

CENTRAL REGIONAL SCHOOL DISTRICT

**Bayville, New Jersey
County of Ocean**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2020**

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

YEAR ENDED JUNE 30, 2020

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

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INTRODUCTORY SECTION

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Central Regional School District

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Bayville, New Jersey 08721

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www.centralreg.k12.nj.us

TRIANTAFILLOS PARLAPANIDES, Ed.D.
Superintendent of Schools

KEVIN O'SHEA
Business Administrator/Board Secretary

January 11, 2021

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

Dear Board Member:

The Comprehensive Annual Financial Report (CAFR) for the Central Regional School District for the fiscal year ending June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The CAFR is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendation, are included in the single audit section of this report.

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

2) ECONOMIC CONDITION AND OUTLOOK:

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

3) MAJOR INITIATIVES:

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

4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

5) BUDGETARY CONTROLS:

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

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

6) ACCOUNTING SYSTEM AND REPORTS:

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

7) DEBT SERVICE

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

8) CASH MANAGEMENT

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

9) RISK MANAGEMENT

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

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

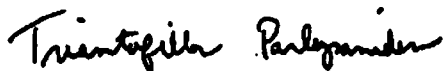
10) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGEMENTS

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

Respectfully submitted,

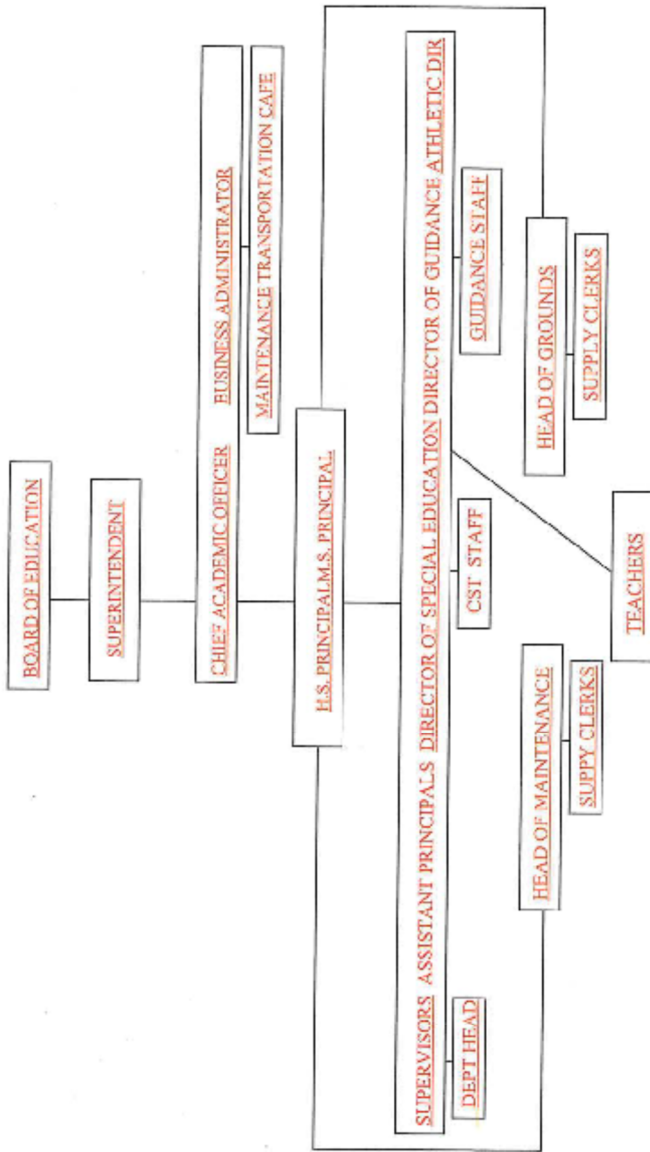


Triantafillos Parlapanides, Ed.D.
Superintendent of Schools



Kevin O'Shea
Business Administrator/Board Secretary

CHAIN OF COMMAND



**CENTRAL REGIONAL SCHOOL DISTRICT
BAYVILLE, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2020**

Members of the Board of Education

TERM EXPIRES

Louis Tuminaro, President	2022
Denise Pavone-Wilson, Vice President	2022
Al Aires	2021
Susan Cowdrick	2021
George Dohn	2021
Ralph Frulio	2022
Michael Graichen	2020
Tracy Mianulli	2020
John Serpica	2020

Other Officials

Triantafillos Parlapanides, ED.D., Superintendent of Schools

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

Carmen Memoli, Treasurer of School Monies

Christopher T. Dasti, Esq., Board Attorney

**CENTRAL REGIONAL SCHOOL DISTRICT
BAYVILLE, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2020**

AUDITOR/AUDIT FIRM

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

ATTORNEY

Christopher J. Dasti
Dasti & Associates, Attornies at Law
310 Lacey Road
Forked River, New Jersey 08731

OFFICIAL DEPOSITORY

Ocean First Bank
975 Hooper Ave
Toms River, New Jersey

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FINANCIAL SECTION

Second Section

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INDEPENDENT AUDITORS REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Central Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended, June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School 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 School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 Central Regional School District, County of Ocean, State of 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, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2021 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Toms River, New Jersey
January 11, 2021

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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CENTRAL REGIONAL SCHOOL DISTRICT

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

This section of the Central Regional School District's (School District) Comprehensive Annual Financial Report (CAFR) presents our discussion and analysis of the School District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the School District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2019-2020) and the prior fiscal year (2018-2019) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2019 are as follows:

- In total, net position of governmental activities increased \$190,162, which represents a 1.63% increase from 2019. Total net position of business-type activities decreased (\$11,491), which represents a (3.21%) decrease from 2019.
- General revenues accounted for \$40,283,167 in revenue or 82.25% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$8,692,045 or 17.75% of total revenue of \$48,975,212.
- Total assets of governmental activities increased by \$2,171,913 as cash and cash equivalents increased by \$2,013,223, receivables increased by \$228,674, restricted cash and cash equivalents decreased by (\$193,869), and total capital assets increased by \$123,885.
- Total liabilities of governmental activities decreased by \$748,209 as non-current liabilities due beyond one year decreased by (\$624,754).
- The School District had \$47,839,072 in governmental activity expenses; only \$7,746,067 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) and transfers of \$40,283,167 were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$190,162.
- In the governmental funds, the general fund had \$44,892,675 in revenues, \$44,738,826 in expenditures and \$508,395 in other financing sources. The general fund's fund balance increased by \$662,244 over 2019.

USING THIS CAFR

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

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

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

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

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

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

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School 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 School District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

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

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

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

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

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

Proprietary Funds

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

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

Fiduciary Funds

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

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

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

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

Government-Wide Financial Analysis

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

As noted earlier, net position may serve over time as a useful indicator of the School District's financial position. The following table provides a summary of net position for June 30, 2020 and 2019, respectively:

Net Position
June 30, 2020 and 2019

	Governmental Activities		Business-Type Activities	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets				
Current and Other				
Assets	\$ 3,911,119	\$ 1,863,091	\$ 106,368	\$ 182,181
Capital Assets, Net	29,638,122	29,514,237	392,502	175,731
Total Assets	33,549,241	31,377,328	498,870	357,912
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	3,170,546	4,920,218	-	-
Liabilities				
Long-Term Liabilities	19,319,325	20,086,323	-	-
Other Liabilities	1,006,216	987,427	152,712	47,000
Total Liabilities	20,325,541	21,073,750	152,712	47,000
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	4,540,457	3,018,425	-	-
Net Position				
Net Investment in				
Capital Assets	24,507,431	26,675,446	392,502	175,731
Restricted	2,830,522	941,310	-	-
Unrestricted	(15,484,164)	(15,411,385)	(46,344)	135,181
Total Net Position	\$ 11,853,789	\$ 12,205,371	\$ 346,158	\$ 310,912

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

Restricted net position increased \$1,889,212, from the prior year to \$2,830,522 at June 30, 2020.

Unrestricted net position may be used to meet the School District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$15,484,164) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the School District's governmental and business-type activities and the change in net position for June 30, 2020 and 2019. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the School District's Funds' section later in this report.

Statement of Activities
For the years ended June 30 , 2020 and 2019

	Governmental Activities	Business-Type Activities	Total 2020
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 560,964	\$ 560,964
Operating Grants and Contributions	7,746,067	385,014	8,131,081
General Revenues:			
Property Taxes	34,701,305	-	34,701,305
Federal and State Aid	4,715,285	-	4,715,285
Miscellaneous	866,577	-	866,577
Total Revenues	<u>48,029,234</u>	<u>945,978</u>	<u>48,975,212</u>
Expenses:			
Instructional Services	28,492,090	-	28,492,090
Support Services	19,174,846	957,469	20,132,315
Interest and Other Charges	172,136	-	172,136
Total Expenses	<u>47,839,072</u>	<u>957,469</u>	<u>48,796,541</u>
Change in Net Position	190,162	(11,491)	178,671
Net Position, Beginning	11,663,627	357,649	12,021,276
Net Position, Ending	<u>\$ 11,853,789</u>	<u>\$ 346,158</u>	<u>\$ 12,199,947</u>
	Governmental Activities	Business-Type Activities	Total 2019
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 539,919	\$ 539,919
Operating Grants and Contributions	10,212,045	365,059	10,577,104
General Revenues:			
Property Taxes	33,006,879	-	33,006,879
Federal and State Aid	4,600,455	-	4,600,455
Miscellaneous	824,563	-	824,563
Total Revenues	<u>48,643,942</u>	<u>904,978</u>	<u>49,548,920</u>
Expenses:			
Instructional Services	29,950,288	-	29,950,288
Support Services	19,081,876	858,241	19,940,117
Interest and Other Charges	153,522	-	153,522
Total Expenses	<u>49,185,686</u>	<u>858,241</u>	<u>50,043,927</u>
Change in Net Position	(541,744)	46,737	(495,007)
Net Position, Beginning	12,205,371	310,912	12,516,283
Net Position, Ending	<u>\$ 11,663,627</u>	<u>\$ 357,649</u>	<u>\$ 12,021,276</u>

Financial Analysis of the School District's Funds

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

Governmental Funds. The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the School District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2020 and 2019 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

June 30, 2020				
	Amount	Percent Of Total	Increase (Decrease) From 2019	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 16,471,727	34.10%	\$ 747,347	4.75%
Undistributed	27,460,058	56.85%	784,786	2.94%
Capital Outlay	3,240,100	6.71%	1,433,937	79.39%
Debt Service:				
Principal	967,507	2.00%	85,507	9.69%
Interest	161,188	0.33%	111,308	223.15%
Total	\$ 48,300,580	99.99%	\$ 3,162,885	7.01%

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

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

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2019-2020 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- Teacher's Pension and Annuity Fund (TPAF), which is the State of New Jersey's (State) contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2019-2020 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2019-2020, unassigned fund balance increased \$189,298 from the prior year to \$509,554 at June 30, 2020. (2% required per S-1701, net of allowable adjustments).

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

During the fiscal year 2020, the net position of business-type activities decreased (\$15,249) or (4.41%). The assets and deferred outflows of the business-type activities exceed liabilities and deferred inflows by \$346,158.

The Community School Enterprise Fund showed a change in net position of (\$3,758) in 2019-2020 as compared to a change in net position of (\$442) in 2018-2019.

Capital Assets

At June 30, 2020, the School District had capital assets of \$30,030,624, net of depreciation, which includes land, construction in progress, buildings and improvements and equipment.

	June 30, 2020	
	Governmental Activities	Business-Type Activities
Land	\$ 1	\$ -
Buildings and improvements	19,700,518	-
Equipment	8,223,282	392,502
Total	\$ 29,638,122	\$ 392,502
	June 30, 2019	
	Governmental Activities	Business-Type Activities
Land	\$ 1	\$ -
Buildings and improvements	22,004,208	-
Equipment	7,510,028	175,731
Total	\$ 29,514,237	\$ 175,731

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

Debt Administration and Other Obligations

At June 30, 2020 and 2019, the School District's outstanding debt issues included \$653,000 and \$1,173,000, respectively, of general obligation bonds, \$4,477,691 and \$1,036,151, respectively, of capital leases and \$991,276 and \$964,032, respectively, of compensated absences.

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

Economic Factors and Subsequent Year's Budgets

- The School District anticipates that the approved 2020-2021 budget will be adequate to satisfy all 2020-2021 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2020-2021.
- The School District has its lone collective bargaining unit contract settled through June 30, 2020.
- The School District's enrollment has been fairly consistent over the past 3 school years. The School District anticipates stable enrollment over the next several years.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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CENTRAL REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash & Cash Equivalents	\$ 2,545,754	\$ 21,414	\$ 2,567,168
Receivables, Net (Note 4)	714,529	75,583	790,112
Inventory	-	9,371	9,371
Restricted Cash & Cash Equivalents	650,836	-	650,836
Capital Assets, Net (Note 5)			
Non-Depreciable	1,714,322	-	1,714,322
Depreciable	27,923,800	392,502	28,316,302
Total Assets	33,549,241	498,870	34,048,111
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 8)	3,170,546	-	3,170,546
Total Deferred Outflow of Resources	3,170,546	-	3,170,546
LIABILITIES			
Accounts Payable	284,431	52,671	337,102
Due to Other Governments	761,181	-	761,181
Accrued Interest	60,645	-	60,645
Internal Balances	(100,041)	100,041	-
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,194,396	-	1,194,396
Due in More Than One Year	18,124,929	-	18,124,929
Total Liabilities	20,325,541	152,712	20,478,253
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions (Note 8)	4,540,457	-	4,540,457
Total Deferred Inflow of Resources	4,540,457	-	4,540,457
NET POSITION			
Net Investment in Capital Assets	24,507,431	392,502	24,899,933
Restricted for:			
Capital Projects	2,187,035	-	2,187,035
Emergency Reserve	50,500	-	50,500
Maintenance Reserve	447,098	-	447,098
Excess Surplus	145,889	-	145,889
Unrestricted (Deficit)	(15,484,164)	(46,344)	(15,530,508)
Total Net Position	\$ 11,853,789	\$ 346,158	\$ 12,199,947

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

**CENTRAL REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 17,649,513	\$ -	5,057,008	\$ -	\$ (12,592,505.00)	\$ -	(12,592,505)
Special Education Instruction	7,723,350	-	1,796,021	-	(5,927,329.00)	-	(5,927,329)
Other Instruction	3,119,227	-	725,431	-	(2,393,796.00)	-	(2,393,796)
Support Services:							
Tuition	2,202,671	-	-	-	(2,202,671.00)	-	(2,202,671)
Student & Instruction Related Services	5,413,187	-	167,607	-	(5,245,580.00)	-	(5,245,580)
General Administrative	1,082,829	-	-	-	(1,082,829.00)	-	(1,082,829)
School Administrative Services	1,594,962	-	-	-	(1,594,962.00)	-	(1,594,962)
Central Services	617,536	-	-	-	(617,536.00)	-	(617,536)
Administrative Info. Technology	377,614	-	-	-	(377,614.00)	-	(377,614)
Plant Operations & Maintenance	4,096,453	-	-	-	(4,096,453.00)	-	(4,096,453)
Pupil Transportation	3,789,594	-	-	-	(3,789,594.00)	-	(3,789,594)
Interest & Other Charges	172,136	-	-	-	(172,136.00)	-	(172,136)
Total Governmental Activities	47,839,072	-	7,746,067	-	(40,093,005)	-	(40,093,005)
Business-Type Activities:							
Food Service	952,677	552,414	385,014	-	-	(15,249)	(15,249)
Community School	4,792	8,550	-	-	-	3,758	3,758
Total Business-Type Activities	957,469	560,964	385,014	-	-	(11,491)	(11,491)
Total Primary Government	\$ 48,796,541	\$ 560,964	\$ 8,131,081	\$ -	(40,093,005)	(11,491)	(40,104,496)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					33,975,000	-	33,975,000
Property Taxes, Levied for Debt Service					726,305	-	726,305
Federal & State Aid Not Restricted					4,715,285	-	4,715,285
Tuition Charges					229,144	-	229,144
Transportation Charges					349,796	-	349,796
Miscellaneous					287,637	-	287,637
Total General Revenues					40,283,167	-	40,283,167
Change In Net Position					190,162	(11,491)	178,671
Net Position - Beginning					11,663,627	357,649	12,021,276
Net Position - Ending					\$ 11,853,789	\$ 346,158	\$ 12,199,947

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

B. Fund Financial Statements

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Governmental Funds

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**CENTRAL REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
ASSETS					
Cash & Cash Equivalents	\$ 1,009,555	\$ -	\$ 1,536,199	\$ -	\$ 2,545,754
Receivables, Net:					
Interfund Receivable	105,188	-	-	-	105,188
Due from Other Governments:					
Federal	8,618	15,199	-	-	23,817
State	518,148	-	-	-	518,148
Other	167,564	-	-	-	167,564
Restricted Cash & Cash Equivalents	650,836	-	-	-	650,836
Total Assets	<u>\$ 2,459,909</u>	<u>\$ 15,199</u>	<u>\$ 1,536,199</u>	<u>\$ -</u>	<u>\$ 4,011,307</u>
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 269,379	\$ 15,052	\$ -	\$ -	\$ 284,431
Interfund Payable	-	147	-	-	147
Total Liabilities	<u>269,379</u>	<u>15,199</u>	<u>-</u>	<u>-</u>	<u>284,578</u>
Fund Balances:					
Restricted for:					
Capital Reserve	650,836	-	-	-	650,836
Maintenance Reserve	447,098	-	-	-	447,098
Emergency Reserve	50,500	-	-	-	50,500
Excess Surplus Designated for Subsequent Year	145,889	-	-	-	145,889
Capital Projects	-	-	1,536,199	-	1,536,199
Assigned to:					
Designated for					
Subsequent Year	204,111	-	-	-	204,111
Other Purposes	182,542	-	-	-	182,542
Unassigned	509,554	-	-	-	509,554
Total Fund Balances	<u>2,190,530</u>	<u>-</u>	<u>1,536,199</u>	<u>-</u>	<u>3,726,729</u>
Total Liabilities & Fund Balances	<u>\$ 2,459,909</u>	<u>\$ 15,199</u>	<u>\$ 1,536,199</u>	<u>\$ -</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$71,981,085 and the accumulated depreciation is \$42,342,963.	29,638,122
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	3,170,546
Deferred Inflows Related to Pensions	(4,540,457)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(60,645)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(761,181)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(19,319,325)</u>
Net Position of Governmental Activities	<u>\$ 11,853,789</u>

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

**CENTRAL REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 33,975,000	\$ -	\$ -	\$ 726,305	\$ 34,701,305
Tuition Charges	229,144	-	-	-	229,144
Transportation Charges	349,796	-	-	-	349,796
Miscellaneous	287,117	13,189	520	-	300,826
Total Local Sources	34,841,057	13,189	520	726,305	35,581,071
State Sources	10,020,590	-	-	-	10,020,590
Federal Sources	31,028	1,107,939	-	-	1,138,967
Total Revenues	44,892,675	1,121,128	520	726,305	46,740,628
Expenditures:					
Instruction:					
Regular Instruction	9,249,875	953,521	-	-	10,203,396
Special Education Instruction	4,465,245	-	-	-	4,465,245
Other Instruction	1,803,086	-	-	-	1,803,086
Support Services:					
Tuition	1,659,582	-	-	-	1,659,582
Attendance & Social Work Services	239,035	-	-	-	239,035
Health Services	247,501	-	-	-	247,501
Student & Instruction Related Services	3,423,613	167,607	-	-	3,591,220
General Administrative	815,338	-	-	-	815,338
School Administrative Services	1,201,831	-	-	-	1,201,831
Central Services	465,552	-	-	-	465,552
Administrative Information Technology	284,397	-	-	-	284,397
Plant Operations & Maintenance	3,104,891	-	-	-	3,104,891
Pupil Transportation	2,854,387	-	-	-	2,854,387
Unallocated Benefits	7,659,991	-	-	-	7,659,991
On Behalf TPAF Pension and Social Security Contributions	5,336,333	-	-	-	5,336,333
Capital Outlay	1,525,779	-	1,714,321	-	3,240,100
Debt Service:					
Principal	287,684	-	-	679,823	967,507
Interest & Other Charges	114,706	-	-	46,482	161,188
Total Expenditures	44,738,826	1,121,128	1,714,321	726,305	48,300,580
Excess/(Deficiency) of Revenues Over Expenditures	153,849	-	(1,713,801)	-	(1,559,952)
Other Financing Sources (Uses):					
Lease Proceeds - ESIP Lease	-	-	3,250,000	-	3,250,000
Capital Lease (Non-Budgeted)	508,395	-	-	-	508,395
Total Other Financing Sources (Uses)	508,395	-	3,250,000	-	3,758,395
Net Changes in Fund Balances	662,244	-	1,536,199	-	2,198,443
Fund Balance, July 1	1,528,286	-	-	-	1,528,286
Fund Balance, June 30	\$ 2,190,530	\$ -	\$ 1,536,199	\$ -	\$ 3,726,729

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

**CENTRAL REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	2,198,443
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	\$	(2,157,485)
Capital Outlays		<u>3,236,645</u>
		1,079,160
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		(287,532)
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		996,678
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
Capital Lease Proceeds		<u>(3,758,395)</u>
		(3,758,395)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		(10,948)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>(27,244)</u>
Change in Net Position of Governmental Activities	\$	<u>190,162</u>

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

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Proprietary Funds

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**CENTRAL REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2020**

	MAJOR FUNDS		
	BUSINESS-TYPE		
	ACTIVITIES -		
	ENTERPRISE		
	FUNDS		
	FOOD	OTHER	
	SERVICE	ENTERPRISE	TOTALS
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 8,462	\$ 12,952	\$ 21,414
Accounts Receivable:			
Federal	12,950	-	12,950
State	2,065	-	2,065
Other Receivables	60,568	-	60,568
Inventories	9,371	-	9,371
			-
Total Current Assets	93,416	12,952	106,368
Noncurrent Assets:			
Capital Assets	811,663	-	811,663
Less: Accumulated Depreciation	(419,161)	-	(419,161)
Total Capital Assets, Net	392,502	-	392,502
Total Noncurrent Assets	392,502	-	392,502
Total Assets	485,918	12,952	498,870
LIABILITIES			
Current Liabilities:			
Accounts Payable	52,671	-	52,671
Interfund Payable	100,041	-	100,041
			-
Total Current Liabilities	152,712	-	152,712
			-
NET POSITION			
Net Investment in Capital Assets	392,502	-	392,502
Unrestricted	(59,296)	12,952	(46,344)
Total Net Position	\$ 333,206	\$ 12,952	\$ 346,158

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

**CENTRAL REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2020**

	MAJOR FUNDS		
	BUSINESS-TYPE		
	ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	OTHER ENTERPRISE	TOTALS
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 250,643	\$ -	\$ 250,643
Daily Sales - Non-Reimbursable Programs	280,063	-	280,063
Special Functions	3,816	-	3,816
Miscellaneous	17,892	-	17,892
Program Fees	-	8,550	8,550
Total Operating Revenues	552,414	8,550	560,964
Operating Expenses:			
Cost of Sales - Reimbursable Programs	320,695	-	320,695
Cost of Sales - Non-Reimbursable Programs	71,052	-	71,052
Salaries	358,867	3,200	362,067
Employee Benefits	105,554	-	105,554
Supplies and Materials	6,996	1,592	8,588
Depreciation	32,385	-	32,385
Management and Administrative Fees	6,879	-	6,879
Utilities	39,451	-	39,451
Purchased Property Services	5,969	-	5,969
Other	4,829	-	4,829
Total Operating Expenses	952,677	4,792	957,469
Operating Income/(Loss)	(400,263)	3,758	(396,505)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	7,902	-	7,902
Federal Sources:			
National School Lunch Program	248,299	-	248,299
National School Breakfast Program	59,789	-	59,789
Food Distribution Program	68,785	-	68,785
Interest Revenue	239	-	239
Total Nonoperating Revenues/(Expenses)	385,014	-	385,014
Change in Net Position	(15,249)	3,758	(11,491)
Total Net Position - Beginning	348,455	9,194	357,649
Total Net Position - Ending	\$ 333,206	\$ 12,952	\$ 346,158

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

**CENTRAL REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2020**

	MAJOR FUNDS		
	BUSINESS-TYPE		
	ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	OTHER ENTERPRISE	TOTALS
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 496,737	\$ 8,550	\$ 505,287
Payments to Employees	(358,867)	(3,200)	(362,067)
Payments for Employee Benefits	(105,554)	-	(105,554)
Payments to Suppliers	(316,227)	(1,592)	(317,819)
Net Cash Provided by/(Used for) Operating Activities	(283,911)	3,758	(280,153)
Cash Flows From Noncapital Financing Activities:			
State Sources	7,902	-	7,902
Federal Sources	308,088	-	308,088
Net Cash Provided by/(Used for) Noncapital Financing Activities	315,990	-	315,990
Cash Flows From Capital & Related Financing Activities:			
Purchases of Capital Assets	(49,587)	-	(49,587)
Net Cash Provided by/(Used for) Capital & Related Financing Activities	(49,587)	-	(49,587)
Net Increase/(Decrease) in Cash & Cash Equivalents	(17,269)	3,758	(13,511)
Balances - Beginning of Year	25,731	9,194	34,925
Balances - End of Year	\$ 8,462	\$ 12,952	\$ 21,414
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating Income/(Loss)	\$ (400,263)	\$ 3,758	\$ (396,505)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	32,385	-	32,385
Food Distribution Program	68,785	-	68,785
(Increase)/Decrease in Accounts Receivable, Net	(55,677)	-	(55,677)
Increase/(Decrease) in Accounts Payable	70,859	-	70,859
Total Adjustments	116,352	-	116,352
Net Cash Provided/(Used) by Operating Activities	\$ (283,911)	\$ 3,758	\$ (280,153)

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

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Fiduciary Fund

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**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

	UNEMPLOYMENT COMPENSATION TRUST	PRIVATE- PURPOSE SCHOLARSHIP FUND	AGENCY FUNDS
ASSETS			
Cash & Cash Equivalents	\$ 406,239	\$ 28,888	\$ 836,335
Interfund Receivable	10,197	-	-
Total Assets	<u>416,436</u>	<u>28,888</u>	<u>836,335</u>
LIABILITIES			
Interfund Payable	-	-	15,197
Payable for Student Related Activities	-	-	276,062
Payroll Deductions & Withholdings	-	-	545,076
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 836,335</u>
NET POSITION			
Restricted - Held in Trust for Unemployment Claims & Other Purposes	416,436	-	
Restricted - Scholarships	-	28,888	
Total Net Position	<u>\$ 416,436</u>	<u>\$ 28,888</u>	

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

**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2020**

	UNEMPLOYMENT COMPENSATION TRUST	PRIVATE PURPOSE SCHOLARSHIP FUND
ADDITIONS		
Contributions:		
Plan Member	\$ 83,352	\$ 26,500
Total Contributions	83,352	26,500
Investment Earnings:		
Interest	885	102
Net Investment Earnings	885	102
Total Additions	84,237	26,602
DEDUCTIONS		
Unemployment Claims	52,802	-
Scholarships Awarded	-	26,700
Total Deductions	52,802	26,700
Change in Net Position	31,435	(98)
Net Position - Beginning	385,001	28,986
Net Position - Ending	\$ 416,436	\$ 28,888

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

CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The School District provides a full range of educational services appropriate to junior and senior high schools for students of the Boroughs of Island Heights, Ocean Gate, Seaside Heights, Seaside Park and the Township of Berkeley, Ocean County, New Jersey. These include regular as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2020 of 2,133 students.

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

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

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

Component Units

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14*. The School District had no component units as of for the year ended June 30, 2020.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

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

A. Government-Wide Financial Statements

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

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property

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

B. Governmental Fund Financial Statements

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

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

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

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially 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 is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

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

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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

The School District reports the following major proprietary funds:

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

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

D. Fiduciary Fund Financial Statements

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

The School District reports the following fiduciary funds:

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

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

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

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

Budgets/Budgetary Control

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

Encumbrances

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

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

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments

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

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

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

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

Tuition Receivable/Payable

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

Inventories

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

Interfund Receivables/Payables

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

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

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

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

Compensated Absences

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

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

Unearned Revenue

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

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

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

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

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

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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

Net Position

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

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

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

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

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and January 11, 2021, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 1. Summary of Significant Accounting Pronouncements (Continued)

Impact of Recently Issued Accounting Pronouncements

Adopted Accounting Pronouncements

The following GASB statements became effective for the fiscal year ended June 30, 2020:

Statement No. 95, *Postponement of The Effective Dates of Certain Authoritative Guidance*, provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Recently Issued Accounting Pronouncements

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

- Statement No. 84, *Fiduciary Activities* will be effective for reporting periods beginning after December 15, 2019.
- Statement No. 87, *Leases* will be effective for reporting periods beginning after June 15, 2021.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* will be effective for reporting periods beginning after December 15, 2020.
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, will be effective for reporting periods beginning after December 15, 2019.
- Statement No. 91, *Conduit Debt Obligations* will be effective for reporting periods beginning after December 15, 2021.
- Statement No. 93, *Replacement of Interbank Offered Rates* will be effective for reporting periods beginning

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, *NJSA 17:9-41 et seq.* requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2020, the School District’s bank balance of \$5,291,952 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	3,945,124
Uninsured and Uncollateralized		1,346,828
Total	\$	5,291,952

Investments

The School District had no investments at June 30, 2020.

Note 3. Reserve Accounts

Capital Reserve

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 3. Reserve Accounts (Continued)

Capital Reserve (continued)

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

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$	448,187
Increased by:		
Interest Earnings		2,649
Deposits Approved by Board		200,000
		200,000
Ending Balance, June 30, 2020	\$	650,836

Emergency Reserve

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

The activity of the emergency reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$	50,450
Increased by:		
Interest Earnings		50
		50
Ending Balance, June 30, 2020	\$	50,500

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 3. Reserve Accounts (Continued)

Maintenance Reserve

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

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the School District's school facilities for the current year.

The activity of the maintenance reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$	247,048
Increased by:		
Interest Earnings		50
Deposits Approved by Board		200,000
		200,000
Ending Balance, June 30, 2020	\$	447,098

Note 4. Accounts Receivable

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2020, consisted of the following:

Description:	Governmental Funds		Total Governmental Activities
	General Fund	Special Revenue Fund	
Federal Awards	\$ 8,618	\$ 15,199	\$ 23,817
State Awards	518,148	-	518,148
Other	172,564	-	172,564
Total	\$ 699,330	\$ 15,199	\$ 714,529
Description:	Proprietary Funds		Total Business-Type Activities
	Food Service Fund		
Federal Awards	\$ 12,950	\$	12,950
State Awards	2,065		2,065
Other	60,568		60,568
Total	\$ 75,583	\$	75,583

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 5. Capital Assets

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

	Governmental Activities			
	Balance July 1, 2019	Additions	Adjustments	Balance June 30, 2020
Capital Assets not being Depreciated:				
Land	\$ 1	\$ -	\$ -	\$ 1
Construction in Progress	-	1,714,321		1,714,321
Total Capital assets not being Depreciated	<u>1</u>	<u>1,714,321</u>	<u>-</u>	<u>1,714,322</u>
Capital Assets being Depreciated:				
Buildings and Improvements	50,344,282	-	-	50,344,282
Equipment	18,400,157	1,522,324	-	19,922,481
Total Capital Assets being Depreciated	<u>68,744,439</u>	<u>1,522,324</u>	<u>-</u>	<u>70,266,763</u>
Accumulated Depreciation:				
Buildings and Improvements	(29,548,961)	(1,094,803)	-	(30,643,764)
Equipment	(10,636,517)	(1,062,682)	-	(11,699,199)
Total Accumulated Depreciation	<u>(40,185,478)</u>	<u>(2,157,485)</u>	<u>-</u>	<u>(42,342,963)</u>
Total Capital Assets being Depreciated, Net	<u>28,558,961</u>	<u>(635,161)</u>	<u>-</u>	<u>27,923,800</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 28,558,962</u>	<u>\$ 1,079,160</u>	<u>\$ -</u>	<u>\$ 29,638,122</u>
	Business-Type Activities			
	Balance July 1, 2019	Additions	Adjustments	Balance June 30, 2020
Equipment	\$ 762,076	\$ 49,587	\$ -	\$ 811,663
Total Capital Assets being Depreciated	<u>762,076</u>	<u>49,587</u>	<u>-</u>	<u>811,663</u>
Accumulated Depreciation:				
Equipment	(386,776)	(32,385)	-	(419,161)
Total Capital Assets being Depreciated, Net	<u>(386,776)</u>	<u>(32,385)</u>	<u>-</u>	<u>(419,161)</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 375,300</u>	<u>\$ 17,202</u>	<u>\$ -</u>	<u>\$ 392,502</u>

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 5. Capital Assets (Continued)

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

Governmental Activities:

Instruction:	
Regular Instruction	\$ 711,755
Special Education Instruction	311,325
Other Instruction	125,781
Support Services:	
Tuition	115,641
Student & Instruction Related Services	284,357
General Administrative	56,958
School Administrative Services	83,710
Central Services	32,362
Administrative Info. Technology	19,849
Plant Operations & Maintenance	216,611
Pupil Transportation	199,136
	2,157,485
Total Depreciation Expense - Governmental Activities	\$ 2,157,485

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2020 are as follows:

Fund:	Interfund Receivables	Interfund Payables
General Fund	\$ 105,188	\$ -
Special Revenue Fund	-	147
Enterprise Fund	-	100,041
Fiduciary Fund	10,197	-
Agency Fund	-	15,197
	115,385	115,385
Total	\$ 115,385	\$ 115,385

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

The School District did not have any interfund transfers for the year ended June 30, 2020.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2020 the following changes occurred in long-term obligations for the governmental and business-type activities:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 7. Long-Term Obligations

	Balance			Balance	Due Within
	June 30, 2019	Additions	Reductions	June 30, 2020	One Year
Governmental Activities:					
General Obligation Bonds	\$ 1,173,000	\$ -	\$ 520,000	\$ 653,000	\$ 400,000
Capital Leases	1,036,151	3,758,395	316,855	4,477,691	569,396
Compensated Absences	964,032	27,244	-	991,276	-
Net Pension Liability	13,273,392	-	911,674	12,361,718	-
FEMA CDL	995,463	-	159,823	835,640	225,000
Total	\$ 17,442,038	\$ 3,785,639	\$ 1,908,352	\$ 19,319,325	\$ 1,194,396

For governmental activities, general obligations bonds and the Federal Emergency Management Agency (FEMA) Community Disaster Loan (CDL) payable are liquidated from the School District's debt service fund. Compensated absences, capital leases, and the net pension liability are liquidated by the general fund.

Bonds Payable

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

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

**Fiscal Year Ending
June 30,**

	Principal	Interest	Total
2021	\$ 400,000	\$ 15,855	\$ 415,855
2022	253,000	4,428	257,428
	\$ 653,000	\$ 20,283	\$ 673,283

FEMA CDL

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

The School District applied for and received a CDL in response to the devastating effects on the property tax ratable base of the municipality due to Superstorm Sandy in October 2012. The School District was approved for \$5,000,000 but only drew down \$4,698,669 total loan. This loan was subject to FEMA review during the past few years and based on FEMA's calculation of the revenue loss that the School District experienced over the specified period the School District qualified for partial cancellation of \$3,494,450 in principal along with the corresponding interest of \$169,581, leaving an outstanding principal balance of \$1,204,220 and corresponding interest of \$30,135 as of June 30, 2017. The School District made a payment of \$175,000, of principal and interest, during the year ending June 30, 2020.

The School District was granted an extension to repay the loan for five additional years which brings the due date to July 11, 2023 and the School District budgeted \$225,000 in the 2020-2021 budget towards repayment of the loan. The cumulative amount of principal and interest accrued through June 30, 2020 is \$835,640 and \$11,273, respectively.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 7. Long-Term Obligations (Continued)

Capital Lease Payable

On May 2015, the School District entered into a lease purchase agreement in the amount of \$23,864 for a copier lease. The lease obligation matured in the current year.

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

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

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

In the fiscal year ended June 30, 2019, the School District entered into lease purchase agreement to provide lighting to the athletic field in the amount of \$500,000. The lease obligation matures July, 2023.

On October 26, 2019, the School District entered into a lease purchase agreement in the amount of \$17,697 for a copier lease. The lease obligation matures November, 2024.

On August 22, 2019, the School District entered into a lease purchase agreement in the amount of \$11,082 for a copier lease. The lease obligation matures September, 2024.

On July 1, 2019, the School District entered into a lease purchase agreement in the amount of \$479,614 for school buses. The lease obligation matures August, 2024.

On April 15, 2020, the School District entered into a lease purchase agreement in the amount of \$3,250,000 for an energy savings improvement program. The lease obligation was issued at an interest rate of 1.875% and matures April, 2040.

The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2020:

Fiscal Year Ending				
June 30,	Principal	Interest	Total	
2021	\$ 569,396	\$ 94,733	\$ 664,129	
2022	487,798	80,629	\$ 568,427	
2023	352,727	67,694	\$ 420,421	
2024	339,098	58,759	\$ 397,857	
2025	136,985	51,152	\$ 188,137	
Thereafter	2,591,688	428,643	\$ 3,020,331	
Total	<u>\$ 4,477,692</u>	<u>\$ 781,610</u>	<u>\$ 5,259,302</u>	

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

Bonds Authorized but not Issued

As of June 30, 2020, the School District had no bonds authorized but not issued.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2020, the School District reported a liability of \$12,361,718 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was 0.0686057644%, which was an increase of 0.00119221% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$954,867 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 School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 221,877	\$ 54,609
Changes of Assumptions	1,234,363	4,290,713
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	195,135
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	953,125	-
School District contributions subsequent to measurement date	<u>761,181</u>	<u>-</u>
	<u>\$ 3,170,546</u>	<u>\$ 4,540,457</u>

\$761,181 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2019-2020 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

Year Ending June 30,		
2021	\$	163,220
2022		(101,096)
2023		(1,976,489)
2024		(177,764)
2025		(38,963)
	<u>\$</u>	<u>(2,131,092)</u>

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015		5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
Changes in Proportion and Differences Between District		
Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The collective 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 assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	2.00% - 6.00% Based on Years of Service
Thereafter	3.00% - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2014 - June 30, 2018

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary’s modified MP-2014 projection scale. Post-retirement mortality rate were based on the Pub-2010 General Below-Median Income Employee Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2010 using a generational approach based on the plan actuary’s modified MP-2019 projection scales. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS’s target asset allocation as of June 30, 2019 are summarized in the following table:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
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 Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 70% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2019, calculated using the discount rate of 6.28% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
School District's Proportionate Share of the Net Pension Liability	\$ 15,723,486	\$ 12,361,718	\$ 9,687,413

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

	6/30/2020	6/30/2019
Collective Deferred Outflows of Resources	\$ 3,149,522,616	\$ 4,684,852,302
Collective Deferred Inflows of Resources	7,645,087,574	7,646,736,226
Collective Net Pension Liability	18,143,832,135	19,689,501,539
School District's portion	0.068606%	0.067414%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of *Chapter 78, P.L. 2011*, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2020 was \$ 82,588,048. The School District's proportionate share was \$0.

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 State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.13457%, which was an increase of 0.00278% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State recognized a pension expense in the amount of \$4,871,264 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2019 measurement date.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

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

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2019 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% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
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 Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.60% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease (4.60%)	At Current Discount Rate (5.60%)	At 1% Increase (6.60%)
State's Proportionate Share of Net Pension Liability associated with the School District	\$ 97,389,588	\$ 82,588,048	\$ 70,307,444

Pension Plan Fiduciary Net Position - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TPAF and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

	6/30/2020	6/30/2019
Collective Deferred Outflows of Resources	\$ 10,129,162,237	\$ 12,675,037,111
Collective Deferred Inflows of Resources	17,736,240,054	16,381,811,884
Collective Net Pension Liability	61,519,112,443	63,806,350,446
School District's portion	0.13457%	0.13180%

C. Defined Contribution Retirement Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2019 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 8. Pension Plans (Continued)

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

For the year ended June 30, 2020, employee contributions totaled \$7,128, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$3,888.

Note 9. Other Post-Retirement Benefits (OPEB)

General Information about the OPEB Plan

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

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

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

Basis of Presentation

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. OPEB (continued)

Total Nonemployer OPEB Liability

The total nonemployer 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 nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of 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:

Inflation Rate 2.50%

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	1.55 - 3.05%	2.00 - 6.00%	3.25 - 15.25%
	based on years of service	based on years of service	based on years of service
Thereafter	1.55 - 3.05%	3.00 - 7.00%	Applied to
	based on years of service	based on years of service	all future years

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 the Scale MP-2019. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the 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.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$66,016,156. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2019, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the OPEB Obligation attributable to the School District was 0.1582%, which was a decrease of 0.0035% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$1,288,606 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2019 measurement date.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. OPEB (continued)

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2019 was 3.50%. 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.

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

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

	June 30, 2019		
	At 1% Decrease (2.5%)	At Discount Rate (3.5%)	At 1% Increase (4.5%)
State's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 77,991,168	\$ 66,016,156	\$ 56,503,863
State's Total Nonemployer OPEB Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. OPEB (continued)

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

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

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State's Proportionate Share of Total Obligations Associated with the School District	\$ 54,394,370	\$ 66,016,156	\$ 81,401,014
State's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2019 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience		\$ (10,484,965,300)
Change in Assumptions	-	(8,481,529,343)
Contributions Made in Fiscal Year Year Ending 2018 After June 30, 2017 Measurement Date **	TBD	-
	\$ -	\$ (18,966,494,643)

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. OPEB (continued)

Additional Information (continued):

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

Fiscal Year Ending June 30,	
2020	\$ (2,546,527,182)
2021	(2,546,527,182)
2022	(2,546,527,182)
2023	(2,546,527,182)
2024	(2,546,527,182)
Thereafter	<u>(6,233,858,733)</u>
	<u><u>\$ (18,966,494,643)</u></u>

** Employer Contributions made after June 30, 2019 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2019, the Program membership consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>148,051</u>
	<u><u>364,943</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

Total OPEB Liability	
Service Cost	\$ 1,734,404,850
Interest Cost	1,827,787,206
Difference Between Expected and Actual Experiences	(7,323,140,818)
Changes of Assumptions	622,184,027
Contributions: Member	37,971,171
Gross Benefit Payments	<u>(1,280,958,373)</u>
Net Change in Total OPEB Liability	(4,381,751,937)
Total OPEB Liability (Beginning)	<u>46,110,832,982</u>
Total OPEB Liability (Ending)	<u><u>\$ 41,729,081,045</u></u>
Total Covered Employee Payroll	\$ 13,929,083,479
Net OPEB Liability as a Percentage of Payroll	300%

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

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

As previously mentioned, the School District receives on-behalf payments from the State for normal costs and post-retirement medical costs related to the TPAF pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2020, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,075,812, \$1,117,923, \$1,141,070, and \$1,528, respectively.

Note 11. Risk Management

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

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

Fiscal Year Ended June 30,	Interest Earned	Employee Contributions	Amount Reimbursed	Ending Balance
2020	\$ 885	\$ 83,352	\$ 52,802	\$ 416,436
2019	954	65,198	45,730	385,001
2018	557	70,682	44,459	364,579
2017	389	-	3,288	337,799

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

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2020 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 12. Contingencies (Continued)

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

Note 13. Deferred Compensation

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

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

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2020, the liability for compensated absences reported was \$991,276.

Note 15. Tax Abatements

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

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

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

Note 17. Fund Balances

General Fund – Of the \$2,190,530 General Fund fund balance at June 30, 2020, \$650,836 has been restricted for the Capital Reserve Account; \$447,098 has been restricted for the Maintenance Reserve Account; \$50,500 has been restricted for the Emergency Reserve Account; \$145,889 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$204,111 is assigned - designated for subsequent year's expenditures; \$182,542 has been assigned to other purposes; and \$509,554 has been unassigned.

Capital Projects Fund – Of the \$1,536,199 Capital Projects Fund fund balance at June 30, 2020, all is restricted for future capital projects approved by the School District.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of (\$15,484,164) at June 30, 2020. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the PERS as of June 30, 2020. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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CENTRAL REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2020

ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 33,975,000	\$ -	\$ 33,975,000	\$ -
Tuition From Other LEAs Within State	100,000	-	100,000	129,144
Transportation Fees From Other LEAs	325,000	-	325,000	24,796
Rents and Royalties	45,000	-	45,000	(1,419)
Unrestricted Miscellaneous Revenues	215,231	-	215,231	28,105
Interest Earned on Emergency Reserve	50	(50)	-	50
Interest Earned on Maintenance Reserve	100	(50)	50	50
Interest Earned on Capital Reserve Funds	100	-	100	-
Total Local Sources	34,660,431	(100)	34,660,331	180,726
State Sources:				
School Choice Aid	1,311,958	-	1,311,958	-
Categorical Transportation Aid	1,325,310	-	1,325,310	-
Extraordinary Aid	150,000	-	150,000	139,094
Categorical Special Education Aid	1,280,995	-	1,280,995	-
Categorical Security Aid	295,909	-	295,909	-
Adjustment Aid	55,587	-	55,587	-
Other State Aids	-	-	-	130,989
Tuition from Other Sources	-	-	-	13,513
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	3,075,812
TPAF Social Security (reimbursed)	-	-	-	1,117,923
TPAF Post Retirement Medical Benefits (on-behalf)	-	-	-	1,141,070
TPAF Long-Term Disability Insurance (on-behalf)	-	-	-	1,528
Total State Sources	4,419,759	-	4,419,759	5,619,929
Federal Sources:				
Medicaid Reimbursement	43,654	-	43,654	(12,626)
Total Federal Sources	43,654	-	43,654	(12,626)
Total Revenues	39,123,844	(100)	39,123,744	5,788,029

CENTRAL REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Grades 6-8 - Salaries of Teachers	11-130-100-101	2,942,019	56,500	2,998,519	2,998,434
Grades 9-12 - Salaries of Teachers	11-140-100-101	5,973,353	(322,188)	5,651,165	5,651,014
Salaries of Teachers	11-150-100-101	90,000	(24,650)	65,350	65,350
Purchased Professional - Educational Services	11-150-100-320	27,000	4,900	31,900	31,359
Other Purchased Services (400-500 Series)	11-150-100-500	1,000	1,500	2,500	1,715
Regular Programs - Undistributed Instruction:					
Purchased Technical Services	11-190-100-340	22,600	10,800	33,400	32,474
Other Purchased Services	11-190-100-500	53,027	2,500	55,527	55,332
General Supplies	11-190-100-610	291,132	(8,200)	282,932	259,820
Textbooks	11-190-100-640	118,558	19,680	138,238	135,993
Other Objects	11-190-100-800	-	18,400	18,400	18,384
					16
Total Regular Programs - Instruction		9,518,689	(240,758)	9,277,931	9,249,875
Special Education - Instruction:					
Cognitive - Mild:	11-201-100-610	3,906	(3,206)	700	651
General Supplies	11-201-100-640	500	-	500	473
Textbooks					27
Total Cognitive - Mild		4,406	(3,206)	1,200	1,124
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	881,587	51,817	933,404	933,404
Other Salaries for Instruction	11-204-100-106	144,750	12,000	156,750	156,637
General Supplies	11-204-100-610	4,500	-	4,500	4,029
Textbooks	11-204-100-640	3,000	-	3,000	1,521
Total Learning and/or Language Disabilities		1,033,837	63,817	1,097,654	1,095,591
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	11-209-100-101	242,297	(62,500)	179,797	179,348
Other Salaries for Instruction	11-209-100-106	85,970	(34,000)	51,970	51,947
General Supplies	11-209-100-610	3,700	-	3,700	1,733
Total Behavioral Disabilities		331,967	(96,500)	235,467	233,028
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	154,401	48,000	202,401	202,321
Other Salaries for Instruction	11-212-100-106	73,224	(15,000)	58,224	58,211
General Supplies	11-212-100-610	1,500	-	1,500	1,355
Other Objects	11-212-100-800	700	-	700	659
Total Multiple Disabilities		229,825	33,000	262,825	262,546

CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020

ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Special Education - Instruction: Resource Room/Resource Center: Salaries of Teachers Other Salaries General Supplies	1,511,683 809,309 27,600	257,600 (40,000) (6,000)	1,769,283 769,309 21,600	1,769,278 768,352 20,072	5 1,157 1,528
Total Resource Room/Resource Center	2,348,792	211,600	2,560,392	2,557,702	2,690
Special Education - Instruction: Autism: Salaries of Teachers Other Salaries for Instruction Autistic Program Rental Fee General Supplies	152,856 66,449 2,100 5,500	(3,000) (12,000) - -	149,856 54,449 2,100 5,500	149,782 54,372 1,330 3,330	74 77 770 2,170
Total Autism	226,905	(15,000)	211,905	208,814	3,091
Special Education - Instruction: Home Instruction: Salaries of Teachers Purchased Professional - Educational Services Other Purchased Services	135,000 30,600 1,000	(46,917) (13,800) 1,000	88,083 16,800 2,000	88,075 16,709 1,656	8 91 344
Total Home Instruction	166,600	(59,717)	106,883	106,440	443
Total Special Education - Instruction	4,342,332	133,994	4,476,326	4,465,245	11,081
Basic Skills/Remedial - Instruction: Salaries of Teachers	67,158	(1,768)	65,390	65,000	390
Total Basic Skills/Remedial - Instruction	67,158	(1,768)	65,390	65,000	390
Bilingual Education - Instruction: Salaries of Teachers Salaries of Teachers General Supplies	67,090 211,881 2,000	4,768 2,000 16,893	71,858 213,881 18,893	71,858 212,286 18,892	- 1,595 1
Total Bilingual Education - Instruction	280,971	23,661	304,632	303,036	1,596
School-Sponsored Co-curricular/Extra Curricular Activities - Instruction: Salaries Purchased Services Supplies and Materials Other Objects	190,000 3,000 34,300 9,427	(12,506) (2,063) (3,500) 2,000	177,494 937 30,800 11,427	177,494 750 28,995 10,188	- 187 1,805 1,239
Total School-Sponsored Co-curricular/Extra Curricular Activities - Instruction	236,727	(16,069)	220,658	217,427	3,231

CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	813,124	37,506	850,630	845,558
Purchased Services	11-402-100-500	175,120	(10,822)	164,298	161,315
Supplies and Materials	11-402-100-600	139,750	(8,800)	130,950	127,824
Other Objects	11-402-100-800	10,000	-	10,000	7,926
Transfers to Cover Deficit	11-402-100-930	85,000	(10,000)	75,000	-
		1,222,994	7,884	1,230,878	1,217,623
Total School-Sponsored Athletics - Instruction					13,255
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Regular	11-000-100-561	25,000	63,300	88,300	88,278
Tuition to Other LEAs Within State - Special	11-000-100-562	-	67,762	67,762	67,378
Tuition to County Vocational School - Regular	11-000-100-565	120,000	(2,000)	118,000	117,825
Tuition to County Vocational School - Special	11-000-100-564	31,500	-	31,500	31,500
Tuition to County Special Services & Regular Day Schools	11-000-100-565	332,000	(26,800)	305,200	305,159
Tuition to Private School Disabled - Within State	11-000-100-566	948,642	(30,300)	918,342	913,720
Tuition - State Facilities	11-000-100-568	39,872	-	39,872	39,872
Tuition - Other	11-000-100-569	90,000	6,000	96,000	95,850
		1,587,014	77,962	1,664,976	1,659,582
Total Undistributed Expenditures - Instruction (Tuition)					5,394
Undistributed Expenditures: Attendance and Social Work:					
Salaries	11-000-211-100	176,403	62,650	239,053	239,035
Purchased Professional and Technical Services	11-000-211-300	2,500	(2,500)	-	-
Supplies and Materials	11-000-211-600	1,200	(1,200)	-	-
Other Objects	11-000-211-800	1,300	(1,300)	-	-
		181,403	57,650	239,053	239,035
Total Undistributed Expenditures Attendance and Social Work					18
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	238,540	(20,700)	217,840	217,795
Purchased Professional & Technical Services	11-000-213-300	25,000	(4,500)	20,500	19,678
Supplies and Materials	11-000-213-600	8,500	2,440	10,940	10,028
		272,040	(22,760)	249,280	247,501
Total Undistributed Expenditures - Health Services					1,779
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	143,588	(5,000)	138,588	138,397
Purchased Professional - Educational Services	11-000-216-320	150,000	(11,000)	139,000	135,963
Supplies and Materials	11-000-216-600	600	-	600	600
		294,188	(16,000)	278,188	274,960
Total Undistributed Expenditures - Speech, OT, PT and Related Services					3,228
Undistributed Expenditures - Other Support Services - Extra Services:					
Salaries	11-000-217-100	411,329	179,100	590,429	590,391
		411,329	179,100	590,429	590,391
Total Undistributed Expenditures - Other Support Services - Extra Services					38

CENTRAL REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	738,222	3,900	742,122	742,103
Salaries of Secretaries & Clerical Assistants	11-000-218-105	234,403	(32,800)	201,603	201,592
Other Purchased Professional and Technical Services	11-000-218-390	43,000	2,500	45,500	45,037
Other Purchased Services	11-000-218-500	2,000	(1,500)	500	271
Supplies and Materials	11-000-218-600	14,465	(2,112)	12,353	11,344
Other Objects	11-000-218-800	10,775	(2,800)	7,975	7,242
		1,042,865	(32,812)	1,010,053	1,007,589
Total Undistributed Expenditures - Guidance					2,464
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	621,537	2,450	623,987	623,987
Salaries of Secretaries & Clerical Assistants	11-000-219-105	175,041	(11,300)	163,741	163,732
Other Purchased Services	11-000-219-500	1,300	-	1,300	1,097
Supplies and Materials	11-000-219-600	21,000	(4,431)	16,569	16,452
Other Objects	11-000-219-800	8,750	(3,000)	5,750	3,831
		827,628	(16,281)	811,347	809,099
Total Undistributed Expenditures - Child Study Teams					2,248
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	481,935	(33,650)	448,285	448,277
Salaries of Sec. and Clerical Assist.	11-000-221-105	42,511	300	42,811	42,810
Other Salaries	11-000-221-110	-	5,000	5,000	2,480
Supplies and Materials	11-000-221-600	3,000	-	3,000	2,145
Other Objects	11-000-221-800	5,000	(2,500)	2,500	2,455
		532,446	(30,850)	501,596	498,167
Total Undistributed Expenditures - Improvement of Instruction Services					3,429
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	146,290	(11,900)	134,390	134,366
Salaries of Technology Coordinators	11-000-222-177	45,000	(1,700)	43,300	43,299
Purchased Professional and Technical Services	11-000-222-300	7,500	9,900	17,400	17,400
Library Repairs & Maintenance	11-000-222-420	-	1,500	1,500	1,372
Other Purchased Services	11-000-222-500	2,800	(2,800)	-	-
Supplies and Materials	11-000-222-600	59,099	(14,400)	44,699	25,953
		260,689	(19,400)	241,289	222,390
Total Undistributed Expenditures - Educational Media Services/Library					18,899
Undistributed Expenditures - Instructional Staff Training Services:					
Other Purchased Prof. and Tech. Services	11-000-223-390	1,000	6,000	7,000	6,970
Other Purchased Services	11-000-223-500	4,000	5,500	9,500	8,169
Supplies and Materials	11-000-223-600	500	-	500	400
Other Objects	11-000-223-800	6,000	(500)	5,500	5,478
		11,500	11,000	22,500	21,017
Total Undistributed Expenditures - Instructional Staff Training Services					1,483

CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020

	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -				
Support Services - General Administration:				
Salaries	276,849	10,700	287,549	287,052
Salaries - Governance Staff	3,000	-	3,000	3,000
Legal Services	145,000	68,100	213,100	211,657
Audit Fees	32,500	1,800	34,300	34,236
Architectural/Engineering Services	5,000	1,250	6,250	6,250
Purchased Technical Services	7,000	50	7,050	7,049
Communications/Telephone	79,620	(11,450)	68,170	67,519
BOE Other Purchased Professional Services	4,250	500	4,750	3,705
Other Purchased Services	139,957	20,200	160,157	158,858
General Supplies	16,000	-	16,000	15,601
Miscellaneous Expenditures	5,000	(200)	4,800	3,878
BOE Membership Dues and Fees	16,000	1,000	17,000	16,533
Total Undistributed Expenditures -	730,176	91,950	822,126	815,338
Support Services - General Administration				
Undistributed Expenditures -				
Support Services - School Administration:				
Salaries of Principals/Assistant Principals	758,479	12,650	771,129	771,081
Salaries of Secretaries & Clerical Assistants	352,442	(4,138)	348,304	347,611
Other Salaries	14,000	(1,650)	12,350	8,931
Purchased Professional & Technical Services	4,000	(1,500)	2,500	-
Other Purchased Services	800	(250)	550	-
Supplies and Materials	94,374	(20,640)	73,734	66,044
Other Objects	5,390	3,050	8,440	8,164
Total Undistributed Expenditures -	1,229,485	(12,478)	1,217,007	1,201,831
Support Services - School Administration				
Undistributed Expenditures - Central Services:				
Salaries	405,613	(10,000)	395,613	393,547
Purchased Professional Services	49,000	13,000	62,000	47,887
Miscellaneous Purchased Services	2,000	(1,500)	500	-
Supplies and Materials	30,000	(6,300)	23,700	22,331
Miscellaneous Expenditures	2,000	-	2,000	1,787
Total Undistributed Expenditures - Central Services	488,613	(4,800)	483,813	465,552
Undistributed Expenditures -				
Administrative Information Technology:				
Salaries	189,378	11,100	200,478	200,445
Purchased Technical Services	15,000	12,900	27,900	27,655
Tech Repairs	3,500	(1,000)	2,500	2,061
Supplies and Materials	63,500	(9,200)	54,300	54,236
Total Undistributed Expenditures -	271,378	13,800	285,178	284,397
Administrative Information Technology				

CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Required Maintenance for School Facilities:					
Salaries	11-000-261-100	414,083	(6,500)	407,583	61
Cleaning, Repair & Maintenance Services	11-000-261-420	345,128	42,069	387,197	10,192
Lead Testing of Drinking Water	11-000-261-421	1,000	-	-	-
General Supplies	11-000-261-610	65,500	9,419	74,919	674
Other Objects	11-000-261-800	1,700	7,200	8,900	44
Total Undistributed Expenditures -		827,411	51,188	878,599	10,971
Required Maintenance for School Facilities				867,628	
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	1,042,521	(27,200)	1,015,321	258
Purchased Professional and Technical Services	11-000-262-300	3,500	2,500	6,000	377
Cleaning, Repair & Maintenance Services	11-000-262-420	47,000	(5,000)	42,000	-
Other Purchased Property Services	11-000-262-490	36,000	(6,000)	30,000	657
Insurance	11-000-262-520	153,029	28,500	181,529	274
General Supplies	11-000-262-610	49,400	19,200	68,600	11,645
Energy (Natural Gas)	11-000-262-621	120,000	7,500	127,500	5,364
Energy (Electricity)	11-000-262-622	430,000	(28,150)	401,850	397,204
Energy (Oil)	11-000-262-624	-	100	100	96
Total Undistributed Expenditures - Custodial Services		1,881,450	(8,550)	1,872,900	1,849,675
Undistributed Expenditures -					
Care and Upkeep of Grounds:					
Salaries	11-000-263-100	198,768	3,200	201,968	61
Purchased Professional and Technical Services	11-000-263-300	20,000	14,500	34,500	257
Cleaning, Repair & Maintenance Services	11-000-263-420	30,200	5,000	35,200	716
General Supplies	11-000-263-610	37,500	5,400	42,900	1,249
Total Undistributed Expenditures -		286,468	28,100	314,568	312,285
Care and Upkeep of Grounds				78,400	2,283
Security:					
Purchased Professional and Technical Services	11-000-266-300	131,000	(52,600)	78,400	3,097
Total Security		131,000	(52,600)	78,400	75,303
Undistributed Expenditures -					
Student Transportation Services:					
Salaries of Non-Instructional Aides	11-000-270-107	80,000	22,000	102,000	66
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	878,977	51,665	930,642	2
Sal for Pupil Trans (Bet Home & Sch) - Sp Ed	11-000-270-161	72,450	25,462	97,912	-
Sal for Pupil Trans (Bet. H&S) - NonPublic Sch	11-000-270-162	100,000	52,700	152,700	72
Other Purchased Prof. and Technical Serv.	11-000-270-163	31,050	(5,700)	25,350	3
Cleaning, Repair and Maintenance Services	11-000-270-390	9,500	(9,500)	-	-
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-420	350,000	(13,000)	337,000	3,685
Contract Serv. - Aid in Lieu Pymts-Choice Sch	11-000-270-503	20,000	(12,200)	7,800	13
Contract Services (Between Home & School) - Vendors	11-000-270-505	5,000	(5,000)	-	-
Contract Services (Between Home & School) - Joint Agreement	11-000-270-511	22,500	(12,000)	10,500	212,344
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	11-000-270-515	30,000	(11,000)	19,000	9,769
Contract Services (Special Education) - ESCs & CTSA's	11-000-270-518	450,000	225,000	675,000	1,360
Miscellaneous Purchased Services - Transportation	11-000-270-593	45,513	5,000	50,513	379
General Supplies	11-000-270-610	100,000	(28,800)	71,200	488
Transportation Supplies	11-000-270-615	240,000	(93,000)	147,000	1,722
Miscellaneous Expenditures	11-000-270-800	30,000	-	30,000	144,468
Total Undistributed Expenditures -		2,667,490	201,627	2,869,117	2,854,387
Student Transportation Services				2,854,387	14,730

CENTRAL REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Unallocated Benefits:					
Group Insurance	11-000-291-1210	5,000	(2,500)	2,500	1,910
Social Security Contributions	11-000-291-1220	630,000	85,000	715,000	690,249
Other Retirement Contributions - PERS	11-000-291-1241	742,000	(70,000)	672,000	670,655
Pension Contributions	11-000-291-249	15,000	(4,900)	10,100	10,044
Workmen's Compensation	11-000-291-260	280,200	(15,800)	264,400	264,379
Health Benefits	11-000-291-270	5,755,621	(393,900)	5,361,721	5,357,243
Tuition Reimbursement	11-000-291-280	25,000	(19,000)	6,000	5,100
Other Employee Benefits	11-000-291-290	580,000	8,700	588,700	587,383
Unused Sick Payment to Staff	11-100-100-299	75,000	(1,900)	73,100	73,028
Total Unallocated Benefits		8,107,821	(414,300)	7,693,521	7,659,991
Nonbudgeted:					
TPAF Pension (on-behalf)		-	-	-	3,075,812
TPAF Social Security (reimbursed)		-	-	-	1,117,923
TPAF Post Retirement Medical Benefits (on-behalf)		-	-	-	1,141,070
TPAF Long-Term Disability Insurance (on-behalf)		-	-	-	1,528
Total Undistributed Expenditures		22,042,394	81,546	22,123,940	27,292,451
Total Expenditures - Current Expense		37,711,265	(11,510)	37,699,755	42,810,657
Interest Deposit to Capital Reserves	604-000	100	-	100	-
Capital Outlay:					
Equipment:					
School-Sponsored & Other Instructional Programs	12-400-100-730	-	13,890	13,890	2,590
Undistributed Expenditures:					
Undistributed Expenditures - Instruction	12-000-100-730	25,434	17,900	43,334	43,264
Undistributed Expenditures - Admin Info Tech.	12-000-252-730	450,000	146,100	596,100	552,525
Undistributed Expenditures - Tech Non Instructional Equipment	12-000-252-732	20,000	47,700	67,700	67,631
Undist. Expend.- Custodial Services	12-000-262-730	175,361	90,800	266,161	240,101
School Buses - Regular	12-000-270-733	325,000	(324,980)	20	-
Total Equipment		995,795	(8,590)	987,205	906,111
Facilities Acquisition & Construction Services:					
Architectural/Engineering Services	12-000-400-334	204,280	(60,213)	144,067	31,060
Construction Services	12-000-400-450	-	80,213	80,213	-
Lease Purchase Agreements - Principal	12-000-400-721	287,684	-	287,684	287,684
Assessment for Debt Service on SDA Funding	12-000-400-896	114,706	-	114,706	114,706
Total Facilities Acquisition & Construction Services		606,670	20,000	626,670	513,663
Assets Acquired Under Capital Leases (Non-Budgeted):					
Capital Leases (Non-Budgeted)		-	-	-	508,395
Total Assets Acquired Under Capital Leases (Non-Budgeted)		-	-	-	508,395
Total Capital Outlay		1,602,465	11,410	1,613,875	1,928,169
Total Expenditures		39,313,830	(100)	39,313,730	44,738,826
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		(189,986)	-	(189,986)	172,947
Other Financing Sources/(Uses):					
Capital Leases (Non-Budgeted)		-	-	-	508,395
Total Other Financing Sources/(Uses)		-	-	-	508,395
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(189,986)	-	(189,986)	681,342
Fund Balances, July 1		1,912,777	-	1,912,777	1,912,777
Fund Balances, June 30		\$ 1,722,791	\$ -	\$ 1,722,791	\$ 2,594,119
					\$ 871,328

CENTRAL REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2020

ACCOUNT NUMBERS	JUNE 30, 2020		VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS FINAL BUDGET	
Restricted Fund Balance:			
Capital Reserve	\$ 650,836		
Maintenance Reserve	447,098		
Emergency Reserve	50,500		
Excess Surplus Designated for Subsequent Year's Expenditures	145,889		
Assigned Fund Balance:			
Designated for Subsequent Year's Expenditures	204,111		
Year-End Encumbrances	182,542		
Unassigned Fund Balance	913,143		
Subtotal	2,594,119		
Reconciliation to Governmental Funds Statements (GAAP):			
Last State Aid Payments Not Recognized on GAAP Basis		(403,589)	
Fund Balance per Governmental Funds (GAAP)		\$ 2,190,530	

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:
 Capital Reserve
 Maintenance Reserve
 Emergency Reserve
 Excess Surplus Designated for Subsequent Year's Expenditures
 Assigned Fund Balance:
 Designated for Subsequent Year's Expenditures
 Year-End Encumbrances
 Unassigned Fund Balance
 Subtotal
 Reconciliation to Governmental Funds Statements (GAAP):
 Last State Aid Payments Not Recognized on GAAP Basis
 Fund Balance per Governmental Funds (GAAP)

**CENTRAL REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020**

	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources	-	\$ 13,189	\$ 13,189	\$ 13,189
Federal Sources	923,581	186,170	1,109,751	1,109,751
Total Revenues	923,581	199,359	1,122,940	1,122,940
Expenditures:				
Instruction:				
Salaries of Teachers	276,250	121,017	397,267	397,267
Other Purchased Services (400-500 Series)	441,058	86,808	527,866	527,866
General Supplies	-	30,200	30,200	30,200
Total Instruction	717,308	238,025	955,333	955,333
Support Services:				
Salaries of Other Professional Staff	-	3,880	3,880	3,880
Personal Services - Employee Benefits	206,273	(87,847)	118,426	118,426
Purchased Educational Services	-	40,943	40,943	40,943
Other Purchased Services (400-500 Series)	-	4,358	4,358	4,358
Total Support Services	206,273	(38,666)	167,607	167,607
Total Expenditures	923,581	199,359	1,122,940	1,122,940
Total Outflows	923,581	199,359	1,122,940	1,122,940
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**CENTRAL REGIONAL SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2020**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 44,911,773	\$ 1,122,940
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(1,812)
Prior Year	-	-
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(403,589)	-
Prior Year	384,491	-
<hr style="border-top: 1px solid black;"/>		
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 44,892,675	\$ 1,121,128
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 44,738,826	\$ 1,122,940
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(1,812)
<hr style="border-top: 1px solid black;"/>		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 44,738,826	\$ 1,121,128

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST SEVEN FISCAL YEARS **/****

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.06861%	0.06741%	0.06460%	0.06237%	0.06150%	0.05994%	0.05842%
School District's proportionate share of the net pension liability	\$ 12,361,718	\$ 13,273,392	\$ 15,037,470	\$ 18,474,100	\$ 13,808,205	\$ 11,222,596	\$ 11,165,812
School District's covered payroll	\$ 5,016,266	\$ 4,848,946	\$ 4,682,407	\$ 4,330,517	\$ 4,203,016	\$ 4,162,600	\$ 4,113,245
School District's proportionate share of the net pension liability as a percentage of its covered payroll	246.43%	273.74%	321.15%	426.60%	328.53%	269.61%	271.46%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST SEVEN FISCAL YEARS **/****

	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 667,332	\$ 667,336	\$ 674,412	\$ 598,435	\$ 554,143	\$ 528,838	\$ 494,145
Contributions in relation to the contractually required contribution	(667,332)	(667,336)	(674,412)	(598,435)	(554,143)	(528,838)	(494,145)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 5,242,341	\$ 5,016,266	\$ 4,848,946	\$ 4,682,407	\$ 4,330,517	\$ 4,203,016	\$ 4,162,600
Contributions as a percentage of covered payroll	12.73%	13.30%	13.91%	12.78%	12.80%	12.58%	11.87%

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

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

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST SEVEN FISCAL YEARS ^{*/**}**

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 82,558,048.00	\$ 83,846,218.00	\$ 89,265,911.00	\$ 104,081,346.00	\$ 82,189,449.00	\$ 69,618,006.00	\$ 69,340,988.00
	<u>\$ 82,558,048.00</u>	<u>\$ 83,846,218.00</u>	<u>\$ 89,265,911.00</u>	<u>\$ 104,081,346.00</u>	<u>\$ 82,189,449.00</u>	<u>\$ 69,618,006.00</u>	<u>\$ 69,340,988.00</u>
School District's covered payroll	\$ 15,263,603.00	\$ 14,799,731.00	\$ 14,799,731.00	\$ 14,217,711.00	\$ 13,252,685.00	\$ 13,451,654.00	\$ 13,243,968.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's Total OPEB Liability			
Service Cost	\$ 2,746,285	\$ 2,985,681	\$ 3,602,242
Interest Cost	2,954,024	3,197,273	2,765,384
Differences Between Expected and Actual Experiences	(13,260,986)	(8,420,748)	
Changes of Assumptions	984,306	(8,556,013)	(11,538,468)
Contributions: Member	60,071	68,905	74,438
Gross Benefit Payments	(2,026,499)	(1,993,680)	(2,021,533)
Net Change in District's Total OPEB Liability	(8,542,799)	(12,718,582)	(7,117,937)
District's Total OPEB Liability (Beginning)	74,558,955	87,277,537	94,395,474
District's Total OPEB Liability (Ending)	<u>\$ 66,016,156</u>	<u>\$ 74,558,955</u>	<u>\$ 87,277,537</u>
District's Covered Employee Payroll	\$ 20,505,944	\$ 20,487,316	\$ 19,482,138
District's Net OPEB Liability as a Percentage of Payroll	322%	364%	448%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2020**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 4.86% as of June 30, 2018, to 5.60% as of June 30, 2019.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.66% as of June 30, 2018, to 6.28% as of June 30, 2019.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.87% as of June 30, 2018, to 3.5% as of June 30, 2019.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**CENTRAL REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2020**

	Title I	Title IIA	Title I - Part A, SIA	I.D.E.A. - Basic
Revenues:				
Local Sources	\$ -	\$ -	\$ -	\$ -
Federal Sources	458,151	68,200	38,523	527,866
Total Revenues	\$ 458,151	\$ 68,200	\$ 38,523	\$ 527,866
Expenditures:				
Instruction:				
Salaries of Teachers	\$ 351,423	\$ 45,844	\$ -	\$ -
Tuition	-	-	-	-
General Supplies	-	-	-	527,866
Total Instruction	351,423	45,844	-	527,866
Support Services:				
Salaries of Other Professional Staff	-	3,880	-	-
Personal Services - Employee Benefits	102,370	16,056	-	-
Purchased Educational Services	-	2,420	38,523	-
Other Purchased Services (400-500 Series)	4,358	-	-	-
Total Support Services	106,728	22,356	38,523	-
Total Expenditures	\$ 458,151	\$ 68,200	\$ 38,523	\$ 527,866

**CENTRAL REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2020**

	Cares Act	SES	Totals
Revenues:			
Local Sources	\$ -	\$ 13,189	\$ 13,189
Federal Sources	17,011	-	1,109,751
Total Revenues	<u>\$ 17,011</u>	<u>\$ 13,189</u>	<u>\$ 1,122,940</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ -	\$ -	\$ 397,267
Tuition	-	-	527,866
General Supplies	17,011	13,189	30,200
Total Instruction	<u>17,011</u>	<u>13,189</u>	<u>955,333</u>
Support Services:			
Salaries of Other Professional Staff	-	-	3,880
Personal Services - Employee Benefits	-	-	118,426
Purchased Educational Services	-	-	40,943
Other Purchased Services (400-500 Series)	-	-	4,358
Total Support Services	<u>-</u>	<u>-</u>	<u>167,607</u>
Total Expenditures	<u>\$ 17,011</u>	<u>\$ 13,189</u>	<u>\$ 1,122,940</u>

F. Capital Projects Fund

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EXHIBIT F-1

CENTRAL REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2020

Project Title / Issue	Original Date	Original Appropriations	Expenditures to Date		Unexpended Balance June 30, 2020
			Prior Years	Current Year	
Energy Savings Improvement Program	4/15/2020	\$ 3,250,520	\$ -	\$ 1,714,321	\$ 1,536,199
Total		\$ 3,250,520	\$ -	\$ 1,714,321	\$ 1,536,199

Reconciliation of Fund Balance

Unexpended Project Balances	\$ 1,536,199
Total Fund Balance (Budgetary Basis)	\$ 1,536,199
Less: Reserve for Encumbrances	\$ -
Total Fund Balance (GAAP Basis)	\$ 1,536,199

**CENTRAL REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2020**

Revenues and Other Financing Sources:	
Local Sources - Lease Proceeds	\$ 3,250,000
Interest	<u>520</u>
Total Revenues and Other Financing Sources	<u>3,250,520</u>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	33,388
Construction Services	<u>1,680,933</u>
Total Expenditures and Other Financing Uses	<u>1,714,321</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>1,536,199</u>
Fund Balance, July 1	<u>-</u>
Fund Balance, June 30	<u><u>\$ 1,536,199</u></u>

**CENTRAL REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS**

YEAR ENDED JUNE 30, 2020

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Sources - Lease Proceeds	\$ -	\$ 3,250,000	\$ 3,250,000	\$ 3,250,000
Interest	-	520	520	520
Total Revenues and Other Financing Sources	-	3,250,520	3,250,520	3,250,520
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	33,388	33,388	33,388
Construction Services	-	1,680,933	1,680,933	3,217,132
Total Expenditures and Other Financing Uses	-	1,714,321	1,714,321	3,250,520
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	1,536,199	1,536,199	-

ADDITIONAL PROJECT INFORMATION

Project Number	0770-030-20-1002
Grant Date	4/15/2020
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,250,000
Increase of Authorized Cost	
Revised Authorized Cost	\$ 3,250,000
Percentage Decrease Under Original Authorized Cost	-
Original Target Completion Date	
Percentage Completion	52.74%

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H. Fiduciary Fund

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CENTRAL REGIONAL SCHOOL DISTRICT
 FIDUCIARY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2020

	TRUST		TRUST TOTALS	AGENCY		AGENCY TOTALS
	PRIVATE-PURPOSE SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION		PAYROLL FUND	STUDENT ACTIVITY FUND	
ASSETS						
Cash & Cash Equivalents	\$ 28,888	\$ 406,239	\$ 435,127	\$ 560,273	\$ 276,062	\$ 836,335
Interfund Receivable	-	10,197	10,197	-	-	-
Total Assets	28,888	416,436	445,324	560,273	276,062	836,335
LIABILITIES						
Interfund Payable	-	-	-	15,197	-	15,197
Payable for Student Related Activities	-	-	-	-	276,062	276,062
Payroll Deductions & Withholdings	-	-	-	545,076	-	545,076
Total Liabilities	-	-	-	\$ 560,273	\$ 276,062	\$ 836,335
NET POSITION						
Restricted - Held in Trust for Unemployment Claims & Other Purposes	-	416,436	416,436			
Restricted - Scholarships	28,888	-	28,888			
Total Net Position	\$ 28,888	\$ 416,436	\$ 445,324			

**CENTRAL REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2020**

	UNEMPLOYMENT COMPENSATION TRUST	PRIVATE- PURPOSE SCHOLARSHIP FUND	TOTAL TRUST
ADDITIONS			
Contributions:			
Plan Member	\$ 83,352	\$ 26,500	\$ 109,852
Total Contributions	83,352	26,500	109,852
Investment Earnings:			
Interest	885	102	987
Net Investment Earnings	885	102	987
Total Additions	84,237	26,602	110,839
DEDUCTIONS			
Unemployment Claims	52,802	-	52,802
Scholarships Awarded	-	26,700	26,700
Total Deductions	52,802	26,700	79,502
Change in Net Position	31,435	(98)	31,337
Net Position - Beginning	385,001	28,986	413,987
Net Position - Ending	\$ 416,436	\$ 28,888	\$ 445,324

**CENTRAL REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2020**

	BALANCE JUNE 30, 2019		CASH RECEIPTS		CASH DISBURSEMENTS		BALANCE JUNE 30, 2020
High School & Middle School	\$ 259,412	\$	340,991	\$	346,736	\$	253,667
Athletic Account	2,252		105,495		85,352		22,395
Total	\$ 261,664	\$	446,486	\$	432,088	\$	276,062

**CENTRAL REGIONAL SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2020**

	BALANCE JUNE 30, 2019		CASH RECEIPTS		CASH DISBURSEMENTS		BALANCE JUNE 30, 2020
ASSETS							
Cash & Cash Equivalents	\$ 527,010	\$	27,700,834	\$	27,667,571	\$	560,273
Total Assets	\$ 527,010	\$	27,700,834	\$	27,667,571	\$	560,273
LIABILITIES							
Payroll Deductions & Withholdings	\$ 438,514	\$	27,700,834	\$	27,594,272	\$	545,076
Interfunds Payable	88,496		-		73,299		15,197
Total Liabilities	\$ 527,010	\$	27,700,834	\$	27,667,571	\$	560,273

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I. Long-Term Debt

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CENTRAL REGIONAL SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS PAYABLE
 YEAR ENDED JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE	
						JUNE 30, 2019	JUNE 30, 2020
School Bonds 2011	3/29/2011	\$ 4,113,000	7/15/2020	400,000	3.500%	\$ 1,173,000	\$ 520,000
			7/15/2021	253,000	3.500%		
Total						\$ 1,173,000	\$ 520,000
						<u>\$ 1,173,000</u>	<u>\$ 653,000</u>

**CENTRAL REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
YEAR ENDED JUNE 30, 2020**

PURPOSE	ORIGINAL PRINCIPAL	INTEREST RATE	AMOUNT			
			OUTSTANDING JUNE 30, 2019	ISSUED	RETIRED	
			AMOUNT OUTSTANDING JUNE 30, 2020			
Copiers - FY 15	\$ 23,864	Variable	\$ 5,355	\$ -	\$ 5,355	\$ -
Copiers - FY 16	157,496	2.75%	56,619	-	27,925	28,694
Copiers - FY 17	50,615	Variable	25,500	-	10,452	15,048
Copiers - FY 18	53,132	Variable	39,978	-	10,248	29,730
Copiers - FY20	17,699	Variable	-	17,699	1,790	15,909
Copiers - FY20	11,082	Variable	-	11,082	1,448	9,634
Phone System	85,708	3.28%	68,014	-	16,189	51,825
Middle School Roof Lease	725,000	2.25%	340,687	-	168,449	172,238
Stadium Lighting Lease	500,000	3.111%	500,000	-	75,000	425,000
5 Bus Lease FY20	479,614	2.27%	-	479,614	-	479,614
ESIP Lease	3,250,000	1.875%	-	3,250,000	-	3,250,000
Total			\$ 1,036,153	\$ 3,758,395	\$ 316,856	\$ 4,477,692

**CENTRAL REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2020**

	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 726,305	-	\$ 726,305	\$ -
Total Revenues	726,305	-	726,305	-
Expenditures:				
Regular Debt Service:				
Interest	31,305	-	31,305	-
Principal and Interest on CDL	175,000	-	175,000	-
Redemption of Principal	520,000	-	520,000	-
Total Regular Debt Service	726,305	-	726,305	-
Total Expenditures	726,305	-	726,305	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-
Fund Balance, July 1,	-	-	-	-
Fund Balance, June 30,	-	-	-	-

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

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

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Net Investment in Capital Assets	\$ 24,507,431	\$ 3,742,240	\$ 2,298,997	\$ 2,247,055	\$ 2,062,334	\$ 1,913,622	\$ 5,143,131	\$ 3,966,741	\$ 2,131,902	\$ (15,361,872)
Restricted	2,830,522	3,522,483	2,522,942	3,340,079	3,228,649	1,544,579	2,127,269	3,094,400	3,758,850	20,710,308
Unrestricted (Deficit)	(15,484,164)	(4,616,844)	(233,433)	(1,083,121)	(1,151,474)	(80,303)	(732,037)	112,293	491,745	(1,178,333)
Total Governmental Activities	\$ 11,853,789	\$ 2,647,879	\$ 4,588,506	\$ 4,504,013	\$ 4,139,509	\$ 3,377,898	\$ 6,538,363	\$ 7,173,434	\$ 6,382,497	\$ 4,170,103
Business-Type Activities:										
Net Investment in Capital Assets	\$ 392,502	\$ -	\$ -	\$ -	\$ -	\$ 382	\$ 3,288	\$ 4,389	\$ 5,690	\$ 6,969
Unrestricted (Deficit)	(46,344)	51,061	4,114	6,311	9,041	15,606	11,866	14,393	13,507	3,392
Total Business-Type Activities	\$ 346,158	\$ 51,061	\$ 4,114	\$ 6,311	\$ 9,041	\$ 15,988	\$ 15,154	\$ 18,782	\$ 19,197	\$ 10,361
District-Wide:										
Net Investment in Capital Assets	\$ 24,899,933	\$ 3,742,240	\$ 2,298,997	\$ 2,247,055	\$ 2,062,334	\$ 1,914,004	\$ 5,146,419	\$ 3,971,130	\$ 2,137,592	\$ (15,354,903)
Restricted	2,830,522	3,522,483	2,522,942	3,340,079	3,228,649	1,544,579	2,127,269	3,094,400	3,758,850	20,710,308
Unrestricted (Deficit)	(15,530,508)	(4,565,783)	(229,319)	(1,076,810)	(1,142,433)	(64,697)	(720,171)	126,686	505,252	(1,174,941)
Total District Net Position	\$ 12,199,947	\$ 2,698,940	\$ 4,592,620	\$ 4,510,324	\$ 4,148,550	\$ 3,393,886	\$ 6,553,517	\$ 7,192,216	\$ 6,401,694	\$ 4,180,464

Source: CAFR Schedule A-1

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 17,649,513	\$ 5,804,105	\$ 6,066,077	\$ 6,195,152	\$ 8,363,364	\$ 8,342,598	\$ 8,761,722	\$ 8,475,715	\$ 9,227,118	\$ 8,741,466
Special Education	7,723,350	1,879,435	1,714,360	1,563,496	2,230,522	2,154,675	2,172,130	1,992,815	2,192,315	2,010,988
Other Special Education		585,390	654,988	628,942	899,985	949,114	832,095	1,092,681	944,942	826,389
Other Instruction	3,119,227	106,045	112,221	95,262	672,904	622,738	638,206	106,104	88,249	88,886
Support Services:										
Tuition	2,202,671	445,815	636,574	722,222	569,661	311,829	434,769	517,704	532,009	485,605
Student & Instruction Related Services	5,413,187	2,525,549	2,439,848	2,217,382	2,082,315	1,916,663	2,197,184	2,708,283	2,880,865	2,748,044
Other Administrative Services	1,082,829	419,603	354,893	370,118	404,282	528,063	502,257	529,440	616,347	662,302
Central Services	617,536	258,416	217,268	243,784	282,238	295,499	335,627	401,112	422,047	391,196
Administration Information Technology Services	377,614	13,393	3,872	6,250	128,689	119,922	104,074	157,612	118,070	108,682
School Administrative Services	1,594,962	630,219	629,442	667,932	892,575	922,626	901,516	851,712	957,284	994,551
Plant Operations & Maintenance	4,096,453	1,722,143	1,805,738	1,663,393	1,609,605	1,850,542	1,804,631	1,811,611	1,815,199	1,577,019
Pupil Transportation	3,789,594	788,365	761,055	751,359	832,910	863,076	921,490	892,100	899,926	1,021,743
Unallocated Benefits	-	7,969,907	4,338,164	4,641,968	-	-	-	-	-	-
Interest & Other Charges	172,136	931,910	1,123,855	1,163,043	1,199,980	1,235,324	1,269,542	1,302,636	1,308,399	1,235,419
Unallocated Depreciation	-	1,062,405	1,019,096	973,149	752,631	744,958	676,298	297,921	175,392	(21,481)
Total Governmental Activities Expenses	47,839,072	25,142,700	21,877,451	21,903,452	20,921,661	20,857,627	21,551,541	21,137,446	22,178,162	20,870,809
Business-Type Activities:										
Food Service	952,677	375,783	429,091	392,163	394,241	363,909	363,513	340,790	320,052	330,589
Community School	4,792	375,783	429,091	392,163	394,241	363,909	363,513	340,790	320,052	330,589
Total Business-Type Activities Expense	957,469	751,566	858,182	784,326	788,482	727,818	727,026	681,580	640,104	661,178
Total District Expenses	\$ 48,796,541	\$ 25,894,266	\$ 22,735,633	\$ 22,687,778	\$ 21,710,143	\$ 21,585,445	\$ 22,278,567	\$ 21,819,026	\$ 22,818,266	\$ 21,531,987
Program Revenues:										
Charges for Services	-	\$ 54,141	\$ 12,945	\$ 75,416	\$ 70,803	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Grants & Contributions	7,746,067	6,986,151	1,950,152	1,871,807	2,711,669	2,711,261	215,162	266,931	336,241	336,241
Total Governmental Activities Program Revenues	7,746,067	7,040,292	1,963,097	1,947,223	342,472	2,711,261	215,162	266,931	336,241	336,241
Business-Type Activities:										
Charges for Services:										
Food Service	552,414	123,848	155,212	122,658	128,946	145,642	141,247	153,520	143,847	181,900
Community School	8,550									
Operating Grants & Contributions	385,014	295,645	271,681	266,775	258,348	219,644	218,637	186,855	157,788	151,206
Total Business Type Activities Program Revenues	945,978	419,493	426,893	389,433	387,294	365,286	359,884	340,375	301,635	333,106
Total District Program Revenues	\$ 8,692,045	\$ 7,459,785	\$ 2,389,990	\$ 2,336,656	\$ 729,766	\$ 636,547	\$ 575,046	\$ 607,306	\$ 637,876	\$ 669,347

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net (Expense)/Revenue:										
Governmental Activities	\$ (40,093,005)	\$ (18,102,408)	\$ (19,914,354)	\$ (19,956,229)	\$ (20,579,189)	\$ (20,586,366)	\$ (21,336,379)	\$ (20,870,515)	\$ (21,841,921)	\$ (20,534,568)
Business-Type Activities	(11,491)	(332,073)	(431,289)	(394,893)	(401,188)	(362,532)	(367,142)	(341,205)	(338,469)	(328,072)
Total District-Wide Net Expense	\$ (40,104,496)	\$ (18,434,481)	\$ (20,345,643)	\$ (20,351,122)	\$ (20,980,377)	\$ (20,948,898)	\$ (21,703,521)	\$ (21,211,720)	\$ (22,180,390)	\$ (20,862,640)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 33,975,000	\$ 13,748,136	\$ 13,364,766	\$ 13,206,960	\$ 13,076,199	\$ 13,076,199	\$ 13,076,199	\$ 12,859,451	\$ 12,947,762	\$ 12,689,970
Taxes Levied for Debt Service	726,305	1,329,458	1,346,882	1,339,127	1,329,887	1,310,197	1,193,957	1,224,738	1,232,959	-
Grants & Contributions	4,715,285	3,682,077	5,275,845	5,586,643	6,888,589	6,357,519	6,080,317	7,402,794	8,298,287	6,998,044
Tuition Received	229,144	-	-	-	-	-	-	-	-	-
Transportation	349,796	-	-	-	-	-	-	-	-	-
Miscellaneous Income	287,637	8,029	11,354	9,663	46,122	91,461	350,835	174,469	571,560	1,393,213
Total Governmental Activities	40,283,167	18,767,700	19,998,847	20,142,393	21,340,797	20,835,376	20,701,308	21,661,452	23,023,316	21,081,227
Total District-Wide	\$ 40,283,167	\$ 18,767,700	\$ 19,998,847	\$ 20,142,393	\$ 21,340,797	\$ 20,835,376	\$ 20,701,308	\$ 21,661,452	\$ 23,023,316	\$ 21,081,227
Change in Net Position:										
Governmental Activities	\$ 190,162	\$ 665,292	\$ 84,493	\$ 186,164	\$ 761,608	\$ 249,010	\$ (635,071)	\$ 790,937	\$ 1,181,395	\$ 546,659
Business-Type Activities	(11,491)	(332,073)	(431,289)	(394,893)	(401,188)	(362,532)	(367,142)	(341,205)	(338,469)	(328,072)
Total District	\$ 178,671	\$ 333,219	\$ (346,796)	\$ (208,729)	\$ 360,420	\$ (113,522)	\$ (1,002,213)	\$ 449,732	\$ 842,926	\$ 218,587

Source: CAFR Schedule A-2

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Restricted	\$ 1,294,323	\$ 3,620,233	\$ 2,967,645	\$ 2,981,372	\$ 3,099,131	\$ 2,340,278	\$ 1,358,880	\$ -	\$ -	\$ -
Assigned	386,653	725,484	816,304	415,315	240,949	831,399	1,119,138	-	-	-
Unassigned	509,554	-	-	-	103,549	180,146	251,916	-	-	-
Reserved	-	-	-	-	-	-	-	2,053,284	4,168,924	3,557,036
Unreserved	-	-	-	-	-	-	-	582,764	320,200	1,969,364
Total General Fund	\$ 2,190,530	\$ 4,345,717	\$ 3,783,949	\$ 3,396,687	\$ 3,443,629	\$ 3,351,823	\$ 2,729,934	\$ 2,636,048	\$ 4,489,124	\$ 5,526,400
All Other Governmental Funds:										
Restricted										
Debt Service Fund	\$ -	\$ 74,088	\$ 74,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	1,536,199	-	-	-	-	56,972	66,561	-	-	-
Reserved	-	-	-	-	-	-	-	-	68,829	437,649
Unreserved, Reported in:										
Special Revenue Fund	-	-	-	-	-	-	-	-	-	(10,534)
Capital Projects Fund	-	-	-	-	-	-	-	73,984	107,814	(1,180,697)
Debt Service Fund	-	-	-	-	-	-	-	26,206	26,206	26,206
Total All Other Governmental Funds	\$ 1,536,199	\$ 74,088	\$ 74,088	\$ -	\$ -	\$ 56,972	\$ 66,561	\$ 100,190	\$ 202,849	\$ (727,376)

Source: CAFR Schedule B-1

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Tax Levy	\$ 34,701,305	\$ 15,077,594	\$ 14,851,566	\$ 14,711,648	\$ 14,546,087	\$ 14,406,086	\$ 14,386,396	\$ 14,270,156	\$ 14,084,189	\$ 14,180,721
Tuition Charges	229,144	54,141	59,273	12,945	58,004	46,754	-	70,892	-	-
Miscellaneous	650,622	14,447	15,833	28,540	27,400	70,171	80,884	279,943	1,549,510	571,560
State Sources	10,020,590	6,938,113	6,675,923	6,401,394	6,622,367	6,195,807	5,569,322	5,209,880	6,236,125	7,744,006
Federal Sources	1,138,967	934,455	765,610	807,417	835,759	964,451	1,059,457	1,085,599	1,433,600	890,522
Total Revenues	46,740,628	23,018,750	22,368,205	21,961,944	22,089,617	21,683,269	21,096,059	20,916,470	23,303,424	23,386,809
Expenditures										
Instruction:										
Regular Instruction	10,203,396	5,804,105	-	-	-	5,956,143	-	-	-	-
Special Education Instruction	4,465,245	1,879,435	6,017,072	6,066,077	6,195,152	1,612,490	6,066,832	6,666,478	6,432,174	6,561,396
Other Special Instruction	-	585,390	1,792,773	1,714,360	1,563,496	1,612,490	1,548,241	1,562,428	1,433,701	1,357,377
Other Instruction	1,803,086	106,045	472,935	654,988	628,942	628,480	658,005	564,497	781,883	633,556
Support Services:										
Tuition	1,659,582	445,815	124,724	112,221	95,262	70,593	79,925	89,381	106,104	88,249
Health Services	247,501	-	-	-	-	-	-	-	-	-
Student & Instruction Related Services	3,591,220	2,525,549	352,293	636,574	722,222	569,661	311,829	434,769	517,704	532,009
Other Administrative Services	815,338	1,419,603	2,355,500	2,439,848	2,217,382	2,102,334	1,938,225	2,221,671	2,105,608	2,180,548
Central Services	465,552	258,416	641,940	629,442	667,932	690,674	718,994	682,306	658,194	681,199
Administration Information										
Technology Services	284,397	13,393	280,419	217,268	243,784	232,273	250,001	292,109	309,134	298,266
School Administrative Services	1,201,831	630,219	384,182	354,893	370,118	361,061	432,573	425,745	459,178	508,856
Plant Operations & Maintenance	3,104,891	1,771,719	10,075	3,872	6,250	77,082	76,170	33,727	94,718	36,143
Pupil Transportation	2,854,387	788,365	1,912,522	1,805,738	1,663,393	1,592,234	1,832,259	1,773,924	1,796,049	1,801,307
Unallocated Benefits	12,996,324	5,090,072	4,638,563	4,400,782	4,770,980	4,256,891	4,063,720	3,977,275	3,688,708	4,875,950
Business and Other Support Services:										
Other	-	-	774,392	761,055	751,359	734,598	796,858	801,525	849,307	861,621
Capital Outlay	3,240,100	109,857	173,322	171,038	129,532	171,478	247,893	1,312,763	2,486,782	18,443,760
Debt Service:										
Principal	967,507	1,000,000	950,000	900,000	850,000	800,000	775,000	750,000	725,000	700,000
Interest & Other Charges	161,188	1,029,000	1,331,440	1,140,730	1,178,980	1,214,980	1,249,855	1,283,605	1,316,230	1,995,389
Total Expenditures	48,300,580	22,456,983	22,212,152	22,008,886	22,054,784	21,070,972	21,046,380	22,872,203	23,760,474	41,555,626
Other Financing Sources/(Uses):										
Capital Leases (Non-budgeted)	508,395	-	-	-	-	-	-	-	350,000	-
Leases Proceeds - ESIP Lease	3,250,000	-	-	-	-	-	-	-	-	-
Sale of Property	-	-	-	-	-	-	-	-	-	1,400,000
Proceeds of Refunding Bonds	-	-	23,712,043	-	-	-	-	-	-	-
Deposit to Refunding Escrow	-	-	(23,406,745)	-	-	-	-	-	-	-
Cancellation of Payable	-	-	-	-	-	-	10,577	-	-	-
Transfers in	-	-	-	-	56,972	11,564	-	-	-	-
Transfers Out	-	-	-	-	(56,972)	(11,564)	-	-	-	(27,252)
Total Other Financing Sources/(Uses)	3,758,395	-	305,298	-	-	10,577	10,577	-	350,000	1,372,748
Net Change in Fund Balances	\$ 2,198,443	\$ 561,767	\$ 461,351	\$ (46,942)	\$ 34,833	\$ 612,297	\$ 60,256	\$ (1,955,733)	\$ (107,050)	\$ (16,796,069)
Debt Service as a Percentage of Noncapital Expenditures	2.39%	9.93%	11.45%	10.22%	10.13%	10.57%	10.65%	9.76%	9.40%	6.94%

Source: CAFR Schedule B-2

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION FROM OTHER LEA's	TUITION OTHER	TRANSPORTATION FEES	MISCELLANEOUS	TOTAL
2020	\$ 200	\$ 229,144	\$ -	\$ 349,796	\$ 286,917	\$ 866,057
2019	6,087	54,141	-	-	1,942	62,170
2018	3,939	12,945	-	-	7,415	24,299
2017	3,974	58,004	-	17,412	5,689	85,079
2016	3,552	44,704	2,050	24,049	11,511	85,866
2015	7,390	1,067	-	-	29,505	37,962
2014	12,817	70,892	-	-	70,514	154,223
2013	38,010	-	-	-	102,943	140,953
2012	118,901	-	-	-	42,065	160,966
2011	418,215	-	-	-	128,869	547,084
Total	\$ 613,085	\$ 470,897	\$ 2,050	\$ 391,257	\$ 687,370	\$ 2,164,659

Source: District Records

Revenue Capacity Information

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

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY) EQUALIZED VALUE
BERKELEY											
2011	142,705,500	4,597,514,300	344,374,200	28,114,500	59,170,800	5,171,879,300	1,269,044,700	8,476,005	5,181,066,605	0.370	6,434,567,397
2012	132,153,900	4,599,782,500	325,273,300	24,742,200	58,796,400	5,140,748,300	1,270,623,100	6,397,133	5,147,145,433	-	5,867,719,087
2013	123,862,500	4,586,855,260	318,920,400	24,764,900	57,997,000	5,113,761,960	1,272,461,000	-	6,386,222,960	0.937	5,548,786,849
2014	149,897,200	4,566,287,760	291,170,700	24,462,500	57,997,000	5,089,815,160	1,274,856,100	-	6,364,671,260	-	5,103,594,866
2015	143,719,200	4,580,869,960	290,027,400	24,462,500	57,997,000	5,102,034,098	1,278,099,500	-	6,380,133,598	-	5,093,712,990
2016	139,576,200	4,610,354,810	285,904,700	23,692,500	55,205,700	5,119,435,600	1,281,759,500	-	6,401,195,100	1.022	5,286,358,469
2017	134,323,200	4,616,600,166	280,583,300	16,424,100	55,205,700	5,107,714,648	1,293,195,830	-	6,400,910,478	-	5,419,664,792
2018	135,728,900	4,637,597,300	280,660,700	16,853,300	60,521,100	5,136,193,690	1,306,073,600	-	6,442,267,290	1.067	5,585,512,630
2019	126,574,300	4,684,455,500	279,661,000	16,853,300	63,128,800	5,175,652,820	1,310,862,800	-	6,486,515,620	1.066	5,585,512,630
2020	119,659,200	4,734,246,000	281,332,300	16,968,500	65,549,800	5,223,443,562	1,317,137,300	-	6,540,580,862	1.066	5,827,301,988
ISLAND HEIGHTS											
2011	13,983,900	314,685,500	23,043,100	-	489,300	352,201,800	22,460,000	189,570	352,364,449	0.488	418,199,271
2012	12,913,000	314,965,700	21,616,800	-	489,300	349,984,800	22,674,700	-	372,659,500	0.866	390,346,643
2013	14,328,500	310,198,700	20,718,300	-	489,300	345,734,800	22,724,700	-	368,459,500	0.860	349,969,430
2014	15,221,700	309,324,600	20,588,200	-	489,300	345,623,800	22,736,500	-	368,360,300	-	344,899,511
2015	16,158,700	307,697,700	20,588,200	-	489,300	345,132,255	22,736,500	-	367,868,755	-	342,264,239
2016	16,740,400	307,677,800	20,523,400	-	489,300	345,631,813	22,736,500	-	368,368,313	0.912	328,307,771
2017	14,671,000	310,496,700	20,576,200	16,424,100	489,300	346,430,885	23,018,800	-	369,449,685	-	345,395,292
2018	13,014,400	313,614,800	20,576,200	-	489,300	347,893,775	370,912,575	-	370,912,575	0.939	355,243,188
2019	11,224,600	333,025,700	24,591,600	16,853,300	499,400	369,544,341	32,555,600	-	402,099,941	N/A	355,243,188
2020	11,267,300	334,113,000	23,761,300	16,968,500	499,400	369,843,430	32,925,300	-	402,768,730	0.952	373,865,682
OCEAN GATE											
2011	3,488,300	252,790,400	4,683,100	-	1,299,000	262,260,800	12,032,500	153,416	262,414,216	-	281,398,499
2012	3,804,100	253,620,900	4,683,100	-	1,299,000	263,407,100	12,082,500	-	275,489,600	0.969	261,862,114
2013	3,668,700	245,470,200	4,387,600	-	1,160,200	254,686,700	12,082,500	-	266,769,200	0.993	241,936,639
2014	4,510,200	243,127,500	4,277,600	-	1,160,200	253,075,500	12,360,700	-	265,436,200	-	233,593,779
2015	2,933,500	246,659,800	4,527,500	-	1,242,100	255,456,077	12,185,800	-	267,641,877	-	231,853,005
2016	3,180,800	206,460,400	4,509,000	-	1,106,900	215,347,392	13,757,100	-	229,104,492	1.272	226,295,735
2017	3,197,800	207,340,300	4,509,000	-	1,106,900	216,236,835	13,784,700	-	230,021,535	-	227,135,356
2018	2,467,300	211,070,200	4,509,000	-	1,106,900	219,236,646	13,784,700	-	233,021,346	1.267	244,292,517
2019	2,558,000	211,911,100	4,509,000	-	1,106,900	220,163,874	13,970,300	-	234,134,174	N/A	244,292,517
2020	2,300,500	214,428,700	4,509,000	-	1,106,900	222,422,076	15,751,900	-	238,173,976	1.324	253,963,564
SEASIDE HEIGHTS											
2011	44,451,600	516,178,700	255,271,300	-	39,320,400	855,222,000	79,620,500	322,996	855,544,996	-	-
2012	41,262,400	513,122,400	249,842,300	-	38,733,100	842,960,200	79,620,500	-	922,580,700	0.603	759,697,368
2013	24,298,400	383,807,400	47,238,300	-	1,130,583,800	1,130,583,800	60,462,400	-	678,266,400	0.595	659,553,753
2014	34,644,400	389,582,900	172,293,800	-	27,037,200	623,558,300	60,462,400	-	684,020,700	-	661,881,223
2015	28,267,900	396,077,000	188,074,300	-	28,414,000	640,833,200	60,462,400	-	673,553,600	-	659,157,786
2016	25,230,100	393,639,500	186,208,200	-	28,345,200	633,423,000	69,658,800	-	703,081,800	0.884	637,374,723
2017	23,517,700	395,764,200	184,782,100	-	28,206,900	652,270,900	83,155,500	-	715,426,400	-	647,752,177
2018	24,205,000	397,426,800	189,130,300	-	26,644,900	637,407,000	84,865,300	-	722,272,300	0.879	665,907,856
2019	24,022,500	402,655,000	185,718,300	-	29,332,200	641,728,000	84,335,200	-	726,063,200	0.900	665,907,856
2020	19,582,800	410,297,000	187,545,000	-	28,830,100	646,254,900	97,329,000	-	743,583,900	0.900	682,783,835
SEASIDE PARK											
2011	20,660,100	1,075,276,100	55,341,400	-	9,455,200	1,160,732,800	174,260,000	346,911	1,161,079,711	-	1,287,963,261
2012	19,623,600	1,078,527,900	54,278,400	-	9,455,200	1,161,885,100	175,362,000	-	1,337,247,100	0.431	1,260,589,237
2013	14,660,100	1,060,313,400	47,238,300	-	8,372,900	1,130,583,800	176,320,900	-	1,306,904,700	0.411	1,199,813,011
2014	24,940,100	1,047,597,800	37,875,300	-	8,354,000	1,118,767,200	176,890,500	-	1,295,657,700	-	1,175,422,568
2015	26,288,600	1,043,320,800	38,067,900	-	8,303,500	1,115,980,500	178,158,500	-	1,294,158,500	-	1,184,315,505
2016	26,448,900	1,047,592,100	34,462,900	-	8,303,500	1,116,807,400	178,345,300	-	1,295,152,700	0.405	1,182,432,398
2017	26,484,100	1,050,983,900	34,345,900	-	8,303,500	1,120,117,400	178,345,300	-	1,298,462,700	-	1,185,685,826
2018	29,031,300	1,052,081,300	35,125,100	-	7,881,800	1,124,119,500	179,016,300	-	1,303,135,800	0.430	1,161,160,521
2019	21,823,400	1,069,596,400	35,110,200	-	7,881,800	1,134,411,800	178,736,300	-	1,313,148,100	0.546	1,161,160,521
2020	23,404,400	1,083,413,800	35,991,700	-	8,034,100	1,150,844,000	181,120,200	-	1,331,964,200	0.546	1,182,657,486

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT & OVERLAPPING TAX RATE
	CURRENT TAX RATE	DEBT SERVICE TAX RATE	TOTAL REGIONAL TAX RATE	LOCAL	MUNICIPAL TAX RATE	COUNTY TAX RATE	
				SCHOOL DISTRICT TAX RATE			
Berkeley							
2011	N/A	N/A	0.367	0.550	0.508	0.388	1.813
2012	N/A	N/A	0.384	0.553	0.532	0.393	1.862
2013	N/A	N/A	0.382	0.554	0.567	0.404	1.907
2014	N/A	N/A	0.383	0.555	0.610	0.407	1.955
2015	N/A	N/A	0.425	0.561	0.610	0.416	2.069
2016	0.422	0.014	0.436	0.586	0.628	0.419	2.069
2017	0.425	0.011	0.436	0.587	0.628	0.429	2.080
2018	0.456	0.010	0.466	0.601	0.656	0.437	2.160
2019	0.456	0.010	0.466	0.600	0.656	0.445	2.167
2020	0.465	0.010	0.475				0.475
Island Heights							
2011	0.239	0.020	0.349	0.488	0.508	0.335	1.680
2012	0.282	0.020	0.362	0.504	0.449	0.403	1.718
2013	0.281	0.020	0.333	0.527	0.472	0.396	1.728
2014	0.329	0.020	0.339	0.537	0.493	0.406	1.775
2015	0.342	0.020	0.332	0.556	0.502	0.414	1.804
2016	0.337	0.010	0.347	0.565	0.524	0.422	1.858
2017	0.301	0.008	0.309	0.595	0.546	0.395	1.845
2018	0.347	0.007	0.354	0.585	0.556	0.411	1.906
2019	0.332	0.005	0.337	0.615	0.537	0.402	1.891
2020	0.397	0.005	0.402				0.402
Ocean Gate							
2011	0.349	0.015	0.364	0.604	0.635	0.366	1.969
2012	0.345	0.015	0.360	0.609	0.634	0.362	1.965
2013	0.347	0.015	0.362	0.631	0.654	0.373	2.020
2014	0.350	0.015	0.365	0.647	0.659	0.376	2.047
2015	0.346	0.015	0.361	0.646	0.653	0.378	2.038
2016	0.456	0.014	0.470	0.802	0.787	0.429	2.488
2017	0.430	0.011	0.441	0.813	0.817	0.437	2.508
2018	0.426	0.009	0.435	0.832	0.827	0.433	2.527
2019	0.430	0.007	0.437	0.887	0.837	0.457	2.618
2020	0.485	0.007	0.492				0.492
Seaside Heights							
2011	0.273	0.016	0.289	0.312	0.544	0.326	1.471
2012	0.254	0.016	0.270	0.333	0.571	0.325	1.499
2013	0.251	0.016	0.267	0.328	0.813	0.417	1.825
2014	0.248	0.016	0.264	0.390	0.866	0.435	1.955
2015	0.365	0.015	0.380	0.427	0.901	0.427	2.135
2016	0.436	0.014	0.450	0.434	0.930	0.398	2.212
2017	0.420	0.011	0.431	0.435	0.967	0.417	2.250
2018	0.404	0.013	0.417	0.462	0.412	1.002	2.293
2019	0.415	0.014	0.429	0.471	1.021	0.434	2.355
2020	0.429	0.014	0.443				0.443
Seaside Park							
2011	0.358	0.013	0.371	0.060	0.429	0.394	1.254
2012	0.358	0.014	0.372	0.717	0.876	0.417	2.382
2013	0.363	0.013	0.376	0.055	0.449	0.428	1.308
2014	0.416	0.012	0.428	0.053	0.449	0.439	1.369
2015	0.342	0.011	0.353	0.052	0.480	0.427	1.312
2016	0.342	0.011	0.353	0.052	0.480	0.427	1.312
2017	0.407	0.010	0.417	0.052	0.508	0.434	1.411
2018	0.350	0.024	0.374	0.056	0.522	0.438	1.390
2019	0.485	0.008	0.493	0.053	0.517	0.424	1.487
2020	0.473	0.010	0.483				0.483

Source: Municipal Tax Collector

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

	2020			2011		
	Taxable Assessed Value	% of Total District Net Assessed Value	Rank	Taxable Assessed Value	% of Total District Net Assessed Value	
Berkeley Township						
Hovchild Partnership LLC	\$ 31,676,200	0.48%	1	39,686,700	0.77%	
Plainfield Properties LLC	28,289,800	0.43%	2	28,289,800	0.55%	
Quaker Malls LP	17,721,200	0.27%	3	23,404,000	0.45%	
Baywick Plaza LLC	15,000,000	0.23%	4	17,721,200	0.34%	
Arlington Beach Co	13,811,400	0.21%	5	16,631,000	0.32%	
Berkeley Healthcare Assoc LLC	11,500,000	0.18%	6	13,500,000	0.26%	
Millers Camp Inc C/O Josephine	8,434,900	0.13%	7	13,500,000	0.26%	
Bay Housing Association	8,160,000	0.12%	8	11,451,900	0.22%	
Hope Springs LLC	8,000,000	0.12%	9	10,269,900	0.20%	
BNJ Realty LLC	7,900,200	0.12%	10	9,489,500	0.18%	
Total	\$ 118,817,500	1.82%		\$ 183,944,000	3.55%	
Island Heights						
Jersey Yachting Center LLC	\$ 4,972,300	1.23%	1	\$ 4,850,000	2.39%	
Conza Builders LLC	2,706,600	0.67%	2	2,534,600	0.80%	
Linda Tavares	2,386,600	0.59%	3	2,378,600	0.69%	
Nelson Properties Partnership	2,147,300	0.53%	4	2,307,800	0.66%	
Peter M & Elisa A Rapaport	1,900,700	0.47%	5	1,888,400	0.54%	
George & Harriet Prepis	1,847,300	0.46%	6	1,821,800	0.54%	
Henry J. Kelly, Jr.	1,760,300	0.44%	7	1,761,400	0.50%	
Linda J. Bartlett	1,737,700	0.43%	8	1,716,500	0.49%	
Steven Brick	1,706,400	0.42%	9	1,687,000	0.48%	
Sal T. & Gina M. Laforgia	1,614,900	0.40%	10	1,670,400	0.48%	
Total	\$ 22,780,100	6.55%		\$ 22,616,500	7.57%	
Ocean Gate						
Chester & Linda Lakomy	\$ 956,700	0.40%	1	\$ 1,201,700	0.46%	
Gary & Mary Mease	747,300	0.31%	2	855,700	0.33%	
Smith Investment Properties LLC	725,300	0.30%	3	777,700	0.30%	
Richard & Judith Mihalkovitz	720,200	0.30%	4	731,200	0.28%	
James & Anna Fry	709,100	0.30%	5	717,200	0.27%	
Leslie & Debra Cauvin	701,300	0.29%	6	715,000	0.27%	
Ocean Gate Yacht Club	686,600	0.29%	7	701,200	0.27%	
Kevin & Lidia O'Neill	666,600	0.28%	8	687,100	0.26%	
Sledzik Associates	655,800	0.28%	9	675,000	0.26%	
Joseph King Family LP	634,000	0.27%	10	666,300	0.25%	
Total	\$ 7,202,900	3.02%		\$ 7,728,100	2.95%	
Seaside Heights						
AFMV LLC	\$ 30,988,800	4.17%	1	\$ 30,737,700	4.66%	
Belle Freman Properties LLC	7,157,800	0.96%	2	23,056,000	2.95%	
McGrath Partnership	6,322,000	0.85%	3	7,897,000	1.28%	
Shree Atlantic Hospitality LLC	5,228,800	0.70%	4	7,744,000	0.52%	
Seaside Heights Imp & Dev Co Inc	4,554,200	0.61%	5	7,644,200	0.45%	
Samuel Tilles Inc.	4,295,300	0.58%	6	6,633,000	0.40%	
Nini Feldman & Jill Finlay	3,700,000	0.50%	7	6,552,800	0.31%	
Saddy Family LLC	3,526,900	0.47%	8	5,978,100	0.28%	
Con Castle Amusements	3,400,000	0.46%	9	5,250,000	0.27%	
Larsen Partnerships #2	3,274,600	0.44%	10	4,700,000	0.26%	
Total	\$ 72,448,400	9.74%		\$ 106,192,800	11.38%	
Seaside Park						
Friedland Family Trust	\$ 11,140,000	0.84%	1	\$ 15,955,800	3.19%	
Joy-Jam inc C/O Windjammer	7,737,000	0.58%	2	4,169,600	0.40%	
Leonard & Diane Light	7,516,000	0.56%	3	3,499,000	0.39%	
Shree Jyoti LLC	5,955,500	0.45%	4	2,693,400	0.32%	
Robert & Mary Ellen Harris	5,763,500	0.43%	5	2,539,900	0.29%	
Cheryl Raley & Roy Borton	5,108,000	0.38%	6	2,525,300	0.22%	
Robert & Mary Greeley	4,949,000	0.37%	7	2,310,100	0.19%	
John & Penny Welch	4,844,500	0.36%	8	1,704,300	0.13%	
Margaret Thau	4,685,250	0.35%	9	1,563,800	0.12%	
29 F Street LLC	4,678,000	0.35%	10	1,551,800	0.12%	
Total	\$ 62,376,750	4.68%		\$ 38,513,000	5.37%	

Source: Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
Berkeley Township				
2011	\$ 93,298,408	\$ 90,359,508	96.85%	\$ 2,434,000
2012	95,340,610	91,663,837	96.14%	3,676,773
2013	97,466,281	94,388,858	96.84%	3,077,423
2014	99,811,146	96,457,125	96.63%	3,354,021
2015	103,129,564	100,540,548	97.49%	3,735,176
2016	105,897,564	100,540,548	94.94%	3,017,182
2017	106,342,753	103,711,548	97.53%	3,035,222
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A
Island Heights				
2011	\$ 5,944,428	\$ 5,743,306	96.62%	-
2012	6,038,823	5,840,955	96.72%	197,868
2013	5,982,052	5,818,612	97.26%	163,440
2014	6,141,168	6,019,877	98.02%	121,291
2015	6,250,504	6,078,827	97.25%	171,677
2016	6,459,026	6,260,024	96.92%	45,907
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A
Ocean Gate				
2011	\$ 5,165,541	N/A	N/A	N/A
2012	5,211,125	4,932,769	94.66%	N/A
2013	5,158,564	4,886,190	94.72%	N/A
2014	5,213,297	4,940,575	94.77%	N/A
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A
Seaside Heights				
2011	\$ 12,576,819	N/A	N/A	N/A
2012	12,636,056	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A
Seaside Park				
2011	\$ 14,554,319	\$ 14,231,848	97.78%	\$ 296,997
2012	14,572,688	14,572,688	96.22%	N/A
2013	14,213,710	14,213,710	96.06%	N/A
2014	14,680,872	14,680,872	97.78%	N/A
2015	15,161,730	15,161,730	99.16%	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A

Debt Capacity Information

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

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			BUSINESS- TYPE ACTIVITIES		PERCENTAGE OF		
	GENERAL	ANTICIPATION	NOTES	CAPITAL	TOTAL	PER CAPITA	PER CAPITA	
	OBLIGATION BONDS	CAPITAL LEASES	(BANs)	LEASES	DISTRICT	INCOME	PER CAPITA	
BERKELEY TOWNSHIP								
2020	\$ 452,594	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	816,134	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	1,349,040	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	1,896,540	N/A	13,670,927	N/A	43,064,927	N/A	N/A	N/A
2016	N/A	N/A	13,670,927	N/A	43,064,927	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	16,760,000	82,705	N/A	N/A	N/A	N/A	N/A	N/A
2011	17,915,000	137,463	N/A	N/A	N/A	N/A	N/A	N/A
ISLAND HEIGHTS								
2020	\$ 27,282	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	42,308	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	55,440	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	77,940	N/A	N/A	N/A	1,080,000	N/A	N/A	N/A
2016	1,080,000	N/A	N/A	N/A	1,080,000	N/A	N/A	N/A
2015	1,188,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	1,296,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	1,404,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	1,513,000	N/A	N/A	N/A	1,513,000	N/A	N/A	N/A
2011	1,623,000	N/A	N/A	N/A	1,623,000	0.00%	N/A	N/A
OCEAN GATE								
2020	\$ 20,054	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	32,668	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	55,440	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	77,940	N/A	N/A	N/A	736,000	N/A	N/A	N/A
2016	736,000	N/A	N/A	N/A	736,000	N/A	N/A	N/A
2015	866,000	N/A	N/A	N/A	866,000	N/A	N/A	N/A
2014	1,016,000	N/A	N/A	N/A	1,016,000	N/A	N/A	N/A
2013	1,184,950	N/A	N/A	N/A	1,184,950	N/A	N/A	N/A
2012	1,350,306	N/A	N/A	N/A	1,350,306	N/A	N/A	N/A
2011	1,512,239	N/A	N/A	N/A	1,512,239	N/A	N/A	N/A
SEASIDE HEIGHTS								
2020	\$ 52,514	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	91,940	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	129,360	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	181,860	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	260,654	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2011	386,196	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SEASIDE PARK								
2020	\$ 100,497	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	189,950	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	258,720	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	363,720	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	7,762,583	N/A	7,762,583	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2011	3,006,302	797,710	2,519,200	N/A	6,323,212	N/A	N/A	N/A

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS				
BERKELEY TOWNSHIP						
2020	\$ 452,594	N/A		\$ 452,594	0.009%	N/A
2019	816,134	N/A		816,134	0.016%	N/A
2018	1,349,040	N/A		1,349,040	N/A	N/A
2017	1,896,540	N/A		1,896,540	N/A	N/A
2016	N/A	N/A		N/A	N/A	N/A
2015	N/A	N/A		N/A	N/A	N/A
2014	N/A	N/A		N/A	N/A	N/A
2013	N/A	N/A		N/A	N/A	N/A
2012	16,760,000	N/A		16,760,000	N/A	N/A
2011	17,915,000	N/A		17,915,000	N/A	N/A
ISLAND HEIGHTS						
2020	\$ 27,282	N/A		\$ 27,282	0.007%	N/A
2019	42,308	N/A		42,308	0.011%	N/A
2018	55,440	N/A		55,440	N/A	N/A
2017	77,940	N/A		77,940	N/A	N/A
2016	1,080,000	N/A		1,080,000	N/A	N/A
2015	1,188,000	N/A		1,188,000	N/A	N/A
2014	1,296,000	N/A		1,296,000	N/A	N/A
2013	1,404,000	N/A		1,404,000	N/A	N/A
2012	1,513,000	N/A		1,513,000	N/A	N/A
2011	1,623,000	N/A		1,623,000	0.00%	N/A
OCEAN GATE						
2020	\$ 20,054	N/A		\$ 20,054	0.009%	N/A
2019	32,668	N/A		32,668	0.015%	N/A
2018	55,440	N/A		55,440	N/A	N/A
2017	77,940	N/A		77,940	N/A	N/A
2016	736,000	N/A		736,000	N/A	N/A
2015	866,000	N/A		866,000	N/A	N/A
2014	1,016,000	N/A		1,016,000	N/A	N/A
2013	1,184,950	N/A		1,184,950	N/A	N/A
2012	1,350,306	N/A		1,350,306	N/A	N/A
2011	1,512,239	N/A		1,512,239	N/A	N/A
SEASIDE HEIGHTS						
2020	\$ 52,514	N/A		\$ 52,514	0.008%	N/A
2019	91,940	N/A		91,940	0.014%	N/A
2018	129,360	N/A		129,360	N/A	N/A
2017	181,860	N/A		181,860	N/A	N/A
2016	N/A	N/A		N/A	N/A	N/A
2015	N/A	N/A		N/A	N/A	N/A
2014	N/A	N/A		N/A	N/A	N/A
2013	N/A	N/A		N/A	N/A	N/A
2012	N/A	N/A		N/A	N/A	N/A
2011	N/A	N/A		N/A	N/A	N/A
SEASIDE PARK						
2020	\$ 100,497	N/A		\$ 100,497	0.009%	N/A
2019	189,950	N/A		189,950	0.017%	N/A
2018	258,720	N/A		258,720	N/A	N/A
2017	363,720	N/A		363,720	N/A	N/A
2016	N/A	N/A		N/A	N/A	N/A
2015	7,762,583	N/A		7,762,583	N/A	N/A
2014	N/A	N/A		N/A	N/A	N/A
2013	N/A	N/A		N/A	N/A	N/A
2012	N/A	N/A		N/A	N/A	N/A
2011	3,006,302	N/A		3,006,302	0.24%	N/A

**CENTRAL REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENTAGE APPLICABLE	OVERLAPPING DEBT
Berkeley			
Debt Repaid With Property Taxes:			
Berkeley Township	\$56,124,923	69.315%	\$ 38,902,990
Berkeley Twp. Sewerage Authority	6,530,204	69.315%	4,526,411
Berkeley Township MUA	6,239,773	69.315%	4,325,099
Ocean County General Obligation Debt	450,942,968	5.480%	24,711,675
Local School Debt	5,520,000	69.315%	3,826,188
Subtotal, Overlapping Debt			76,292,363
Regional School Debt			-
Total Direct & Overlapping Debt			<u>\$ 76,292,363</u>
Island Heights			
Debt Repaid With Property Taxes:			
Island Heights	\$1,805,816	4.178%	\$ 75,447
Ocean County General Obligation Debt	450,942,968	0.350%	1,578,300
Local School Debt	2,948,000	4.178%	123,167
Subtotal, Overlapping Debt			1,776,915
Regional School Debt			-
Total Direct & Overlapping Debt			<u>\$ 1,776,915</u>
Ocean Gate			
Debt Repaid With Property Taxes:			
Ocean Gate	\$3,269,317	3.070%	\$ 100,368
Ocean County General Obligation Debt	450,942,968	0.230%	1,037,169
Local School Debt	241,000	3.07%	7,401
Subtotal, Overlapping Debt			1,144,938
Regional School Debt			-
Total Direct & Overlapping Debt			<u>\$ 1,144,938</u>
Seaside Heights			
Debt Repaid With Property Taxes:			
Seaside Heights	\$15,098,483	8.040%	\$ 1,213,918
Ocean County General Obligation Debt	450,942,968	0.660%	2,976,224
Local School Debt		8.04%	-
Subtotal, Overlapping Debt			4,190,142
Regional School Debt			-
Total Direct & Overlapping Debt			<u>\$ 4,190,142</u>
Seaside Park			
Debt Repaid With Property Taxes:			
Seaside Park	\$ 4,246,262	15.394%	\$ 653,670
Ocean County General Obligation Debt	450,942,968	1.190%	5,366,221
Local School Debt		15.394%	-
Subtotal, Overlapping Debt			6,019,891
Regional School Debt			-
Total Direct & Overlapping Debt			<u>\$ 6,019,891</u>
TOTAL ALL DEBT DIRECT & OVERLAPPING	\$ 550,018,746		<u>\$ 89,424,248</u>

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

Debt outstanding data provided by each governmental unit.

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

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

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

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

	FISCAL YEAR ENDED JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 281,008,832	\$ 274,149,391	\$ 268,081,788	\$ 268,081,788	\$ 267,342,416	\$ 280,926,611	\$ 280,926,611	\$ 280,926,611	\$ 303,276,070	N/A
Total Net Debt Applicable to Limit	653,000	1,173,000	1,848,000	2,598,000	3,448,000	4,728,000	5,973,000	7,178,000	8,333,000	5,175,000
Legal Debt Margin	\$ 280,355,832	\$ 272,976,391	\$ 266,233,788	\$ 265,483,788	\$ 263,894,416	\$ 276,198,611	\$ 274,953,611	\$ 273,748,611	\$ 294,943,070	N/A
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.42%	0.67%	0.69%	0.97%	1.29%	2.97%	2.97%	2.97%	2.75%	N/A

Legal Debt Margin Calculation for Fiscal Year 2019

	Equalized Valuation Basis			Total
	Island Heights	Ocean Gate	Seaside Hgts	
2019	\$ 5,779,722,504	\$ 251,460,941	\$ 678,001,057	\$ 8,248,721,141
2018	5,585,512,630	244,292,517	665,907,856	8,012,116,712
2017	5,419,664,792	227,135,356	647,752,177	7,825,633,443
				\$ 24,086,471,296
Average Equalized Valuation of Taxable P1 Personal Services -				8,028,823,765
Debt Limit (3.5 % of Average Equalization Value)				281,008,832
Legal Debt Margin				\$ 281,008,832

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

Demographic and Economic Information

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

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

FISCAL YEAR ENDED JUNE 30,	PER CAPITA		
	POPULATION (a)	PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
Berkeley			
2020	N/A	N/A	N/A
2019	N/A	N/A	N/A
2018	41,762	N/A	5.60%
2017	41,573	50,184	6.30%
2016	41,601	48,116	6.70%
2015	41,609	46,849	7.60%
2014	41,526	44,808	9.00%
2013	* 41,428	43,171	12.90%
2012	41,233	42,807	15.60%
2011	41,335	41,557	14.90%
Island Heights			
2020	N/A	N/A	N/A
2019	N/A	N/A	N/A
2018	1,674	N/A	3.70%
2017	1,660	50,184	4.40%
2016	1,643	48,116	4.60%
2015	1,638	46,849	5.40%
2014	1,645	44,808	N/A
2013	* 1,631	43,171	6.90%
2012	1,632	42,807	10.30%
2011	1,638	41,557	10.60%
Ocean Gate			
2020	N/A	N/A	N/A
2019	N/A	N/A	N/A
2018	2,026	N/A	5.20%
2017	2,012	50,184	6.40%
2016	2,003	48,116	6.70%
2015	1,992	46,849	6.60%
2014	1,994	44,808	7.80%
2013	* 1,992	43,171	7.80%
2012	1,998	42,807	10.60%
2011	2,006	41,557	10.30%
2010	2,000	39,766	9.90%
Seaside Heights			
2020	N/A	N/A	N/A
2019	N/A	N/A	N/A
2018	2,906	N/A	6.60%
2017	2,891	50,184	8.00%
2016	2,889	48,116	7.80%
2015	2,884	46,849	7.80%
2014	2,886	44,808	9.40%
2013	* 2,880	43,171	17.20%
2012	2,873	42,807	14.30%
2011	2,884	41,557	14.00%
Seaside Park			
2020	N/A	N/A	N/A
2019	N/A	N/A	N/A
2018	1,545	N/A	5.30%
2017	1,543	50,184	5.60%
2016	1,547	48,116	5.90%
2015	1,549	46,849	7.40%
2014	1,563	44,808	7.50%
2013	* 1,574	43,171	6.80%
2012	1,574	42,807	13.50%
2011	1,579	41,557	13.20%

^c Per Capita

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

* 2010 Census

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

NOT AVAILABLE

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

Function/Program	FISCAL YEAR ENDED JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction:										
Regular	122	118	111	111	108	109	109	109	108	108
Special Education	82	77	72	67	78	62	62	62	62	62
Vocational and Other Instructional	7	7	7	2	1	1	1	1	1	1
Support Services:										
Student & Instruction Related Services	59	58	59	60	42	35	35	35	35	35
General Administration	3	3	3	3	3	5	5	5	5	5
School Administration Services	16	13	13	12	12	11	11	11	11	11
Central Service	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	2	2	3	3	3	3	3
Plant Operations & Maintenance	33	33	33	33	34	32	32	32	32	32
Pupil Transportation	31	27	28	28	27	32	32	32	32	32
Other Support Services				3	6	3	3	3	3	3
Total	361	344	334	327	320	299	299	299	298	298

Source: District Personnel Records

Operating Information

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

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CENTRAL REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	ENROLLMENT	OPERATING EXPENDITURES (a)	PUPIL COST PER TEACHER	PERCENTAGE CHANGE	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
					MIDDLE SCHOOL	HIGH SCHOOL	TEACHING STAFF (b)				
2020	2317	\$ 43,933,601	\$ 18,961	-0.72%	15.4	9.7	2,284.0	2,189	12.46%	95.84%	
2019	2220	42,399,652	19,099	0.95%	15.5	9.8	2,197.1	2,057	8.18%	93.61%	
2018	2134	40,362,701	18,919	1.58%	15.6	13.6	2,114.2	1,974	9.94%	93.39%	
2017	2059	38,348,324	18,625	0.64%	16.5	12.9	2,030.9	1,901	5.61%	93.60%	
2016	1989	36,807,779	18,506	1.66%	14.4	10.7	1,923.0	1,824	0.00%	94.85%	
2015	1966	35,451,044	18,204	-0.93%	14.4	10.7	1,923.0	1,824	1.47%	94.85%	
2014	1895	34,489,996	18,201	7.11%	14.4	10.7	1,895.2	1,789	0.00%	94.38%	
2013	2033	34,545,377	16,992	2.05%	14.4	10.7	1,895.2	1,789	-2.96%	94.38%	
2012	1981	32,984,005	16,650	-0.14%	14.4	10.8	1,953.1	1,861	1.86%	95.26%	
2011	2002	33,379,039	16,673	5.15%	15.2	11.9	1917.5	1,814	-5.77%	94.60%	

Source: District records

Note: Enrollment based on annual October district count.

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

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

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

CENTRAL REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR

	FISCAL YEAR ENDED JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011

DISTRICT BUILDINGS

Middle School: (1981)										
Middle School:										
Square Feet	141,478	141,478	141,478	141,478	141,478	141,478	141,478	141,478	141,478	141,478
Capacity (Students)	812	812	812	812	812	812	812	812	812	812
Enrollment	776	776	667	667	667	667	680	680	693	730
High School: (1956)										
High School:										
Square Feet	272,420	272,420	272,420	272,420	272,420	272,420	272,420	272,420	272,420	272,420
Capacity (Students)	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,465
Enrollment	1,444	1,444	1,256	1,256	1,256	1,256	1,266	1,266	1,225	1,482
Other:										
Superintendent Office: (1972)	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122
Board Office: (1972)										
Square Feet	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699

Number of Schools at June 30, 2020:

- Middle School = 1
- Senior High School = 1
- Other = 0

Source: District Business Office.

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

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

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

FISCAL YEAR ENDED JUNE 30,	* SCHOOL FACILITIES PROJECT #(s)	CENTRAL REGIONAL		TOTAL
		HIGH SCHOOL	MIDDLE SCHOOL	
2011	N/A	\$ 642,861	\$ 138,969	\$ 781,830
2012	N/A	318,040	123,639	441,679
2013	N/A	491,036	169,739	660,775
2014	N/A	460,265	175,303	635,568
2015	N/A	517,192	176,392	693,584
2016	N/A	581,760	210,118	791,878
2017	N/A	607,497	215,598	823,095
2018	N/A	584,902	224,739	809,641
2019	N/A	597,973	262,932	860,905
2020	N/A	651,995	215,633	867,628

Source: District records.

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

**CENTRAL REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2020**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
General Liability	\$ 5,000,000	\$ 2,500
Property & Physical Damage	83,466,245	2,500
General Automobile Liability	5,000,000	10,000
Workers' Compensation	5,000,000	Per State Law
Student Accident Insurance (2)		
Surety Bonds (3)		
Treasurer	\$ 255,000	Per State Law
Board Secretary/Business Administrator	50,000	Per State Law

Source: District records.

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

SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Central Regional School District (School District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 11, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Toms River, New Jersey
January 11, 2021



Certified Public Accountants + Advisors

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EXHIBIT K-2

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

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

Report on Compliance for Each Major Federal and State Program

We have audited the Central Regional School District's (School District) compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2020. The School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

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

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

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

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Toms River, New Jersey
January 11, 2021

CENTRAL 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 FAIN NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2020		
										(ACCOUNTS RECEIVABLE)	DEFERRED REVENUE	DUE TO GRANTOR
U.S. Department of Agriculture												
Passed Through New Jersey Department of Agriculture:												
Child Nutrition Cluster:												
Food Distribution Program - Commodities	10.555	201NJ304N1099	Unavailable	\$	7/1/19-6/30/20	\$	68,785	68,785	0	0	0	0
National Performance Based Lunch	10.555	201NJ304N1099	100-010-3350-026	7,459	7/1/19-6/30/20	-	7,459	(7,459)	-	-	-	-
COVID-19 National Performance Based Lunch	10.555	201NJ304N1099	100-010-3350-026	417	7/1/19-6/30/20	-	257	(417)	-	(160)	-	-
National Performance Based Lunch	10.555	191NJ304N1099	100-010-3350-026	7,957	7/1/18-6/30/19	(284)	284	-	-	-	-	-
National School Lunch Program	10.555	201NJ304N1099	100-010-3350-026	220,116	7/1/19-6/30/20	-	220,116	(220,116)	-	-	-	-
COVID-19 National School Lunch Program	10.555	201NJ304N1099	100-010-3350-026	20,307	7/1/19-6/30/20	-	12,533	(20,307)	-	(7,774)	-	-
National School Lunch Program	10.555	191NJ304N1099	100-010-3350-026	247,133	7/1/18-6/30/19	(9,072)	9,072	-	-	-	-	-
Subtotal						(9,356)	318,506	(317,084)	-	(7,934)	-	-
School Breakfast Program	10.553	201NJ304N1099	100-010-3350-028	46,688	7/1/19-6/30/20	-	46,688	(46,688)	-	-	-	-
COVID-19 School Breakfast Program	10.553	201NJ304N1099	100-010-3350-028	13,101	7/1/19-6/30/20	-	8,085	(13,101)	-	(5,016)	-	-
School Breakfast Program	10.553	191NJ304N1099	100-010-3350-028	43,969	7/1/18-6/30/19	(1,800)	1,800	-	-	-	-	-
Subtotal						(1,800)	56,573	(59,789)	-	(5,016)	-	-
Total Child Nutrition Cluster						(11,156)	375,079	(376,873)	-	(12,950)	-	-
Total U.S. Department of Agriculture						(11,156)	375,079	(376,873)	-	(12,950)	-	-
U.S. Department of Health and Human Services												
Passed Through New Jersey Department of Human Services:												
Medicaid Cluster:												
Medical Assistance Program (SEM)	93.778	2005NJSMAIP	100-054-7540-211	31,028	7/1/19-6/30/20	-	30,985	(31,028)	-	(43)	-	-
Total Medicaid Cluster						-	30,985	(31,028)	-	(43)	-	-
Total U.S. Department of Health and Human Services						-	30,985	(31,028)	-	(43)	-	-
U.S. Department of Education												
Passed Through New Jersey Department of Education:												
No Child Left Behind (N.C.L.B.):												
Title I - Part A	84.010	S010A170030	100-034-5064-194	458,151	7/1/19-6/30/20	-	458,151	(458,151)	-	-	-	-
Title I - SIA	84.010	S010A170030	100-034-5064-194	22,600	7/1/19-6/30/20	-	8,276	(8,276)	-	-	-	-
Title I - SIA	84.010	S010A170030	100-034-5064-194	30,247	7/1/19-6/30/20	-	30,247	(30,247)	-	-	-	-
Subtotal						-	496,674	(496,674)	-	-	-	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A180029	100-034-5063-290	68,200	7/1/19-6/30/20	-	68,200	(68,200)	-	-	-	-
Subtotal						-	68,200	(68,200)	-	-	-	-
I.D.E.A. Part B (Special Education Cluster)	84.027	H027A170100	100-034-5065-016	527,866	7/1/19-6/30/20	-	527,866	(527,866)	-	-	-	-
Basic						-	527,866	(527,866)	-	-	-	-
Total Special Education Cluster						-	527,866	(527,866)	-	-	-	-
CARES Emergency Relief Grant	84.425D	S425D200027	N/A	346,440	7/1/19-6/30/20	-	-	(17,011)	-	(17,011)	-	-
Subtotal						-	-	(17,011)	-	(17,011)	-	-
Total U.S. Department of Education						-	1,092,740	(1,109,751)	-	(17,011)	-	-
Total Expenditures of Federal Awards						\$(11,156)	\$1,498,804	\$(1,517,652)	\$-	\$(30,004)	\$-	\$-

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

CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2020	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:										
General Fund:										
State Aid - Public:										
Special Education Aid	495-034-5120-089	\$ 1,280,995	7/1/19-6/30/20	\$ -	\$ 1,280,995	\$ (1,280,995)	\$ -	\$ -	\$ 121,083	\$ 1,280,995
Adjustment Aid	495-034-5120-085	55,587	7/1/19-6/30/20	-	55,587	(55,587)	-	-	5,254	55,587
Security Aid	495-034-5120-084	295,909	7/1/19-6/30/20	-	295,909	(295,909)	-	-	27,970	295,909
Choice Aid	495-034-5120-068	1,311,958	7/1/19-6/30/20	-	1,311,958	(1,311,958)	-	-	124,010	1,311,958
Total State Aid - Public		2,944,449		-	2,944,449	(2,944,449)	-	-	278,317	2,944,449
Transportation Aid	495-034-5120-014	1,325,310	7/1/19-6/30/20	-	1,325,310	(1,325,310)	-	-	125,272	1,325,310
Additional Nonpublic School Transportation Aid	495-034-5120-014	19,301	7/1/19-6/30/20	-	-	(19,301)	-	(19,301)	-	19,301
Additional Nonpublic School Transportation Aid	495-034-5120-014	14,098	7/1/18-6/30/19	(14,098)	14,098	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	262,774	7/1/19-6/30/20	-	-	(289,094)	-	(289,094)	-	289,094
Extraordinary Aid	495-034-5120-044	234,798	7/1/18-6/30/19	(233,931)	233,931	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5120-044	1,092,154	7/1/18-6/30/19	(53,751)	53,751	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	1,117,923	7/1/19-6/30/20	-	1,031,123	(1,117,923)	-	(86,800)	-	1,117,923
TPAF - Pension Contributions (Noncash Assistance)	495-034-5094-002	3,075,812	7/1/19-6/30/20	-	3,075,812	(3,075,812)	-	-	-	3,075,812
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	1,528	7/1/19-6/30/20	-	1,528	(1,528)	-	-	-	1,528
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5095-001	1,141,070	7/1/19-6/30/20	-	1,141,070	(1,141,070)	-	-	-	1,141,070
Securing our Children's Future Bond Act (Alyssa's Law)	Unavailable	139,152	7/1/19-6/30/20	-	-	(111,688)	-	(111,688)	-	111,688
Total General Fund		(301,780)		(301,780)	9,821,072	(10,026,175)	-	(506,883)	403,589	10,026,175
Total New Jersey Department of Education		(301,780)		(301,780)	9,821,072	(10,026,175)	-	(506,883)	403,589	10,026,175
State Department of Agriculture:										
Enterprise Fund:										
National School Lunch Program	100-010-3360-067	5,963	7/1/18-6/30/19	(249)	249	-	-	-	-	-
National School Lunch Program	100-010-3360-067	7,902	7/1/19-6/30/20	-	5,838	(7,902)	-	(2,064)	-	7,902
Total State Department of Agriculture		(249)		(249)	6,087	(7,902)	-	(2,064)	-	7,902
State Department of Children and Families:										
General Fund:										
Homeless Tuition	495-034-5120-005	13,513	7/1/19-6/30/20	-	2,248	(13,513)	-	(11,265)	-	13,513
Homeless Tuition	495-034-5120-005	52,144	7/1/18-6/30/19	(26,072)	26,072	-	-	-	-	-
Total State Department of Children and Families		(26,072)		(26,072)	28,320	(13,513)	-	(11,265)	-	13,513
Total State Financial Assistance		(328,101)		(328,101)	9,855,479	(10,047,590)	\$ -	(520,212)	\$ 403,589	\$ 10,047,590
State Financial Assistance Programs not subject to Calculation for Major Program Determination:										
TPAF - Pension Contributions (Noncash Assistance)	495-034-5094-002	\$ 3,075,812	7/1/19-6/30/20						\$ 3,075,812	
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	1,528	7/1/19-6/30/20						1,528	
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5095-001	1,141,070	7/1/19-6/30/20						1,141,070	
Total State Financial Assistance subject to Calculation for Major Program Determination									<u>\$ (5,829,180)</u>	

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

CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2020

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as Teacher's Pension and Annuity Fund (TPAF) Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

**CENTRAL REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 3. Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund in accordance with accounting principles generally accepted (GAAP) in the United States of America. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$19,098) for the general fund and (\$1,812) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 31,028	\$ 10,020,590	\$ 10,051,618
Special Revenue Fund	1,107,939	-	1,107,939
Food Service Fund	376,873	7,902	384,775
Total Awards & Financial Assistance	<u>\$ 1,515,840</u>	<u>\$ 10,028,492</u>	<u>\$ 11,544,332</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The School District received a FEMA Community Disaster Loan in the amount of \$5,000,000. The District drew down \$0 in the fiscal year and has drawn down a total of \$4,698,670. The District received a final determination on the loan cancelling \$3,494,450 of principal along with corresponding interest, leaving a remaining balance, including accrued interest, of \$1,234,899 as of June 30, 2017. During the year ended June 30, 2020, the District paid \$175,000 of principal and interest, leaving a remaining balance, including accrued interest of \$846,813 as of June 30, 2020.

CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified
Internal control over financial reporting:
1) Material weakness(es) identified? Yes X No
2) Significant deficiency(ies) identified? Yes X None reported
Noncompliance material to financial statements Noted? Yes X No

Federal Awards

Internal control over major programs:
1) Material weakness(es) identified? Yes X No
2) Significant deficiency(ies) identified? Yes X None reported
Type of auditor's report issued on compliance for major programs Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? Yes X No

Identification of major programs:

Table with 3 columns: CFDA Number(s), FAIN Number(s), Name of Federal Program or Cluster. Row 1: 84.027, H027A170100, Special Education Cluster I.D.E.A. Part B.

Dollar threshold used to determine Type A programs \$ 750,000
Auditee qualified as low-risk auditee? X Yes No

CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

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

State Financial Assistance

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

Auditee qualified as low-risk auditee? X Yes No

Internal control over major programs:

1) Material weakness(es) identified? Yes X No

2) Significant deficiency(ies) identified? Yes X None reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08? yes X no

Identification of major programs:

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

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section II - Financial Statement Findings

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

None.

**CENTRAL REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**CENTRAL REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2020**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.