624.00	(1,724,719.00)			(324,895.00)
I.D.E.A. Part B-PreSchool	84.173	H173A180114	IDEA055519	7/1/18 - 6/30/19	63,898.00	(33,428.00)		33,428.00				
I.D.E.A. Part B-PreSchool	84.173	H173A190114	IDEA055520	7/1/19 - 9/30/20	63,275.00			43,730.00	(63,275.00)			(19,545.00)
Total Special Education Cluster						(698,167.00)		2,141,221.00	(1,787,994.00)			(344,440.00)
Total Special Revenue Fund						(81,167.52)		2,540,246.52	(2,177,354.00)			(448,779.00)
Total Expenditures of Federal Awards						(\$836,315.66)	\$1,592.38	\$3,405,445.61	(\$3,064,703.95)	\$-0-		\$19,285.82

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

BRIDGEWATER-PARTIAN REGIONAL SCHOOL DISTRICT
STATE FINANCIAL ASSISTANCE
SCHEDULE OF EXPENDITURES OF FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2019		RECEIPTS	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS BALANCES	BALANCE AT JUNE 30, 2020		MEMO CUMULATIVE TOTAL EXPENDITURES
				UNEARNED REVENUE (ACCTS. RECEIVABLE)	DUE TO GRANTOR					(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	
State Department of Education General Funds:												
State Aid Cluster:												
Special Education Categorical Aid	20-495-034-5120-089	7/1/19 - 6/30/20	\$6,071,821.00			\$5,486,757.00	(\$6,071,821.00)	\$585,064.00		\$585,064.00	\$6,071,821.00	
Equalization Aid	20-495-034-5120-078	7/1/19 - 6/30/20	2,018,666.00			1,624,183.00	(2,018,666.00)	194,513.00		194,513.00	2,018,666.00	
Security Aid	20-495-034-5120-064	7/1/19 - 6/30/20	663,937.00			616,035.00	(663,937.00)	65,902.00		65,902.00	663,937.00	
Total State Aid Cluster						\$7,926,945.00	(\$8,774,424.00)	\$845,479.00		\$845,479.00	\$8,774,424.00	
Transportation Aid	20-495-034-5120-014	7/1/19 - 6/30/20	1,656,687.00			1,497,063.00	(1,656,687.00)	159,624.00		159,624.00	1,656,687.00	
Extraordinary Aid	19-495-034-5120-044	7/1/18 - 6/30/19	1,533,873.00			1,530,189.00	(\$1,530,189.00)				1,533,873.00	
Extraordinary Aid	20-495-034-5120-044	7/1/19 - 6/30/20	1,474,653.00			93,788.00	(93,788.00)				1,474,653.00	
Nonpublic School Transportation Aid	19-495-034-5120-044	7/1/18 - 6/30/19	93,788.00			93,788.00					93,788.00	
Nonpublic School Transportation Aid	20-495-034-5120-044	7/1/19 - 6/30/20	44,875.00			5,650,973.00	(44,875.00)				44,875.00	
On-behalf TPAF Pension - post retirement medical	20-495-034-5094-001	7/1/19 - 6/30/20	5,650,973.00			268,218.00	(5,650,973.00)				5,650,973.00	
On-behalf TPAF non contributory insurance	20-495-034-5094-004	7/1/19 - 6/30/20	288,218.00			14,964,270.00	(288,218.00)				288,218.00	
On-behalf TPAF pension contribution	20-495-034-5094-002	7/1/19 - 6/30/20	14,964,270.00			9,870.00	(14,964,270.00)				14,964,270.00	
On-behalf TPAF long term disability insurance	N/A	7/1/19 - 6/30/20	9,870.00			259,565.35	(9,870.00)				9,870.00	
Reimbursed TPAF social security contributions	19-495-034-5094-003	7/1/18 - 6/30/19	5,233,918.95			4,987,657.93	(5,233,918.95)				5,233,918.95	
Reimbursed TPAF social security contributions	20-495-034-5094-003	7/1/19 - 6/30/20	5,252,625.32			37,190,529.28	(5,252,625.32)				5,252,625.32	
Total General Fund						37,190,529.28	(38,096,595.32)	1,005,113.00		(1,794,495.39)	2,789,608.39	44,372,060.27
Enterprise Fund:												
Child Nutrition Cluster:												
State School Lunch Program	19-100-010-3350-023	7/1/18 - 6/30/19	28,464.66			2,484.53	(2,484.53)				28,464.66	
State School Lunch Program	20-100-010-3350-023	7/1/19 - 6/30/20	28,295.63			20,722.49	(28,295.63)				28,295.63	
Total Child Nutrition Cluster						23,207.02	(28,295.63)				7,573.14	56,760.29
Total Enterprise Fund						23,207.02	(28,295.63)				7,573.14	56,760.29
Special Revenue Fund:												
State Department of Education:												
Advanced Computer Science	19E00139	1/15/19 - 6/30/20	68,583.00			66,222.00	(66,222.00)				68,583.00	
Non-Public Auxiliary Services:												
Compensatory Education	19-100-034-5120-067	7/1/18 - 6/30/19	33,418.00			4,738.60					33,418.00	
Compensatory Education	20-100-034-5120-067	7/1/19 - 6/30/20	30,258.00			26,985.00	(24,657.44)				30,258.00	
English as a Second Language	19-100-034-5120-067	7/1/18 - 6/30/19	2,329.00			603.60					2,329.00	
English as a Second Language	20-100-034-5120-067	7/1/19 - 6/30/20	2,978.00			2,655.00	(1,240.80)				2,978.00	
Non-Public Transportation Services:												
Supplementary Instruction	19-100-034-5120-066	7/1/18 - 6/30/19	8,009.00			872.90					8,009.00	
Supplementary Instruction	20-100-034-5120-066	7/1/19 - 6/30/20	8,904.00			7,859.00	(4,370.76)				8,904.00	
Corrective Speech	20-100-034-5120-066	7/1/19 - 6/30/20	10,390.00			9,170.00	(6,658.30)				10,390.00	
Examination and Classification	19-100-034-5120-066	7/1/18 - 6/30/19	14,285.00			9,017.48					14,285.00	
Examination and Classification	20-100-034-5120-066	7/1/19 - 6/30/20	15,976.00			14,101.00	(9,659.90)				15,976.00	
Non-Public Textbook Aid	19-100-034-5120-064	7/1/18 - 6/30/19	16,768.00			1,374.95					16,768.00	
Non-Public Textbook Aid	20-100-034-5120-064	7/1/19 - 6/30/20	13,609.00			13,809.00	(13,232.75)				13,609.00	
Non-Public Nursing Aid	19-100-034-5120-070	7/1/18 - 6/30/19	31,234.00			1,777.00					31,234.00	
Non-Public Nursing Aid	20-100-034-5120-070	7/1/19 - 6/30/20	25,511.00			25,511.00	(22,010.30)				25,511.00	
Non-Public Technology Aid	19-100-034-5120-373	7/1/18 - 6/30/19	11,904.00			9,432.00					11,904.00	
Non-Public Technology Aid	20-100-034-5120-373	7/1/19 - 6/30/20	9,432.00			13,616.49	(3,376.69)				9,432.00	
Non-Public Security Aid	19-100-034-5120-509	7/1/18 - 6/30/19	48,300.00			39,450.00					48,300.00	
Non-Public Security Aid	20-100-034-5120-509	7/1/19 - 6/30/20	39,450.00			215,194.00	(168,493.59)				39,450.00	
Total Special Revenue Fund						32,001.02	(1,883,542.35)	1,583.18		(7,736.00)	56,019.59	300,566.39
Total State Financial Assistance						\$32,001.02	(\$1,886,026.68)	\$1,006,696.18		(\$1,799,804.53)	\$56,019.59	\$44,729,376.95
Less: On-Behalf amounts not utilized for determination of Major Programs:												
On-behalf TPAF Pension - post retirement medical	20-495-034-5094-001	7/1/19 - 6/30/20	5,650,973.00			(5,650,973.00)					5,650,973.00	
On-behalf TPAF non contributory insurance	20-495-034-5094-004	7/1/19 - 6/30/20	288,218.00			(288,218.00)					288,218.00	
On-behalf TPAF pension contribution	20-495-034-5094-002	7/1/19 - 6/30/20	14,964,270.00			(14,964,270.00)					14,964,270.00	
On-behalf TPAF long term disability insurance	N/A	7/1/19 - 6/30/20	9,870.00			(9,870.00)					9,870.00	
Total State Financial Assistance Subject to Single Audit						\$16,535,599.30	(\$17,440,063.54)				\$16,535,599.30	

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

Bridgewater-Raritan Regional School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2020

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Bridgewater-Raritan Regional School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the 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: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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 schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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 revenue, whereas GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

Bridgewater-Raritan Regional School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2020

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$45,820.00) for the general fund and \$33,737.32 for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$111,931.78	\$38,096,595.32	\$38,208,527.10
Special Revenue Fund	2,177,354.00	168,493.59	2,345,847.59
Food Service Fund	775,418.17	28,295.63	803,713.80
Total Awards & Financial Assistance	\$3,064,703.95	\$38,293,384.54	\$41,358,088.49
GAAP Adjustment	10,275.89	(22,358.57)	(12,082.68)
Total: GAAP Basis	<u>\$3,074,979.84</u>	<u>\$38,271,025.97</u>	<u>\$41,346,005.81</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: OTHER

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, postretirement medical benefits and long term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2020. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2020.

Bridgewater-Raritan Regional School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued: | Unmodified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) | Noncompliance material to basic financial statements noted? | No |

Federal Program(s)

- | | | |
|-----|---|------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance and listed in Section III of this schedule? | No |

- (4) Identification of Major Federal Program(s):

<u>CFDA Number</u>	<u>Program</u>
	Child Nutrition Cluster:
10.553	National School Breakfast Program
10.555	National School Lunch Program

- | | | |
|-----|---|-----|
| (5) | Program Threshold Determination:
Type A Federal Program Threshold > \$750,000.00
Type B Federal Program Threshold <= \$750,000.00 | |
| (6) | Auditee qualified as a low-risk auditee under the Uniform Guidance? | Yes |

Bridgewater-Raritan Regional School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditor’s Results (Continued)

State Program(s)

- (1) Internal Control Over Major State Programs:
 - (a) Material weakness identified? No
 - (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08 and listed in Section III of this schedule? No
- (4) Identification of Major State Program(s):

<u>Grant Number</u>	<u>Program</u>
495-034-5120-089	State Aid Cluster: Special Education Categorical Aid Equalization Aid Security Aid
495-034-5120-078	
495-034-5120-084	
495-034-5120-044	Extraordinary Aid

- (5) Program Threshold Determination:
 - Type A State Program Threshold > \$750,000.00
 - Type B State Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under N.J. OMB Circular 15-08? Yes

Bridgewater-Raritan Regional School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings

None Reported

Compliance Findings

None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – None Reported

State Programs – None Reported

Bridgewater-Raritan Regional School District

Schedule of Prior Year Audit Findings

Not Applicable

