

**Comprehensive Annual
Financial Report**

of the

Cumberland Regional High School District

Seabrook, New Jersey

For the Fiscal Year Ended June 30, 2020

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	1-3
Organizational Chart	4
Roster of Officials	5
Consultants and Advisors	6
FINANCIAL SECTION	
Independent Auditor's Report	7-9
Required Supplementary Information - Part I Management's Discussion and Analysis	10-18
Basic Financial Statements	
A. District-Wide Statements	
A-1 Statement of Net Position	19
A-2 Statement of Activities	20
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	21
B-2 Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	22
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Proprietary Funds:	
B-4 Statement of Net Position	24
B-5 Statement of Revenues, Expenses, and Changes in Net Position	25
B-6 Statement of Cash Flows	26
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	27
B-8 Statement of Changes in Fiduciary Net Position	28
Notes to the Financial Statements	29-58

TABLE OF CONTENTS (Continued)

Required Supplementary Information - Part II		Page
C. Budgetary Comparison Schedules		
C-1	Budgetary Comparison Schedule - General Fund	59 - 63
C-2	Budgetary Comparison Schedule - Special Revenue Fund	64
 Notes to Required Supplementary Information		
C-3	Budget-to-GAAP Reconciliation	65
 Required Supplementary Information - Part III		
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability (PERS)	66
L-2	Schedule of District Contributions (PERS)	67
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability (TPAF)	68
M-1	Schedule of the District's Proportionate Share of the Net OPEB Liability (PERS & TPAF)	69
 Other Supplementary Information		
E. Special Revenue Fund		
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	70 - 71
E-2	Preschool Education Aid Schedule of Expenditures - Budgetary Basis	N/A
 F. Capital Projects Fund:		
F-1	Summary Schedule of Project Expenditures	72
F-2	Summary Schedule of Project Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	73
F-2a	Schedules of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - Solar Project	74
F-2b	Schedules of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - 2004 NJSDA Settlement Agreement	75
 G. Proprietary Funds:		
Enterprise Fund:		
B-4	Statement of Net Position	24
B-5	Statement of Revenues, Expenses, and Changes in Net Position	25
B-6	Statement of Cash Flows	26

TABLE OF CONTENTS (Continued)

H. Fiduciary Funds:

H-1	Combining Statement of Fiduciary Net Position	76
H-2	Combining Statement of Changes in Fiduciary Net Position	77
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	78
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	79

I. Long-Term Debt:

I-1	Schedule of Serial Bonds	80
I-2	Debt Service Fund Budgetary Comparison Schedule	81

STATISTICAL SECTION (Unaudited)

Financial Trends

J-1	Net Position by Component	82
J-2	Changes in Net Position	83 - 84
J-3	Fund Balances - Governmental Funds	85
J-4	Changes in Fund Balances - Governmental Funds	86
J-5	General Fund Other Local Revenue by Source	87

Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property	88 - 91
J-7	Direct and Overlapping Property Tax Rates	92 - 95
J-8	Principal Property Taxpayers	96 - 99
J-9	Property Tax Levies and Collections	100

Debt Capacity

J-10	Ratios of Outstanding Debt by Type	101
J-11	Ratios of General Bonded Debt Outstanding	102
J-12	Direct and Overlapping Governmental Activities Debt	103
J-13	Legal Debt Margin	104

Demographic and Economic Information

J-14	Demographic and Economic Statistics	105 - 108
J-15	Principal Employers	109 - 112

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program	113
J-17	Operating Statistics	114
J-18	School Building Information	115
J-19	Schedule of Required Maintenance Expenditures by School Facility	116
J-20	Insurance Schedule	117

SINGLE AUDIT SECTION

K-1	Independent Auditor's Report - Governmental Auditing Standards	118 - 119
K-2	Independent Auditor's Report - Single Audit in Accordance with the Uniform Guidance and New Jersey OMB Circular 15-08	120 - 121
K-3	Schedule of Expenditures of Federal Awards, Schedule A	122
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	123
K-5	Notes to Schedules of Awards and Financial Assistance	124 - 125
K-6	Schedule of Findings and Questioned Costs	126 - 128
K-7	Summary Schedule of Prior Audit Findings	128

INTRODUCTORY SECTION



CUMBERLAND REGIONAL SCHOOL DISTRICT

65 Love Lane, Bridgeton, New Jersey 08302

Phone: 856-451-9400 / Fax: 856-455-9750

www.crhsd.org



Steven W. Price
Superintendent/
Chief Educational Officer

Bruce D. Harbinson
School Business Administrator/
Assistant to Superintendent

January 4, 2021

Honorable President and
Members of the Board of Education
Cumberland Regional School District
65 Love Lane
Bridgeton, New Jersey 08302

Dear Board Members:

The Comprehensive Annual Financial Report of the Cumberland Regional School District for the fiscal year ended June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District Administration. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the basic financial statements and notes, and other schedules providing detailed budgetary information. 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 the US. Office of Management and Budget Circular Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations, and the New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.

Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

Cumberland Regional School District is an independent reporting entity within the criteria adopted by the GASB Statement No. 14 as established by NCGA Statement No. 3. All funds of the District are included in this report. The Cumberland Regional School District Board of Education and all its schools constitute the District's reporting entity. The Cumberland Regional School District provides a full range of educational services appropriate to grade level 9 through 12. These include regular, vocational and special education programs for handicapped pupils.

2. ECONOMIC CONDITION AND OUTLOOK:

The Cumberland Regional School District, consisting of seven constituent Districts (Deerfield Township, Fairfield Township, Greenwich Township, Hopewell Township, Shiloh Borough, Stow Creek Township, and Upper Deerfield Township) continues to be in a pocket of high unemployment. We anticipate steady enrollment.

3. INTERNAL ACCOUNTING CONTROLS:

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

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 related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

4. 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 voters of the School District. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

5. ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

6. FINANCIAL INFORMATION AT YEAR-END:

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

7. DEBT ADMINISTRATION:

At June 30, 2020 the District's outstanding bonds are \$4,727,000.00.

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,". 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 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, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott and Associates, L.C.C., CPAs was selected by the Board of Education to perform the audit.

In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the US. Office of Management and Budget Circular Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations, and the New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments. The auditor's report on the basic financial statements 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 Cumberland Regional School District Board of Education for their concern and providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support 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 the district office staff.

Respectfully submitted,

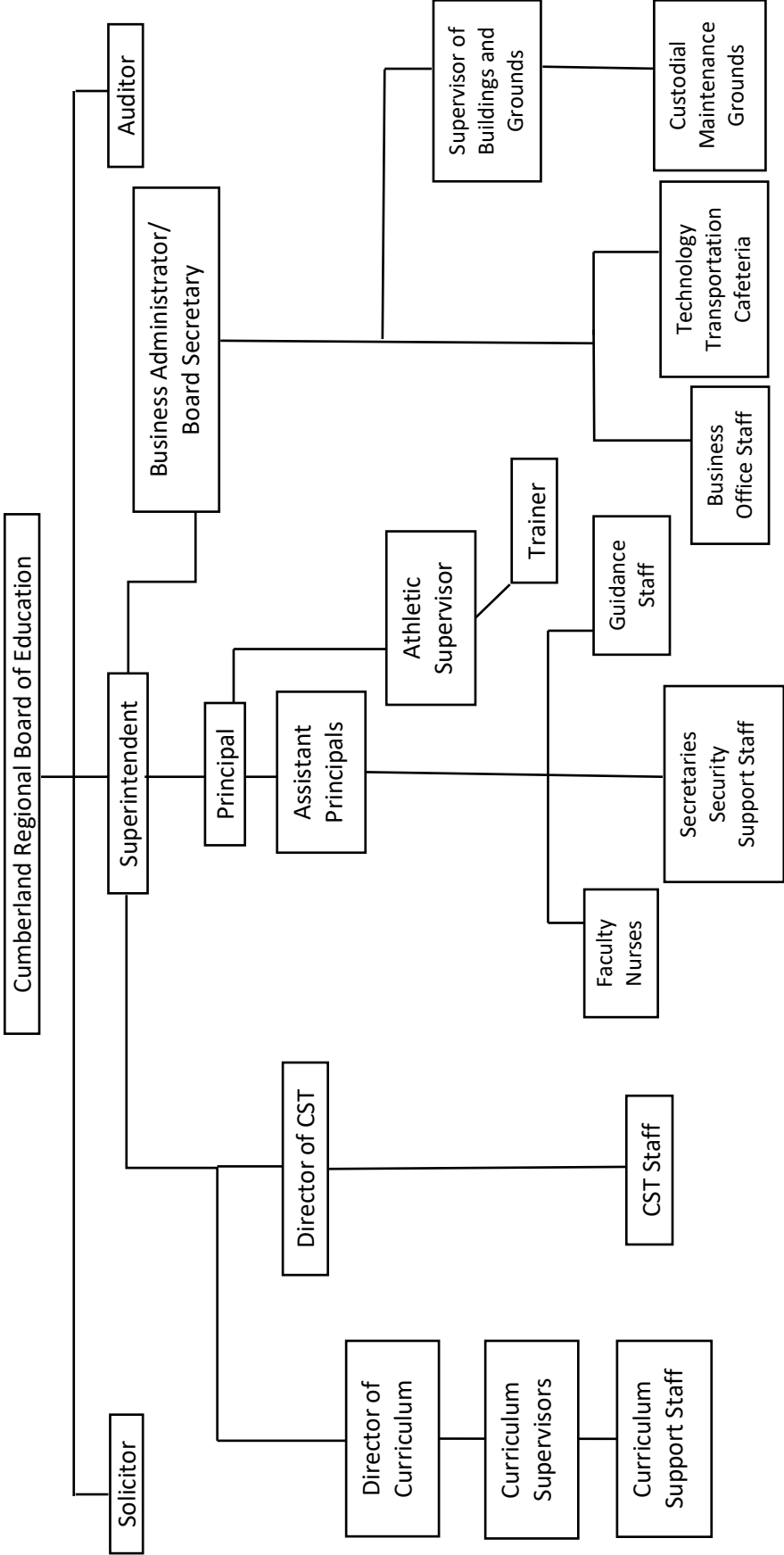
Steven W. Price

Steven W. Price
Superintendent

Bruce D. Harbinson

Bruce D. Harbinson
School Business Administrator

Cumberland Regional High School District Organizational Flow Chart 2019-20



CUMBERLAND REGIONAL HIGH SCHOOL DISTRICT BOARD OF EDUCATION
COUNTY OF CUMBERLAND, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2020

<u>Members of the Board of Education</u>	<u>Term</u>
Thomas Davis, President	2022
Theresa Christian-Hunsberger, Vice-President	2022
Ronald Campbell Sr.	2022
Ken Jackson	2021
Barbara Wilchensky	2021
Kimberly Hall	2021
Lisa Trexler	2020
Claude Rucker	2020
Valerie Wojcik	2020

Other Officials

Steven W. Price, Superintendent/Chief Educational Officer

Bruce D. Harbinson, Business Administrator/Board Secretary

CUMBERLAND REGIONAL BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

Ford, Scott & Associates, L.L.C.
Certified Public Accountants
1535 Haven Avenue
Ocean City, New Jersey 08226

ATTORNEY

John G. Geppert, Jr.
1100 Valley Brook Avenue
P.O. Box 790
Lyndhurst, NJ 07071

OFFICIAL DEPOSITORY

Ocean First
85 W Broad St.
Bridgeton, New Jersey 08302

ARCHITECT OF RECORD

Garrison Architects
713 Creek Road
Bellmawr, New Jersey 08031

ENGINEER OF RECORD

The Da Vinci Group, LLC
72 East Centre Street
Woodbury, New Jersey 08096

FINANCIAL SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Cumberland Regional School District
65 Love Lane
Bridgeton, New Jersey 08302

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 Cumberland Regional School District, in the County of Cumberland, New Jersey, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor'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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Cumberland Regional School District, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified 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 Cumberland Regional School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance and the schedule of state financial assistance as required by NJ OMB 15-08 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2021 on our consideration of the Cumberland Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cumberland Regional School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 4, 2021

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Cumberland Regional School District ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District increased compared to the prior year due to a required adjustment being made in the prior year to the value of the District's Capital Assets.
- The State of New Jersey reimbursed the District \$540,825.63 during the fiscal year ended June 30, 2020 for the employer's share of social security contributions. The State of New Jersey also paid \$2,103,287.00 in pension contributions and retiree health coverage for TPAF members as calculated on their base salaries on behalf of the District. This amount, which is not budgeted, is included as both a revenue and appropriation in the financial statements.
- As indicated by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to 2% of the total general fund expenditures or \$250,000, whichever is greater. Any excess is required to be designated as Reserved Fund Balance – Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2020 the District had excess surplus of \$983,605.88, of which \$533,605.88 was required to be budgeted as a revenue for the year ending June 30, 2020 and \$450,000 is designated for subsequent year budgets.
- During the fiscal year ended June 30, 2020, the District's revenues were approximately \$782,830.01 more than total expenditures in the fund financial statements.

{This space intentionally left blank}

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management’s discussion and analysis* (this section), the basic *financial statements, required supplementary information*, and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District.

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

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District’s financial statements, including the portion of the District’s government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

{This space intentionally left blank}

**Figure A-1
Major Features of Cumberland Regional School District Board of Education's
Government-wide and Fund Financial Statements**

	Government wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and student activities	Activities the District operates similar to private businesses; food service	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short-term and long-term.
Type of inflow/outflow information	All revenues and expenses during the year,	Revenues for which cash is received	All revenues and expenses,	All revenues and expenses during year, regardless

	regardless of when cash is received or paid.	during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	regardless of when cash is received or paid.	of when cash is received or paid.
--	--	---	--	-----------------------------------

Government-wide Statements

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

The two government-wide statements report the District’s *net position* and how they have changed. Net position – the difference between the District’s assets and liabilities – is one way to measure the District’s financial health, or *position*.

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

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* – most of the District’s basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – the District charges fees to customers to help it cover the costs of certain services it provides.

{This space intentionally left blank}

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for other assets that - because of a trust arrangement – can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

{This space intentionally left blank}

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's governmental activities net position increased between fiscal years 2020 and 2019 as a result of a decrease in expenses, predominantly capital outlay. The business-type activities net position also increased due to an excess of revenue over expenses.

	Governmental Activities		Business-type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current and other assets	\$6,712,992.03	\$5,847,261.39	87,204.30	140,274.79	6,800,196.33	5,987,536.18
Capital assets	11,502,933.53	11,252,199.56	24,742.77	23,151.57	11,527,676.30	11,275,351.13
Total assets	18,215,925.56	17,099,460.95	111,947.07	163,426.36	18,327,873	17,262,887
Deferred outflows						
of resources	782,314.00	962,847.00	-	-	782,314.00	962,847.00
Long-term liabilities	9,294,671.90	10,291,455.80	-	-	9,294,671.90	10,291,455.80
Other liabilities	234,016.83	150,788.14	28,302.61	87,161.87	262,319.44	237,950.01
Total liabilities	9,528,688.73	10,442,243.94	28,302.61	87,161.87	9,556,991.34	10,529,405.81
Deferred inflows						
of resources	1,966,052.00	2,008,181.00	-	-	1,966,052.00	2,008,181.00
Net position						
Invested in capital assets	6,775,933.53	5,705,199.56	24,742.77	23,151.57	6,800,676.30	5,728,351.13
Restricted	6,939,175.55	5,802,329.37			6,939,175.55	5,802,329.37
Unrestricted	(6,211,610.25)	(5,895,645.92)	58,901.69	53,112.92	(6,152,708.56)	(5,842,533.00)
Total net position	\$7,503,498.83	\$5,611,883.01	83,644.46	76,264.49	7,587,143.29	5,688,147.50

Net position of the District increased due to less expenditures in 2020 compared to what was budgeted due to the COVID-19 pandemic.

As required by New Jersey Statutes, the unrestricted fund balance of the District is not permitted to exceed 2% of total general fund expenditures, after reductions for On-behalf TPAF pension and social security. Any excess must be appropriated as budgeted fund balance in the subsequent years' budget. As of June 30, 2020, the District had fund balance in the amount of \$6,287,907.05 of which \$533,605.88 is excess surplus that has been included in the 2020-2021 budget. \$621.05 is restricted for the Maintenance Reserve. \$5,500,000.00 is restricted for the Capital Reserve. \$250,000.00 is restricted for a recently established Emergency Reserve. \$318,991.00 is assigned to encumbrances. \$450,000 is current year excess surplus that will be included in the 2021-2022 budget. The unrestricted fund balance is \$436,432.

Approximately 62% of the District's governmental funds revenue comes from the State of New Jersey in the form of non-restricted federal and state aid. This aid is based on the District's enrollment as well as other factors related to the District's formula aid which is a relationship of the adequacy budget and the District's property values and income of the residents. The District expenses are primarily related to instruction, administration, and plant operations.

	2020		2019	
	Amount	Percentage	Amount	Percentage
Property taxes	\$ 9,642,836.00	36.34%	9,399,338.00	35.15%
Unrestricted Federal and State aid	16,488,825.97	62.14%	16,669,392.67	62.33%
Transportation Fees	136,065.00	0.51%	136,614.00	0.51%
Interest Earned	121,819.13	0.46%	72,938.89	0.27%
Other	144,441.45	0.54%	464,728.06	1.74%
Totals	\$ 26,533,987.55	100.00%	26,743,011.62	100.00%

Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2020 and 2019 fiscal years:

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenue						
Charges for services	\$ 136,065.00	136,614.00	132,865.81	225,830.70	268,930.81	362,444.70
Grants and entitlements	4,624,176.20	6,046,381.45	269,685.51	274,833.27	4,893,861.71	6,321,214.72
General revenues						
Property taxes	9,642,836.00	9,399,338.00	-	-	9,642,836.00	9,399,338.00
State aid entitlements	12,763,542.13	12,878,089.45	-	-	12,763,542.13	12,878,089.45
Other	767,240.68	696,488.02	6,100.13	(27,618.41)	773,340.81	668,869.61
Total revenues	27,933,860.01	29,156,910.92	408,651.45	473,045.56	28,342,511.46	29,629,956.48
Expenses						
Instruction:						
Regular	11,310,583.70	11,815,069.65	-	-	11,310,583.70	11,815,069.65
Special Education	1,193,736.87	1,379,271.75	-	-	1,193,736.87	1,379,271.75
Other Instruction	1,208,581.18	1,254,710.54	-	-	1,208,581.18	1,254,710.54
Support services:						
Tuition	1,308,713.44	1,419,590.67	-	-	1,308,713.44	1,419,590.67
Student & instruction related	2,491,140.20	2,763,196.55	-	-	2,491,140.20	2,763,196.55
School administration services	802,052.10	944,688.78	-	-	802,052.10	944,688.78
General & business admin	502,476.83	552,041.76	-	-	502,476.83	552,041.76
Central Services	463,912.23	521,887.78	-	-	463,912.23	521,887.78
Admin info tech	119,303.92	151,277.20	-	-	119,303.92	151,277.20
Plant operations & maintenance	4,411,679.63	3,058,787.12	-	-	4,411,679.63	3,058,787.12
Pupil transportation	1,831,015.77	1,814,239.79	-	-	1,831,015.77	1,814,239.79
Employee Benefits	-	-	-	-	-	-
NJ Debt Service Assessment	224,824.00	224,824.00	-	-	224,824.00	224,824.00
Interest on long-term debt	174,224.32	200,615.64	-	-	174,224.32	200,615.64
Internal service fund	-	-	-	-	-	-
Business-type activities	-	-	401,271.48	478,287.79	401,271.48	478,287.79
Total expenses	26,042,244.19	26,100,201.23	401,271.48	478,287.79	26,443,515.67	26,578,489.02
Transfer	-	(25,000.00)	-	25,000.00	-	-
Increase/(Decrease) in net assets	1,891,615.82	3,031,709.69	7,379.97	19,757.77	1,898,995.79	3,051,467.46

Business-type Activities

Operating and non-operating revenues of the District's business-type activities decreased \$64,394.11 from the previous year and expenses decreased by \$77,016.31.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of \$6,509,263.52 which is approximately \$782,830.01 more than the beginning of the year.

General Fund Budgetary Highlights

As further explained in the Notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office and, as a Type II School District, are approved by the voters annually if the District exceeds the statutory CAP limitations.

Effective with the 2012-2013 school year, if the District stays within the statutory limitations, there is no vote on the budget by the District voters and Board Members are elected at the time of the general election in November. Transfers of appropriations may be made by Board resolution at any time during the fiscal year. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

CAPITAL ASSET

Capital Assets

At the end of 2020, the District had invested \$11,527,675.20 in a broad range of capital assets, including land, buildings, vehicles and machinery.

	Governmental Activities		Business-type Activities		Totals	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 263,190.00	\$ 263,190.00	-	-	263,190.00	263,190.00
Construction in Progress	6,421,902.46	6,421,902.46	-	-	6,421,902.46	6,421,902.46
Buildings and Bldg improvements	3,289,208.00	3,549,131.00	-	-	3,289,208.00	3,549,131.00
Machinery & equipment	1,528,631.97	1,017,975.00	24,742.77	23,152.00	1,553,374.74	1,041,127.00
Total	\$11,502,932.43	11,252,198.46	24,742.77	23,152.00	11,527,675.20	11,275,350.46

Long-term Debt

	Balance June 30, 2019	Issued	Retired/ Adjusted	Balance June 30, 2020
Governmental Activities				
Compensated Absences Payable	\$ 277,169.00	-	21,572.10	255,596.90
Bonds Payable	5,547,000.00	-	820,000.00	4,727,000.00
Accrued Interest on Bonds	52,910.00	-	7,661.68	45,248.32
Total Governmental Activities	<u>\$ 5,877,079.00</u>	<u>-</u>	<u>849,233.78</u>	<u>5,027,845.22</u>

More detailed information about the District's long-term debt is presented in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Cumberland Regional School District is in good financial condition presently. The District is proud of its community support of the public schools. A major concern is the continued tuition increases, the elimination of the Municipal Surplus Contribution and flat state aid, which increases the reliance on local property taxes.

In conclusion, the District has committed itself to financial excellence for many years. The District's system for financial planning, budgeting, and internal financial controls are well regarded. The District plans to continue its sound financial management to meet the challenges of the present and future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at 65 Love Lane, Bridgeton, NJ 08302 or the District's website at www.crhsd.org.

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 6,057,764.62	\$ 67,408.14	\$ 6,125,172.76
Investment in SREC's	14,960.00	-	14,960.00
Receivables, Net	640,267.41	18,859.14	659,126.55
Inventory		937.02	937.02
Capital Assets, Net	11,502,933.53	24,742.77	11,527,676.30
Total Assets	18,215,925.56	111,947.07	18,327,872.63
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflow of Resources			
Deferred Outflows Related to Pensions	782,314.00	-	782,314.00
Total Deferred Outflow of Resources	782,314.00	-	782,314.00
LIABILITIES			
Accounts Payable	85,499.24	24,523.11	110,022.35
Accounts Payable - Due to State	-	-	-
Deferred Revenue	103,269.27	3,779.50	107,048.77
Accrued Interest	45,248.32	-	45,248.32
Noncurrent Liabilities			
Due Within One Year	845,000.00	-	845,000.00
Due Beyond One Year	4,137,596.90	-	4,137,596.90
Net Pension Liability	4,312,075.00	-	4,312,075.00
Total Liabilities	9,528,688.73	28,302.61	9,556,991.34
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflow of Resources			
Deferred Inflows Related to Pensions	1,966,052.00	-	1,966,052.00
Total Deferred Inflow of Resources	1,966,052.00	-	1,966,052.00
NET POSITION			
Net Investment in Capital Assets	6,775,933.53	24,742.77	6,800,676.30
Restricted for:			
Capital Projects	5,702,448.52	-	5,702,448.52
Maintenance Reserve	621.15	-	621.15
Emergency Reserve	250,000.00	-	250,000.00
Other Purposes	986,105.88	-	986,105.88
Unrestricted (Deficit)	(6,211,610.25)	58,901.69	(6,152,708.56)
Total Net Position	\$ 7,503,498.83	\$ 83,644.46	\$ 7,587,143.29

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Statement of Changes in Net Position
For the Year Ended June 30, 2020

Function/Programs	Direct Expenses	Indirect Cost Allocation	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 7,616,777.17	3,693,806.53	-	3,686,972.76	-	(7,623,610.94)	-	(7,623,610.94)
Special Education	803,886.70	389,850.17	-	321,769.53	-	(871,967.34)	-	(871,967.34)
Other Instruction	813,883.16	394,698.02	-	325,770.78	-	(882,810.40)	-	(882,810.40)
Support Services:								
Tuition	1,308,713.44	-	-	-	-	(1,308,713.44)	-	(1,308,713.44)
Student & Instruction Related Services	2,025,490.49	465,649.71	-	199,917.67	-	(2,291,222.53)	-	(2,291,222.53)
School Administrative Services	652,130.66	149,921.44	-	(15,120.51)	-	(817,172.61)	-	(817,172.61)
General and Administrative Serv.	408,552.69	93,924.14	-	(9,472.84)	-	(511,949.67)	-	(511,949.67)
Central Services	377,196.68	86,715.55	-	(8,745.80)	-	(472,658.03)	-	(472,658.03)
Admin Info Tech	97,003.36	22,300.56	-	(2,249.15)	-	(121,553.07)	-	(121,553.07)
Plant Operation and Maintenance	3,587,038.22	824,641.41	-	(80,970.24)	-	(4,492,649.87)	-	(4,492,649.87)
Pupil Transportation	1,831,015.77	-	-	-	-	(1,694,950.77)	-	(1,694,950.77)
Employee Benefits	5,649,279.53	(5,649,279.53)	-	-	-	-	-	-
Depreciation	472,228.00	(472,228.00)	-	-	-	(224,824.00)	-	(224,824.00)
NJ Debt Service Assessment	224,824.00	-	-	206,304.00	-	32,079.68	-	32,079.68
Interest on Long-Term Debt	174,224.32	-	-	-	-	-	-	-
Total Governmental Activities	26,042,244.19	(0.00)	136,065.00	4,624,176.20	-	(21,282,002.99)	-	(21,282,002.99)
Business-Type Activities:								
Food Service	401,271.48	-	132,865.81	269,685.51	-	1,279.84	1,279.84	1,279.84
Total Business-Type Activities	401,271.48	-	132,865.81	269,685.51	-	1,279.84	1,279.84	1,279.84
Total Primary Government	\$ 26,443,515.67	(0.00)	268,930.81	4,893,861.71	-	(21,282,002.99)	1,279.84	(21,280,723.15)
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes, Net						9,301,363.00	-	9,301,363.00
Taxes Levied for Debt Service						341,473.00	-	341,473.00
Federal and State Aid not Restricted						12,763,542.13	1,126.13	12,763,542.13
Investment Earnings						121,819.13	-	122,945.26
Miscellaneous Income						124,011.09	-	124,011.09
Transfers (to) / from Other Funds						-	4,974.00	4,974.00
Adjustment to Capital Assets						521,410.46	-	526,384.46
Total General Revenues, Special Items, Extraordinary Items and Transfers						23,173,618.81	6,100.13	23,179,718.94
Change in Net Position						1,891,615.82	7,379.97	1,898,995.79
Net Position - Beginning						5,611,883.01	76,264.49	5,688,147.50
Net Position - Ending						7,503,498.83	83,644.46	7,587,143.29

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

FUND FINANCIAL STATEMENTS

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

**CUMBERLAND REGIONAL SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 5,836,408.15	-	210,323.71	11,032.76	6,057,764.62
Due from Other Funds	339,953.50	-	-	5,375.19	345,328.69
Receivables from Other Governments	2,702.00	438,608.67	-	-	441,310.67
Other Receivables	198,956.74	-	-	-	198,956.74
	-	-	-	-	-
Total Assets	<u>6,378,020.39</u>	<u>438,608.67</u>	<u>210,323.71</u>	<u>16,407.95</u>	<u>7,043,360.72</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	20,897.24	64,602.00	-	-	85,499.24
Interfund Payable	-	339,953.50	5,375.19	-	345,328.69
Deferred Revenue	69,216.10	34,053.17	-	-	103,269.27
Total Liabilities	<u>90,113.34</u>	<u>438,608.67</u>	<u>5,375.19</u>	<u>-</u>	<u>534,097.20</u>
Fund Balances:					
Restricted for:					
Excess Surplus - Current Year	533,605.88	-	-	-	533,605.88
Excess Surplus - designated for subsequent year's expenditures	450,000.00	-	-	-	450,000.00
Emergency Reserve	250,000.00	-	-	-	250,000.00
Maintenance Reserve	621.15	-	-	-	621.15
Capital Reserve	5,500,000.00	-	-	-	5,500,000.00
Committed to:					
Other Purposes	318,991.00	-	2,500.00	-	321,491.00
Assigned to:					
Debt Service	-	-	-	5,376.95	5,376.95
Designated by BOE for subsequent year's expenditures	32,759.00	-	-	11,031.00	43,790.00
Capital Projects	-	-	202,448.52	-	202,448.52
Unassigned:					
General Fund	(798,069.98)	-	-	-	(798,069.98)
Total Fund Balances	<u>6,287,907.05</u>	<u>-</u>	<u>204,948.52</u>	<u>16,407.95</u>	<u>6,509,263.52</u>
Total Liabilities and Fund Balances	<u>\$ 6,378,020.39</u>	<u>438,608.67</u>	<u>210,323.71</u>	<u>16,407.95</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 \$30,725,966.43 and the accumulated depreciation is \$19,223,032.90.	11,502,933.53
Value of Investment in SREC's	14,960.00
Long - term liabilities, including bonds and capital leases payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(5,027,845.22)
Pension Liabilities Net of Deferred Outflows & Inflows	(5,495,813.00)

Net Position of governmental activities \$ 7,503,498.83

CUMBERLAND REGIONAL SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 9,301,363.00	\$ -	\$ -	\$ 341,473.00	\$ 9,642,836.00
Transportation Fees	136,065.00	-	-	-	136,065.00
Interest Earned	116,443.94	-	5,375.19	-	121,819.13
Miscellaneous	132,001.09	12,440.36	-	-	144,441.45
Total Local Sources	9,685,873.03	12,440.36	5,375.19	341,473.00	10,045,161.58
State Sources	15,393,741.63	73,723.85	-	206,304.00	15,673,769.48
Federal Sources	13,913.13	801,143.36	-	-	815,056.49
Total Revenues	<u>25,093,527.79</u>	<u>887,307.57</u>	<u>5,375.19</u>	<u>547,777.00</u>	<u>26,533,987.55</u>
EXPENDITURES					
Current:					
Regular Instruction	6,120,088.94	638,226.22	-	-	6,758,315.16
Special Education Instruction	713,283.26	-	-	-	713,283.26
Other Instruction	722,153.05	-	-	-	722,153.05
Support Services:					
Tuition	1,308,713.44	-	-	-	1,308,713.44
Student & Instruction Related Serv.	1,833,224.64	246,881.35	-	-	2,080,105.99
School Administrative Services	669,714.76	-	-	-	669,714.76
General Administrative Services	419,568.95	-	-	-	419,568.95
Central Services	387,367.44	-	-	-	387,367.44
Administration Information Tech	99,618.97	-	-	-	99,618.97
Plant Operation and Maintenance	3,683,759.45	-	-	-	3,683,759.45
Pupil Transportation	1,831,015.77	-	-	-	1,831,015.77
Employee Benefits	5,649,279.53	-	-	-	5,649,279.53
Debt Service:					
Principal	-	-	-	820,000.00	820,000.00
Interest and Other Charges	-	-	-	181,886.26	181,886.26
Capital Outlay	421,675.51	2,200.00	2,500.00	-	426,375.51
Total Expenditures	<u>23,859,463.71</u>	<u>887,307.57</u>	<u>2,500.00</u>	<u>1,001,886.26</u>	<u>25,751,157.54</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,234,064.08</u>	<u>-</u>	<u>2,875.19</u>	<u>(454,109.26)</u>	<u>782,830.01</u>
OTHER FINANCING SOURCES/(USES)					
Transfer In	-	-	-	455,375.19	455,375.19
Transfer Out	-	-	(455,375.19)	-	(455,375.19)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(455,375.19)</u>	<u>455,375.19</u>	<u>-</u>
Net Changes in Fund Balance	1,234,064.08	-	(452,500.00)	1,265.93	782,830.01
Fund Balance - July 1	5,053,842.97	-	657,448.52	15,142.02	5,726,433.51
Fund Balance - June 30	<u>\$ 6,287,907.05</u>	<u>\$ -</u>	<u>\$ 204,948.52</u>	<u>\$ 16,407.95</u>	<u>\$ 6,509,263.52</u>

CUMBERLAND REGIONAL SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Total Net Change in Fund Balance - Governmental Funds (from B-2)		\$ 782,830.01
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	\$ (472,228.00)	
Adjustment to Capital Assets	521,410.46	
Capital Outlay	201,551.51	250,733.97
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long - term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		
Total bond principal payments	820,000.00	820,000.00
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
		21,571.90
Decrease in accrued interest expense		7,661.94
Decrease in Value of Investment in SREC's		(7,990.00)
Adjustment to pension expense		16,808.00
Change in Net Position of Governmental Activities		<u>\$ 1,891,615.82</u>

CUMBERLAND REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2020

	Business-Type Activities - Enterprise Fund <u>Food Service</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 67,408.14
Accounts Receivable:	
State	180.24
Federal	18,678.90
Inventories (USDA)	937.02
Total Current Assets	<u>87,204.30</u>
Noncurrent Assets:	
Furniture, Machinery & Equipment	289,591.57
Less: Accumulated Depreciation	<u>(264,848.80)</u>
Total Noncurrent Assets	<u>24,742.77</u>
Total Assets	<u>\$ 111,947.07</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 24,523.11
Deferred Revenue (USDA Inventory)	937.02
Deferred Revenue - Student Balances	<u>2,842.48</u>
Total Current Liabilities	<u>28,302.61</u>
NET POSITION	
Net Investment in Capital Assets	24,742.77
Unrestricted	<u>58,901.69</u>
Total Net Position	<u>\$ 83,644.46</u>

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

	Business-Type Activities - Enterprise Fund
	Food Service
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 65,616.00
Daily Sales - Non-reimbursable Programs	67,249.81
Total Operating Revenue	132,865.81
Operating Expenses:	
Fixed Price FSMC Contract:	
Cost of Operations	397,888.68
Depreciation	3,382.80
Total Operating Expenses	401,271.48
Operating Income (Loss)	(268,405.67)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	3,646.03
Federal Sources:	
National School Lunch Program	178,976.43
National School Breakfast Program	72,224.04
Food Distribution Program	14,839.01
Loss on Disposal of Fixed Assets	
Interest and Investment Revenue	1,126.13
Total Nonoperating Revenues (Expenses)	270,811.64
Income (Loss) before Contributions & Transfers	2,405.97
Fixed Asset Adjustment	4,974.00
Transfers In (Out)	-
Changes in Net Position	7,379.97
Total Net Position - Beginning	76,264.49
Total Net Position - Ending	\$ 83,644.46

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2020

	Business-Type Activities - Enterprise Fund
	Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 135,708.29
Payments to Suppliers	(445,688.43)
Net Cash Provided by (Used for) Operating Activities	(309,980.14)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Sources	3,701.38
Federal Sources	246,428.05
Net Cash Provided by (Used for) Noncapital Financing Activities	250,129.43
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Equipment	
Interest on Investments	1,126.13
Net Cash Provided (Used) by Capital and Related Financing Activities	1,126.13
Net Increase (Decrease) in Cash and Cash Equivalents	(58,724.58)
Balance - Beginning of Year	126,132.72
Balance - End of Year	\$ 67,408.14
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (268,405.67)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation and Net Amortization	3,382.80
Donated Commodities Received During the Year	14,839.01
(Increase) Decrease in Due from FSMC	(62,638.76)
(Increase) Decrease in Inventories	-
Increase (Decrease) in Deferred Revenue	2,842.48
Increase (Decrease) in Accounts Payable	-
Total Adjustments	(41,574.47)
Net Cash Provided by (Used for) Operating Activities	\$ (309,980.14)

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Position
For the Year Ended June 30, 2020

	<u>Student Activity</u>	<u>Payroll/ Agency</u>	<u>Private Purpose Scholarship Fund</u>	<u>Unemployment Compensation Trust</u>
ASSETS				
Cash and Cash Equivalents	\$ 303,895.19	\$ 103,483.35	\$ 12,703.59	\$ 345,136.96
Total Cash and Cash Equivalents	<u>303,895.19</u>	<u>103,483.35</u>	<u>12,703.59</u>	<u>345,136.96</u>
LIABILITIES				
Payable to Student Groups	303,895.19	-	-	-
Accounts Payable	-	-	-	6,166.92
Flex Savings	-	2,801.22	-	-
Summer Savings	-	1,818.42	-	-
Payroll Deductions & Withholdings	-	98,863.71	-	-
Total Liabilities	<u>303,895.19</u>	<u>103,483.35</u>	<u>-</u>	<u>6,166.92</u>
NET POSITION				
Held in trust for unemployment claims				<u>\$ 338,970.04</u>
Held in trust for employee reimbursement				
Reserve for scholarships			<u>\$ 12,703.59</u>	

CUMBERLAND REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Unemployment Compensation Trust	Private Purpose Scholarship Fund
	<u> </u>	<u> </u>
ADDITIONS		
Contributions:		
Plan Member	\$ 32,777.79	\$ -
Other		7,275.00
Board Contribution	<u>80,000.00</u>	
Total Contributions	<u>112,777.79</u>	<u>7,275.00</u>
Investment Earnings:		
Interest	<u>4,502.99</u>	-
Net Investment Earnings	<u>4,502.99</u>	-
Total Additions	<u>117,280.78</u>	<u>7,275.00</u>
DEDUCTIONS		
Scholarships Awarded		5,950.00
Other		
Unemployment Claims	<u>68,686.29</u>	
Total Deductions	<u>68,686.29</u>	<u>5,950.00</u>
Changes in Net Position	48,594.49	1,325.00
Net Position - Beginning of the Year	290,375.55	11,378.59
Prior Year Audit Adjustment		
Net Position - End of the Year	<u>\$ 338,970.04</u>	<u>\$ 12,703.59</u>

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

Notes To The Financial Statements

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cumberland Regional Board of Education is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A chief school administrator is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the Cumberland Regional Board of Education (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The Cumberland Regional Board of Education is a Type II district located in the County of Cumberland, 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 elected to three-year terms. The purpose of the district is to educate students in grades 9-12. The Cumberland Regional Board of Education had an enrollment at June 30, 2020 of 1,018 students.

The primary criterion for including activities within the 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 District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program is classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities column (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and unappropriated 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. These resources can be transferred from and to Current Expense by board resolution.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

- b. Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.
- d. Debt service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs. The District currently has no outstanding bonds and therefore, has not included a Debt Service Fund.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

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

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

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

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

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

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District operates a food service fund to provide a child nutrition program for the students of the district.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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 stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that 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.

NJSA 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 Act. 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.

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund or debt service fund.

3. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000.00 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

4. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

5. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

6. 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 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 District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

7. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

8. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later.

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. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Programs - Undistributed Instruction	
General Supplies	638,999.51
Behavioral Disabilities	
Salaries of Teachers	(83,328.00)
Multiple Disabilities	
Salaries of Teachers	(79,051.00)
Other Salaries for Instructions	(284,749.00)
Resource Room/Resource Center	
Salaries of Teachers	300,000.00
Salaries of Aides	275,000.00
Autism	
Salaries of Teachers	(134,246.00)
Undistributed Expenditures - Instruction	
Tuition to CSSD & Regional Day Schools	(111,243.00)
Tuition - Other	105,343.00
Required Maintenance for School Facilities	
Required Maintenance - Repairs - Replace	1,262,245.85
General Supplies	80,986.20
Custodial Services	
Energy (Natural Gas)	60,000.00
Energy (Electricity)	(55,000.00)
Student Transportation Services	
Cont. Services (Bet. Home & School) - Vendors	140,000.00
Transportation Jointure Special Ed.	(92,525.00)
Unallocated Benefits	
Unemployment Compensation	(88,236.00)
Workmen's Compensation	(50,000.00)
Health Benefits	(75,000.00)
Capital Outlay: Facilities Acq. And Const. Services	
Architect Fees	55,500.00

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payments 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.

9. Tuition Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. The final cost is based on an agreement with various Boards of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

10. Tuition Payable:

Tuition charges for the fiscal years 2019/20 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

11. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

12. Allocation of Costs:

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

13. 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 fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investment are reported at fair value.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Costs Incurred Before the End of a Construction Period". This statement, which is effective for fiscal periods beginning after December 15, 2019, will not have any effect on the District's financial reporting.

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 15, 2020, will not have any effect on the District's financial reporting.

In January 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 92, "Omnibus 2020". This statement, which is effective for fiscal periods beginning after June 15, 2021, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after June 15, 2021, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal periods beginning after June 15, 2022, will not have any effect on the District's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance". This statement, which is effective for fiscal periods immediately, will not have any effect on the District's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements". This statement, which is effective for fiscal periods beginning after June 15, 2022, will not have any effect on the District's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "An Amendment to GASB Statements No. 14 and No. 84". This statement, which is effective for fiscal periods beginning after December 15, 2019, will not have any effect on the District's financial reporting.

NOTE 2 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2020, \$6,890,391.85 of the District's bank balance of \$10,030,908.77 was exposed to custodial credit risk.

NOTE 3 – INVESTMENTS

As of June 30, 2020, the District had the following investments:

Investment in Solar Renewable Energy Certificates (SRECS). In accordance with the requirement of GASB No. 72 the District has reported its investment in Solar Renewable Energy Certificates (SRECS) which were converted to cash within 60 days of year-end as an asset on the Statement of Net Position (Exhibit A-1). The resulting differences between the Government Wide and Governmental Fund statements are reported on the (Exhibit B-3) Reconciliation. The SRECS are valued at their estimated fair market value as of June 30, 2020.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 4 – RECEIVABLES

Receivables at June 30, 2020, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government Wide Financial Statements
State Aid	\$ 47,974.41	48,154.65
Federal Aid	393,336.26	412,015.16
Due from Other Funds	345,328.69	
Other	1,421,333.74	1,421,333.74
Gross Receivables	2,207,973.10	1,881,503.55
Less: Allowance for Uncollectibles		
Total Receivables, Net	<u>\$ 2,207,973.10</u>	<u>1,881,503.55</u>

NOTE 5 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund; (2) repay expenses paid by another fund; and (3) make a Board contribution to the Unemployment Compensation Trust Fund; and (4) transfer federal and state food subsidies received in the General Fund to the Food Service Fund.

The following interfund balances remained on the fund financial statements at June 30, 2020:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 339,953.50	-
Special Revenue Fund	-	339,953.50
Capital Projects Fund	-	5,375.19
Debt Service Fund	5,375.19	-
	<u>\$ 345,328.69</u>	<u>345,328.69</u>

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 6 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 263,190.00			-	263,190.00
Construction in Progress	6,421,902.46	-	-	-	6,421,902.46
Total capital assets not being depreciated	<u>6,685,092.46</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,685,092.46</u>
Capital assets being depreciated:					
Land Improvements	1,208,037.00	-		-	1,208,037.00
Buildings and building improvements	18,747,767.00	-		-	18,747,767.00
Machinery and Equipment	3,362,108.00	722,961.97	-	-	4,085,069.97
Total capital assets being depreciated at historical cost	<u>23,317,912.00</u>	<u>722,961.97</u>	<u>-</u>	<u>-</u>	<u>24,040,873.97</u>
Less accumulated depreciation for:					
Land Improvements	(1,110,595.00)	(35,430.00)	-	-	(1,146,025.00)
Buildings and improvements	(15,296,078.00)	(224,493.00)	-	-	(15,520,571.00)
Equipment	(2,344,133.00)	(212,305.00)	-	-	(2,556,438.00)
Total capital assets being depreciated, net of accumulated depreciation	<u>(18,750,806.00)</u>	<u>(472,228.00)</u>	<u>-</u>	<u>-</u>	<u>(19,223,034.00)</u>
Governmental activity capital assets, net	<u>11,252,198.46</u>	<u>250,733.97</u>	<u>-</u>	<u>-</u>	<u>11,502,932.43</u>
Business-type activities:					
Capital assets being depreciated:					
Equipment	284,617.57	4,974.00	-	-	289,591.57
Less accumulated depreciation	(261,466.00)	(3,382.80)	-	-	(264,848.80)
Enterprise Fund capital assets, net	<u>23,151.57</u>	<u>1,591.20</u>	<u>-</u>	<u>-</u>	<u>24,742.77</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 205,451.84
Special Education	21,683.71
Other Instruction	21,953.35
Student & Instruction Related Services	63,234.93
General Administration	12,754.84
School Administrative Services	20,359.24
Plant Operations and Maintenance	111,985.77
Central Services	11,775.92
Info Tech	3,028.40
:	<u>\$ 472,228.00</u>

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 7 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2020 are as follows:

	Balance July 1, 2019	Issues or Additions	Payments or Expenditures	Balance June 30, 2020	Amounts Due Within One Year
Compensated Absences	\$ 277,168.00	-	21,571.90	255,596.10	-
Bonds Payable	5,547,000.00	-	820,000.00	4,727,000.00	845,000.00
Accrued Interest on Bonds	52,910.48	-	7,662.16	45,248.32	45,248.32
	<u>\$ 5,877,078.48</u>	<u>-</u>	<u>849,234.06</u>	<u>5,027,844.42</u>	<u>890,248.32</u>

Compensated absences will be liquidated in the General Fund.

Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

At June 30, 2020 bonds payable consisted of the following issues:

\$6,477,000 School Bonds dated September 1, 2010, 2012, due in annual installments through March 1, 2026, bearing interest at rates ranging from 2.50% to 3.375%. The balance remaining as of June 30, 2020 is \$3,272,000.00.

\$3,785,000 School Refunding Bonds dated August 16, 2012, due in annual installments through April 15, 2024, bearing interest at rates ranging from 3.00% to 4.00%. The balance remaining as of June 30, 2020 is \$1,455,000.00.

Debt service requirements on serial bonds payable at June 30, 2020 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	845,000.00	153,586.00	998,586.00
2022	865,000.00	124,536.25	989,536.25
2023	915,000.00	94,936.25	1,009,936.25
2024	905,000.00	67,486.25	972,486.25
2025	600,000.00	39,648.75	639,648.75
2026	597,000.00	20,148.75	617,148.75
	<u>4,727,000.00</u>	<u>500,342.25</u>	<u>5,227,342.25</u>

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 8 – OPERATING LEASES

The District had operating leases for copying equipment during the year ended June 30, 2020. The total operating lease payments made during the year ended June 30, 2020 were \$51,903. The leases expire on various dates. Future minimum payments due on the leases are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>
2021	50,143.08
2022	35,482.20
2023	<u>17,741.10</u>
Total future minimum lease payments	<u>\$ 103,366.38</u>

NOTE 9 – DEFERRED REVENUE

The District has unearned revenue reflected on the Statement of Net Position in the District-Wide Financial Statements of \$34,053.17 This consists of unearned revenue of in the special revenue fund which is made up of encumbrances payable at year end.

NOTE 10 – PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

Public Employees' Retirement System (PERS)

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

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has 13 employees enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2020.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 20.84% and the PERS rate is 13.91% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2020, 2019 and 2018 were \$2,103,287.00 \$2,063,316.00 and \$1,780,748.00 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2020, 2019 and 2018 were \$234,068.00, \$226,638.00 and \$229,462.89 respectively, equal to the required contributions for each year.

Three Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2020	\$ 234,068.00	100%	-
6/30/2019	226,638.00	100%	-
6/30/2018	229,462.86	100%	-

Three Year Trend Information for TPAF (Paid on behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/20	\$ 2,103,287.00	100%	-
06/30/19	2,063,316.00	100%	-
06/30/18	1,780,748.00	100%	-

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

The Board's total payroll for the year ended June 30, 2020 was \$10,326,472.12. The TPAF covered payroll was \$7,357,777.00 and the PERS covered payroll was \$1,683,208.00. Information for prior years was not available.

During the fiscal year ended June 30, 2020, the State of New Jersey contributed \$2,103,287.00 to the TPAF for benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66, the State of New Jersey reimbursed the District \$540,825.63 during the year ended June 30, 2020 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the District-wide financial statements and the fund- based statements as revenues and expenditures in accordance with GASB Statement No. 24.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 11 – PUBLIC EMPLOYEES RETIREMENT SYSTEM

At June 30, 2020, the District reported a liability of \$4,312,075.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the District's proportion was 0.02393139700%, which was an increase of 5.48% from its proportion measured as of June 30, 2018.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

For the year ended June 30, 2020, the District recognized pension expense of \$215,974.00. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 77,396.00	\$ 19,049.00
Changes of assumptions	430,576.00	1,496,707.00
Net difference between projected and actual earnings on pension plan investments		68,068.00
Changes in proportion and differences between District contributions and proportionate share of contributions	274,342.00	382,228.00
District contributions subsequent to the measurement date		
	<hr/>	<hr/>
Total	<u>\$ 782,314.00</u>	<u>\$ 1,966,052.00</u>

\$232,782.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2019	\$	(141,103.00)
2020		(435,190.00)
2021		(398,932.00)
2022		(189,112.00)
2023		(19,401.00)
Total	<u>\$</u>	<u>(1,183,738.00)</u>

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Actuarial Assumptions

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

Inflation rate:

Price	2.75%
Wage	3.25%

Salary increases:

Through 2026	2.00% - 6.00% (based on years of service)
Thereafter	3.00% - 7.00% (based on years of service)

Investment rate of return: 7.00%

Pre-retirement mortality rates were based on the RP-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disable Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

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 inflations. Best estimates of arithmetic real 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:

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%
US 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%

Discount Rate

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the 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 municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020**

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

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

	1% Decrease (5.68%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's proportionate share of the net pension liability	\$ 5,175,205.02	4,312,075.00	3,585,610.88

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

NOTE 12 – TEACHERS PENSION AND ANNUITY FUND (TPAF)

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net position liability associated with the District	<u>43,353,427.00</u>
Total	<u>\$ 43,353,427.00</u>

The net pension liability was measured as of June 30, 2019 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2019, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2018.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

For the year ended June 30, 2020, the District recognized pension expense of \$2,657,519.00 and revenue of \$2,657,519.00 for support provided by the State. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to TPAF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 850,174.00	150,710.00
Changes of assumptions	6,166,494.00	12,124,313.00
Net difference between projected and actual earnings on pension plan investments		115,407.00
Changes in proportion and differences between District contributions and proportionate share of contributions		5,447,641.00
District contributions subsequent to the measurement date		
Total	<u>\$ 7,016,668.00</u>	<u>\$ 17,838,072.00</u>

\$1,420,350.00 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date (June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2019	\$ (387,509.00)
2020	(1,001,842.00)
2021	(897,003.00)
2022	(1,730,352.00)
2023	(3,387,527.00)
Thereafter	(3,417,171.00)
Total	<u>\$ (10,821,404.00)</u>

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation 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, applied to all period included in the measurement:

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary increases	
Through 2026	1.55% - 4.55% (based on years of service)
Thereafter	2.75% - 5.65% (based on years of service)
Investment rate of return	7.00%

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

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

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
Risk Mitigation Services	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%
US 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%

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Discount rate. The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. This single blended discount rate was based on the 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 municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State. 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 District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.60% as well as what the 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 (4.60%) or 1-percentage point higher (6.60%) than the current rate:

	1% Decrease (4.60%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
District's proportionate share of the net pension liability	\$ -	-	-

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

NOTE 13 – OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

The State of New Jersey Provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 year of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2019, the State paid PRM benefits for 153,893 State and local retirees.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2019, the State contributed \$1.908 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State’s “pay-as-you-go” contributions have remained consistent with Fiscal Year 2018 amounts. The State has appropriated \$1.612 billion in Fiscal Year 2020 as the State’s contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2019 total State OPEB liability to provide these benefits is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the \$90.5 billion liability recorded in Fiscal Year 2018.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State’s level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State CAFR at <https://www.nj.gov/treasury/omb/cafr.shtml>.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Actuarial assumptions and other imputes:

The total OPEB liability in the June 30, 2019 actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate – 2.50%

Salary Increases –

TPAF - 1.55% - 3.05% based on years of service.

PERS – 2.00% - 6.00% based on years of service

Mortality Rates –

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

Health Care Trend Assumptions –

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

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.

The discount rates as of June 30, 2017, 2018, and 2019 are 3.58%, 3.87%, and 3.50%, respectively.

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 and July 1, 2014 – June 30, 2018 for TPAF and PERS, respectively.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Changes in the Total OPEB liability reported by the State of New Jersey:

Balance at 6/30/18	\$ 46,110,832,982.00
Changes for the year:	
Service cost	1,734,404,850.00
Interest	1,827,787,206.00
Differences between Expected & Actual Experiences	(7,323,140,818.00)
Changes in assumptions or other inputs	622,184,027.00
Contributions: Member	37,971,171.00
Benefit payments	<u>(1,280,958,373.00)</u>
Net changes	<u>(4,381,751,937.00)</u>
Balance at 6/30/19	<u>\$ 41,729,081,045.00</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% in 2018 to 3.50% in 2019.

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the State for school board retirees, as well as what the state's total OPEB liability for school boards would be if it were calculated using a discount rate that 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability (School Retirees)	49,298,534,898.00	41,729,081,045.00	35,716,321,820.00

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	34,382,902,820.00	41,729,081,045.00	51,453,912,586.00

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the board of education recognized OPEB expense of \$218,035.00 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (10,484,965,300.00)
Changes of assumptions		(8,481,529,343.00)
Changes in proportion and differences between District contributions and proportionate share of contributions		(1,921,145,183.00)
Contributions subsequent to the measurement date	<u>1,190,373,242.00</u>	
Total	<u>\$ 1,921,145,183.00</u>	<u>\$ (20,887,639,826.00)</u>

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

Year ended June 30,	
2020	\$ (2,546,527,182.00)
2021	(2,546,527,182.00)
2022	(2,546,527,182.00)
2023	(2,546,527,182.00)
2024	(2,546,527,182.00)
Thereafter	<u>(6,233,858,733.00)</u>
Total	<u>\$ (18,966,494,643.00)</u>

(Contributions made after June 30, 2020 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

NOTE 14 – COMPENSATED ABSENCES

The liability for vested compensated absences for the governmental activities is recorded as long-term debt in the district-wide statements. The current portion of the compensated absences balance is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020, no liability existed for compensated absences in the Food Service Enterprise Fund.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 15 – DEFERRED COMPENSATION

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

GWN Marketing

NOTE 16 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by New Jersey school districts for the accumulation of funds for capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may deposit funds into the capital reserve at any time upon board resolution through the transfer of undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Post-April, 2005 transfers must be in compliance with P.L.2005, C73(S1701). Pursuant to N.J.A.C. 6:23A-2.13(g) 7, 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 account for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning balance, July 1, 2019	\$ 2,711,288.85
Deposits	
Board Resolution - June 2020	<u>2,788,711.15</u>
Withdrawals:	
Budgeted	- <u>-</u>
Ending balance, June 30, 2020	<u>\$ 5,500,000.00</u>

{ THIS SPACE IS INTENTIONALLY LEFT BLANK }

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 17 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Districts may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (N.J.A.C. 6A:23-2.14) or by transfer by board resolution at year end of any anticipated revenue or unexpended line item appropriations, or both.

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	\$ 1,437,842.00
Deposits	
Board Resolution - June 2020	<u> -</u>
Withdrawals:	
Budgeted	(1,290,220.85)
Transfer to Capital Outlay by Resolution	<u>(147,000.00)</u>
Ending balance, June 30, 2020	<u>\$ 621.15</u>

NOTE 18 – RISK MANAGEMENT

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability and surety bonds.

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

Fiscal Year	District Contributions	Employee Contributions	Interest on Investments	Amount Reimbursed	Prior Year Adjustment	Ending Balance
2019-2020	80,000.00	32,777.79	4,502.99	68,686.29	-	338,970.04
2018-2019	100,000.00	27,982.56	2,032.60	47,564.22	-	290,375.55
2017-2018	80,000.00	27,715.83	596.79	12,516.01	-	207,924.61

NOTE 19 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance would result in the disallowance of program expenditures.

**CUMBERLAND REGIONAL BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 20 – FUND BALANCE APPROPRIATED

General Fund – Of the \$6,287,907.05 General Fund fund balance, at June 30, 2020, \$318,991.00 is reserved for encumbrances; \$983,605.88 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$450,000.00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2021), \$5,500,000.00 has been reserved in the Capital Reserve Account; \$621.15 has been reserved in a Maintenance Reserve Account; A deficit of \$798,069.98 is classified as Unassigned.

NOTE 21 – CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. 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, 2020 is \$983,605.88 of which \$450,000.00 has been included in the 2021 fiscal year budget.

NOTE 22 – LITIGATION

As of the date of this report, the Board of Education is currently involved in various matters of litigation. In all cases if it is believed that the outcome, or exposure to the Board of Education, from such litigation is either unknown or potential losses, if any would not be material to the financial statements.

NOTE 23 – ECONOMIC DEPENDENCY

The District receives support from the federal and state governments. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

NOTE 24 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2020 through January 4, 2021, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

CUMBERLAND REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 9,301,363.00	-	9,301,363.00	9,301,363.00	-
Transportation	135,000.00	-	135,000.00	136,065.00	1,065.00
Interest Earned	45,000.00	-	45,000.00	116,443.94	71,443.94
SRECS	-	-	-	45,886.50	45,886.50
Miscellaneous	80,000.00	33,625.00	113,625.00	86,114.59	(27,510.41)
Total Local Sources	9,561,363.00	33,625.00	9,594,988.00	9,685,873.03	90,885.03
State Sources:					
Equalization Aid	10,259,801.00	-	10,259,801.00	10,259,801.00	-
School Choice Aid	954,046.00	-	954,046.00	954,046.00	-
Categorical Transportation Aid	597,693.00	-	597,693.00	597,693.00	-
Special Education Aid	708,459.00	-	708,459.00	708,459.00	-
Security Aid	230,816.00	-	230,816.00	230,816.00	-
TPAF (On-Behalf - Non-Budgeted)					
Post Retirement Medical Contributions	-	-	-	568,752.00	568,752.00
Pension Costs	-	-	-	1,533,100.00	1,533,100.00
Long Term Disability	-	-	-	1,435.00	1,435.00
TPAF Social Security (Reimbursed - Non-Budgeted)				540,825.63	540,825.63
Extraordinary Aid	80,000.00	-	80,000.00	2,702.00	(77,298.00)
Total State Sources	12,830,815.00	-	12,830,815.00	15,397,629.63	2,566,814.63
Federal Sources:					
Medicaid Reimbursement	23,794.00	-	23,794.00	13,913.13	(9,880.87)
Total Federal Sources	23,794.00	-	23,794.00	13,913.13	(9,880.87)
Total Revenues	22,415,972.00	33,625.00	22,449,597.00	25,097,415.79	2,647,818.79
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Grades 9 - 12 Salaries of Teachers	5,218,395.00	8,200.00	5,226,595.00	4,884,025.67	342,569.33
Other Salaries for Instruction	-	-	-	-	-
Unused Sick Pmt Term/Retired	18,600.00	-	18,600.00	17,325.00	1,275.00
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	40,000.00	-	40,000.00	14,784.00	25,216.00
Other Salaries	-	-	-	-	-
Purchased Professional/Educational Services	280,490.00	-	280,490.00	124,239.21	156,250.79
Repairs	88,000.00	(500.00)	87,500.00	63,117.80	24,382.20
Equipment Lease Purchases	99,000.00	-	99,000.00	50,485.24	48,514.76
Communications-telephone	31,600.00	-	31,600.00	7,862.88	23,737.12
Travel	30,456.00	-	30,456.00	10,831.17	19,624.83
General Supplies	535,108.00	638,999.51	1,174,107.51	899,253.29	274,854.22
Textbooks	50,000.00	(1,500.00)	48,500.00	21,491.43	27,008.57
Other Objects	36,000.00	(2,700.00)	33,300.00	26,673.25	6,626.75
TOTAL REGULAR PROGRAMS - INSTRUCTION	6,427,649.00	642,499.51	7,070,148.51	6,120,088.94	950,059.57
Behavioral Disabilities					
Salaries of Teachers	83,328.00	(83,328.00)	-	-	-
Unused Sick Pmt Term/Retired	4,400.00	(4,400.00)	-	-	-
Purchased Technical Services	4,000.00	(4,000.00)	-	-	-
General Supplies	7,000.00	(7,000.00)	-	-	-
Textbooks	-	-	-	-	-
Total Behavioral Disabilities	98,728.00	(98,728.00)	-	-	-
Multiple Disabilities					
Salaries of Teachers	159,301.00	(79,051.00)	80,250.00	73,635.96	6,614.04
Other Salaries for Instruction	305,749.00	(284,749.00)	21,000.00	20,678.14	321.86
Purchased Technical Services	1,000.00	-	1,000.00	-	1,000.00
General Supplies	4,215.00	1,585.00	5,800.00	4,506.65	1,293.35
Total Multiple Disabilities	470,265.00	(362,215.00)	108,050.00	98,820.75	9,229.25
Resource Room/Resource Center					
Salaries of Teachers	181,769.00	300,000.00	481,769.00	405,895.44	75,873.56
Salaries of Aides	-	275,000.00	275,000.00	194,628.07	80,371.93
Unused Sick Pmt Term/Retired	7,800.00	-	7,800.00	5,070.00	2,730.00
Purchased Technical Services	1,000.00	2,710.00	3,710.00	1,290.00	2,420.00
General Supplies	1,500.00	7,000.00	8,500.00	7,579.00	921.00
Textbooks	-	-	-	-	-
Total Resource Room/Resource Center	192,069.00	584,710.00	776,779.00	614,462.51	162,316.49

CUMBERLAND REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Autism					
Salaries of Teachers	134,246.00	(134,246.00)	-		-
General Supplies	500.00	(500.00)	-		-
	<u>134,746.00</u>	<u>(134,746.00)</u>	<u>-</u>		<u>-</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>895,808.00</u>	<u>(10,979.00)</u>	<u>884,829.00</u>	<u>713,283.26</u>	<u>171,545.74</u>
Basic Skills/Remedial - Instruction					
Salaries for Teachers	4,250.00	-	4,250.00	-	4,250.00
Other Objects	2,750.00	-	2,750.00	-	2,750.00
Total Basic Skills/Remedial - Instruction	<u>7,000.00</u>	<u>-</u>	<u>7,000.00</u>	<u>-</u>	<u>7,000.00</u>
School-Spon. Cocurricular Activities - Instruction					
Salaries	130,000.00	-	130,000.00	118,491.00	11,509.00
Purchased Services (300 - 500 series)	18,500.00	-	18,500.00	16,793.20	1,706.80
Supplies and Materials	1,500.00	1,500.00	3,000.00	(1,722.18)	4,722.18
Other Objects	40,000.00	-	40,000.00	40,000.00	-
Total School-Spon. Cocurricular Activities - Inst.	<u>190,000.00</u>	<u>1,500.00</u>	<u>191,500.00</u>	<u>173,562.02</u>	<u>17,937.98</u>
School-Spon. Cocurricular Athletics - Instruction					
Salaries	426,140.00	22,365.00	448,505.00	415,074.34	33,430.66
Purchased Services (300 - 500 series)	86,000.00	(17,684.36)	68,315.64	52,548.13	15,767.51
Supplies and Materials	54,700.00	18,684.36	73,384.36	48,344.56	25,039.80
Other Objects	8,200.00	(8,200.00)	-	-	-
Total School-Spon. Cocurricular Athletics - Inst.	<u>575,040.00</u>	<u>15,165.00</u>	<u>590,205.00</u>	<u>515,967.03</u>	<u>74,237.97</u>
Alternative Education Program - Instruction					
Salaries of Teachers	69,500.00	4,800.00	74,300.00	32,624.00	41,676.00
Total Alternative Education Program - Inst.	<u>69,500.00</u>	<u>4,800.00</u>	<u>74,300.00</u>	<u>32,624.00</u>	<u>41,676.00</u>
TOTAL INSTRUCTION	<u>8,164,997.00</u>	<u>652,985.51</u>	<u>8,817,982.51</u>	<u>7,555,525.25</u>	<u>1,262,457.26</u>
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	31,314.00	-	31,314.00	-	31,314.00
Tuition to other LEAs Within the State-Special Ed.	58,200.00	(5,200.00)	53,000.00	-	53,000.00
Tuition to County Voc. School Dist. - Regular	945,548.00	-	945,548.00	775,720.80	169,827.20
Tuition to County Voc. School Dist. - Special Ed.	144,191.00	-	144,191.00	86,752.00	57,439.00
Tuition to CSSD & Regional Day Schools	698,221.00	(111,243.00)	586,978.00	372,122.64	214,855.36
Tuition to Private Schools for the Disabled - Within State	173,286.00	(11,830.00)	161,456.00	58,893.00	102,563.00
Tuition to Private Schools for the Disabled & Other LEA - Spl. O/S St.	36,050.00	-	36,050.00	-	36,050.00
Tuition - State Facilities	-	-	-	-	-
Tuition - Other	35,000.00	105,343.00	140,343.00	15,225.00	125,118.00
Total Undistributed Expenditures - Instruction	<u>2,121,810.00</u>	<u>(22,930.00)</u>	<u>2,098,880.00</u>	<u>1,308,713.44</u>	<u>790,166.56</u>
Undistributed Expend. - Attend. & Social Worker					
Salaries	51,217.00	-	51,217.00	51,216.88	0.12
Total Undist. Expend. - Attend. & Social Worker	<u>51,217.00</u>	<u>-</u>	<u>51,217.00</u>	<u>51,216.88</u>	<u>0.12</u>
Undistributed Expend. - Health Services					
Salaries	158,851.00	-	158,851.00	157,351.04	1,499.96
Purchased Professional and Technical Services	119,109.00	(26,160.00)	92,949.00	11,760.00	81,189.00
Supplies & Materials	4,000.00	-	4,000.00	3,301.60	698.40
Other Objects	500.00	-	500.00	-	500.00
Total Undistributed Expend. - Health Services	<u>282,460.00</u>	<u>(26,160.00)</u>	<u>256,300.00</u>	<u>172,412.64</u>	<u>83,887.36</u>
Undist. Expend. - Speech, OT, PT, and Related Services					
Purchased Professional Education Services	66,750.00	-	66,750.00	50,695.25	16,054.75
Total Undistributed Expend. - Speech, OT, PT and Related Services	<u>66,750.00</u>	<u>-</u>	<u>66,750.00</u>	<u>50,695.25</u>	<u>16,054.75</u>
Undist. Expend. - Other Support Serv. - Extraordinary Services					
Purchased Professional - Educational Services	147,000.00	-	147,000.00	76,874.40	70,125.60
Student - Related Services	147,000.00	-	147,000.00	76,874.40	70,125.60

CUMBERLAND REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undistributed Expenditures- Guidance					
Salaries of Other Professional Staff	506,879.00	2,152.65	509,031.65	504,581.05	4,450.60
Salaries of Secretarial and Clerical Assistants	108,261.00	-	108,261.00	103,970.88	4,290.12
Unused Sick Pmt Term/Retired	3,200.00	-	3,200.00	-	3,200.00
Purchased Prof. and Tech. Services	59,500.00	(2,152.65)	57,347.35	52,514.80	4,832.55
Other Purchased Services (400-500 series)			-		-
Travel	532.00	-	532.00	-	532.00
Supplies & Materials	6,000.00	9,685.06	15,685.06	14,675.11	1,009.95
Other Objects	6,400.00	-	6,400.00	2,787.70	3,612.30
Total Undist. Expend. - Guidance	690,772.00	9,685.06	700,457.06	678,529.54	21,927.52
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	166,916.00	-	166,916.00	162,784.06	4,131.94
Salaries of Secretarial and Clerical Assistants	52,754.00	-	52,754.00	52,754.00	-
Salaries Other	21,400.00	-	21,400.00	20,000.00	1,400.00
Purchased Professional/Educational Services	34,400.00	-	34,400.00	11,527.50	22,872.50
Travel	2,500.00	-	2,500.00	-	2,500.00
Supplies & Materials	3,600.00	4,281.46	7,881.46	4,308.58	3,572.88
Total Undist. Expend. - Child Study Team	281,570.00	4,281.46	285,851.46	251,374.14	34,477.32
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	365,092.00	(18,500.00)	346,592.00	339,190.68	7,401.32
Salaries of Secretarial and Clerical Assistants	64,533.00	-	64,533.00	51,729.08	12,803.92
Salaries Other	23,000.00	(23,000.00)	-	-	-
Purchased Professional/Educational Services	6,500.00	-	6,500.00	-	6,500.00
Other Purchased Prof. and Tech. Services	5,000.00	41,500.00	46,500.00	1,577.51	44,922.49
Travel	12,000.00	-	12,000.00	5,563.67	6,436.33
Other Purchased Services (400-500 series)			-		-
Supplies & Materials	15,500.00	-	15,500.00	-	15,500.00
Total Undist. Expend. - Improvement of Inst. Serv.	491,625.00	-	491,625.00	398,060.94	93,564.06
Undist. Expend. - Edu. Media Serv.					
Salaries	21,500.00	7,800.00	29,300.00	5,864.50	23,435.50
Salaries of Technology Coordinators	122,874.00	-	122,874.00	113,661.81	9,212.19
Other Purchased Services (400-500 series)			-		-
Unspent Vacation/Sick Payment	-	18,360.00	18,360.00	17,839.26	520.74
Supplies & Materials	28,700.00	-	28,700.00	16,195.29	12,504.71
Other Objects	1,250.00	-	1,250.00	499.99	750.01
Total Undistributed Expenditures - Educational Media Services	174,324.00	26,160.00	200,484.00	154,060.85	46,423.15
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	215,910.00	0.06	215,910.06	215,910.00	0.06
Legal Services	83,037.00	(12,500.00)	70,537.00	44,215.00	26,322.00
Audit Fees	28,000.00	-	28,000.00	26,000.00	2,000.00
Architectural/Engineering Services	5,000.00	26,500.00	31,500.00	31,100.00	400.00
Other Purchased Professional Services	2,000.00	-	2,000.00	-	2,000.00
Communications/Telephone	25,921.00	22,879.00	48,800.00	45,708.07	3,091.93
Travel Expenses	5,000.00	(0.06)	4,999.94	522.86	4,477.08
BOE Other Purchased Services	500.00	-	500.00	-	500.00
Miscellaneous Purchases Services	43,500.00	4,756.00	48,256.00	35,077.08	13,178.92
Miscellaneous Expenditures	18,600.00	-	18,600.00	11,050.94	7,549.06
BOE Membership Dues and Fees	12,500.00	-	12,500.00	9,985.00	2,515.00
Total Undistributed Expenditures - Support Services - General Administration	439,968.00	41,635.00	481,603.00	419,568.95	62,034.05
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals	353,593.00	6,710.47	360,303.47	360,303.47	-
Salaries of Other Professional Staff	153,770.00	(943.14)	152,826.86	152,826.59	0.27
Salaries of Secretarial and Clerical Assistants	128,681.00	9,232.67	137,913.67	137,603.64	310.03
Unused Vacation Payment to Terminated/Retired Staff	18,000.00	(18,000.00)	-	-	-
Supplies & Materials	4,371.00	-	4,371.00	3,215.81	1,155.19
Other Exp - Principals	6,700.00	10,930.00	17,630.00	15,765.25	1,864.75
Total Undistributed Expenditures - Support Services - School Administration	665,115.00	7,930.00	673,045.00	669,714.76	3,330.24
Undist. Expend. - Central Services					
Salaries	366,626.00	-	366,626.00	357,443.84	9,182.16
Purchased Technical Services	15,000.00	3,500.00	18,500.00	18,203.31	296.69
Miscellaneous Purchased (400-500 series)	3,650.00	99.00	3,749.00	2,289.65	1,459.35
Supplies & Materials	7,800.00	(1,800.00)	6,000.00	4,815.64	1,184.36
Miscellaneous Expenditures	3,200.00	3,701.00	6,901.00	4,615.00	2,286.00
Total Undistributed Expenditures - Central Services	396,276.00	5,500.00	401,776.00	387,367.44	14,408.56

CUMBERLAND REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Undist. Expend. - Admin. Info. Technology					
Salaries	120,951.00	(7,000.00)	113,951.00	99,618.97	14,332.03
Total Undistributed Expenditures - Admin Info. Technology	<u>120,951.00</u>	<u>(7,000.00)</u>	<u>113,951.00</u>	<u>99,618.97</u>	<u>14,332.03</u>
Total Undistributed Expenditures - Required Maint. for School Facilities					
Required Maintenance - Repairs-Replace	465,104.00	1,262,245.85	1,727,349.85	1,624,103.10	103,246.75
General Supplies	103,500.00	80,986.20	184,486.20	163,070.35	21,415.85
Total Undistributed Expenditures - Allowable Maintenance for School Facilities	<u>568,604.00</u>	<u>1,343,232.05</u>	<u>1,911,836.05</u>	<u>1,787,173.45</u>	<u>124,662.60</u>
Undist. Expend. - Custodial Services					
Salaries	721,306.00	3,500.00	724,806.00	659,102.42	65,703.58
Unused Sick Pmt Term/Retired	6,300.00	-	6,300.00	-	6,300.00
Cleaning, Repair and Maintenance Service	109,389.00	(1,000.00)	108,389.00	101,207.06	7,181.94
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	-	-	-	-	-
Other Purchased Property Services	60,000.00	13,000.00	73,000.00	70,193.51	2,806.49
Insurance	126,000.00	4,000.00	130,000.00	128,254.00	1,746.00
Facilities Registration	-	-	-	-	-
General Supplies	104,500.00	49,030.18	153,530.18	100,053.13	53,477.05
Energy (Natural Gas)	110,000.00	60,000.00	170,000.00	128,365.73	41,634.27
Other Objects	-	-	-	-	-
Energy (Electricity)	467,789.00	(55,000.00)	412,789.00	366,772.15	46,016.85
Energy (Oil)	13,000.00	(10,000.00)	3,000.00	-	3,000.00
Energy (Gasoline)	39,000.00	(20,000.00)	19,000.00	6,245.25	12,754.75
Other Objects	1,400.00	-	1,400.00	935.00	465.00
Total Undistributed Expenditures - Custodial Services	<u>1,758,684.00</u>	<u>43,530.18</u>	<u>1,802,214.18</u>	<u>1,561,128.25</u>	<u>241,085.93</u>
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	73,441.00	-	73,441.00	70,584.52	2,856.48
Cleaning, Repair, and Maintenance Services	48,000.00	7,592.31	55,592.31	53,722.67	1,869.64
General Supplies	10,000.00	34.40	10,034.40	6,630.84	3,403.56
Total Care and Upkeep of Grounds	<u>131,441.00</u>	<u>7,626.71</u>	<u>139,067.71</u>	<u>130,938.03</u>	<u>8,129.68</u>
Undist. Expend. - Security					
Salaries	210,786.00	-	210,786.00	196,463.04	14,322.96
Unused Sick Pmt Term/Retired	-	1,700.00	1,700.00	1,680.00	20.00
Cleaning, Repair, and Maintenance Services	14,000.00	(8,800.00)	5,200.00	-	5,200.00
General Supplies	6,200.00	4,000.00	10,200.00	6,376.68	3,823.32
Total Security	<u>230,986.00</u>	<u>(3,100.00)</u>	<u>227,886.00</u>	<u>204,519.72</u>	<u>23,366.28</u>
Total Undistributed Expenditures					
Operations and Maintenance of Plant Services	<u>2,689,715.00</u>	<u>1,391,288.94</u>	<u>4,081,003.94</u>	<u>3,683,759.45</u>	<u>397,244.49</u>
Undist. Expend. - Student Transportation Serv.					
Sal. - Pup. Trans. (Bet. Home & School) - Reg.	26,321.00	-	26,321.00	22,734.36	3,586.64
Sal. - Pup. Trans. (Bet. Home & School) - Spc.	41,011.00	-	41,011.00	38,916.80	2,094.20
Management Fee - ESC & CTSA Trans. Programs	55,000.00	-	55,000.00	40,992.00	14,008.00
Contr. Serv. - Aid in Lieu - NP Students	54,000.00	-	54,000.00	30,500.00	23,500.00
Contr. Serv. - Aid in Lieu - Charter	1,000.00	-	1,000.00	-	1,000.00
Contr. Serv. - Aid in Lieu - Choice	25,800.00	-	25,800.00	19,000.00	6,800.00
Contracted Services (Bet. Home & School) - Vendors	550,000.00	140,000.00	690,000.00	559,551.84	130,448.16
Contracted Services (Bet. Home & School) - Joint Agreements	-	25,000.00	25,000.00	7,459.52	17,540.48
Contracted Services (Sp. Ed Stds) - Vendors	25,000.00	-	25,000.00	-	25,000.00
Transportation Jointure	750,000.00	-	750,000.00	674,426.86	75,573.14
Transportation Jointure Special Ed.	570,050.00	(92,525.00)	477,525.00	437,434.39	40,090.61
Total Undistributed Expenditures - Student Transportation Services	<u>2,098,182.00</u>	<u>72,475.00</u>	<u>2,170,657.00</u>	<u>1,831,015.77</u>	<u>339,641.23</u>
Unallocated Benefits					
Social Security Contribution	312,000.00	-	312,000.00	240,444.27	71,555.73
Other Retirement Contributions - PERS	268,000.00	-	268,000.00	234,068.00	33,932.00
Other Retirement Contributions - Regular	30,000.00	-	30,000.00	8,278.98	21,721.02
Unemployment Compensation	182,378.00	(88,236.00)	94,142.00	80,340.50	13,801.50
Workmen's Compensation	180,000.00	(50,000.00)	130,000.00	128,381.00	1,619.00
Health Benefits	2,510,688.00	(75,000.00)	2,435,688.00	2,104,779.39	330,908.61
Tuition Reimbursement	60,000.00	-	60,000.00	25,822.20	34,177.80
Other Employee Benefits	202,000.00	-	202,000.00	183,052.56	18,947.44
Total Unallocated Benefits	<u>3,745,066.00</u>	<u>(213,236.00)</u>	<u>3,531,830.00</u>	<u>3,005,166.90</u>	<u>526,663.10</u>

CUMBERLAND REGIONAL SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
On-Behalf Contributions					
On-Behalf TPAF Pension Contribution (non-bud)	-	-	-	2,103,287.00	(2,103,287.00)
Reimbursed TPAF Social Security Cont.(non-bud)	-	-	-	540,825.63	(540,825.63)
Total On-Behalf Contributions	-	-	-	2,644,112.63	(2,644,112.63)
TOTAL UNDISTRIBUTED EXPENDITURES	14,462,801.00	1,289,629.46	15,752,430.46	15,882,262.95	(129,832.49)
TOTAL GENERAL CURRENT EXPENSE	22,627,798.00	1,942,614.97	24,570,412.97	23,437,788.20	1,132,624.77
CAPITAL OUTLAY					
Equipment:					
Regular Programs					
Grades 9 - 12 Instruction					
Instructional	123,100.00	(99,992.86)	23,107.14	-	23,107.14
Non-Instructional	-	38,524.50	38,524.50	38,524.50	-
Undistributed Expenditures					
Required Maintenance for School Facilities	93,000.00	(8,641.99)	84,358.01	49,358.01	35,000.00
Athletic	-	5,870.00	5,870.00	5,870.00	-
Technology	40,000.00	(3,458.01)	36,541.99	11,000.00	25,541.99
Other	-	24,598.00	24,598.00	24,099.00	499.00
Total Equipment	256,100.00	(43,100.36)	212,999.64	128,851.51	84,148.13
Facilities Acquisition and Construction Services					
Architect Fees	-	55,500.00	55,500.00	44,875.00	10,625.00
Engineer Fees	-	21,025.00	21,025.00	17,925.00	3,100.00
Assessment for Debt Service on SDA Funding	224,824.00	-	224,824.00	224,824.00	-
Other Objects	-	5,200.00	5,200.00	5,200.00	-
Total Facilities Acquisition and Construction Services	224,824.00	81,725.00	306,549.00	292,824.00	13,725.00
TOTAL CAPITAL OUTLAY	480,924.00	38,624.64	519,548.64	421,675.51	97,873.13
TOTAL EXPENDITURES	23,108,722.00	1,981,239.61	25,089,961.61	23,859,463.71	1,230,497.90
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(692,750.00)	(1,947,614.61)	(2,640,364.61)	1,237,952.08	3,878,316.69
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(692,750.00)	(1,947,614.61)	(2,640,364.61)	1,237,952.08	3,878,316.69
Fund Balance July 1	6,272,331.97	-	6,272,331.97	6,272,331.97	-
Fund Balance June 30	<u>\$ 5,579,581.97</u>	<u>(1,947,614.61)</u>	<u>3,631,967.36</u>	<u>7,510,284.05</u>	<u>3,878,316.69</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				5,500,000.00	
Maintenance Reserve				621.15	
Emergency Reserve				250,000.00	
Excess Surplus - Designated for Subsequent Year's Expenditures				450,000.00	
Excess Surplus - Current Year				533,605.88	
Committed Fund Balance:					
Year-End Encumbrances				318,991.00	
Assigned Fund Balance:					
Unreserved - Designated for Subsequent Year's Expenditures				32,759.00	
Unassigned Fund Balance				424,307.02	
				<u>7,510,284.05</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Add: Investment Not Recognized on Budgetary Basis					
Less: State Aid Payments Not Recognized on GAAP Basis				(1,222,377.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 6,287,907.05</u>	

CUMBERLAND REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ -	\$ 30,570.69	\$ 30,570.69	\$ 12,440.36	\$ (18,130.33)
State Sources	100,000.00	38,779.07	138,779.07	84,051.48	(54,727.59)
Federal Sources	492,712.00	664,496.19	1,157,208.19	805,081.26	(352,126.93)
Total Revenues	592,712.00	733,845.95	1,326,557.95	901,573.10	(424,984.85)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	115,940.00	102,665.88	218,605.88	176,462.28	42,143.60
Other Salaries for Instruction	21,000.00	(354.10)	20,645.90	20,645.90	-
Purchased Professional Technical Services	9,267.00	42,345.00	51,612.00	46,212.00	5,400.00
Tuition	195,510.00	26,004.88	221,514.88	221,514.88	-
General Supplies	122,000.00	96,222.69	218,222.69	187,236.13	30,986.56
Other Objects		420.56	420.56	420.56	-
Total Instruction	463,717.00	267,304.91	731,021.91	652,491.75	78,530.16
Support Services:					
Salaries of Other Professional Staff	9,500.00	50,881.50	60,381.50	53,001.43	7,380.07
Personal Services - Employee Benefits	45,480.00	40,665.35	86,145.35	68,922.35	17,223.00
Purchased Professional Technical Services			-	2,400.00	(2,400.00)
Purchased Professional & Educational Services	1,000.00	27,943.88	28,943.88	23,211.38	5,732.50
Other Purchased Services (400-500 series)	500.00	56,166.86	56,666.86	30,941.91	25,724.95
Supplies & Materials	72,515.00	285,308.45	357,823.45	66,304.28	291,519.17
Other Objects		3,375.00	3,375.00	2,100.00	1,275.00
Total Support Services	128,995.00	464,341.04	593,336.04	246,881.35	346,454.69
Facilities Acquisition and Construction Services					
Instructional Equipment		2,200.00	2,200.00	2,200.00	-
Total Outflows	592,712.00	733,845.95	1,326,557.95	901,573.10	424,984.85
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CUMBERLAND REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2020

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 25,097,415.79	[C-2]	\$ 901,573.10
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				(15,922.84)
Prior Year				1,657.31
Final State Aid payment delayed until July 2019 is recorded as budgetary revenue but is not recognized under GAAP		1,218,489.00		
Final State Aid payment delayed until July 2020 is recorded as budgetary revenue but is not recognized under GAAP		(1,222,377.00)		
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 25,093,527.79	[B-2]	\$ 887,307.57
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 23,859,463.71	[C-2]	\$ 901,573.10
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year supplies are received for GAAP financial reporting purposes.				
				(14,265.53)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 23,859,463.71	[B-2]	\$ 887,307.57

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

REQUIRED SUPPLEMENTARY INFORMATION – PART III

CUMBERLAND REGIONAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Seven Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.02393139700%	0.02268867360%	0.02408113530%	0.0257137182%	0.02604684%	0.02549098%	2.29322700%
District's proportionate of the net pension liability (asset)	\$ 4,312,075.00	\$ 4,467,287.00	\$ 5,605,703.00	\$ 7,615,666.00	\$ 5,846,994.00	\$ 4,772,609.00	\$ 4,382,813.00
District's covered payroll	1,683,208.00	1,673,966.00	1,630,641.00	1,584,938.00	\$ 1,625,603.00	\$ 1,778,614.00	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	256.18%	266.87%	343.77%	480.50%	359.68%	268.33%	N/A
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%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Schedule of District Contributions
Last Seven Fiscal Years

	<u>PERS</u>						
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 215,974.00	\$ 225,679.00	\$ 223,086.00	\$ 227,048.00	\$ 210,144.00	\$ 172,790.00	\$ 172,790.00
Contributions in relation to the contractually required contribution	<u>215,974.00</u>	<u>225,679.00</u>	<u>223,086.00</u>	<u>227,048.00</u>	<u>210,144.00</u>	<u>172,790.00</u>	<u>172,790.00</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered-employee payroll	\$ 1,673,966.00	\$ 1,673,966.00	\$ 1,630,641.00	\$ 1,584,938.00	\$ 1,778,614.00	\$ 1,778,614.00	N/A
Contributions as a percentage of covered-employee payroll	12.90%	13.48%	13.68%	14.33%	11.82%	9.71%	0.00%
	<u>TPAF</u>						
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered-employee payroll	\$ 7,357,777.00	\$ 7,050,654.00	\$ 7,296,318.00	\$ 7,304,305.00	\$ 7,178,045.00	\$ 7,663,677.00	\$ 7,663,677.00
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period.
However, information is only currently available for seven years.
Additional years will be presented as they become available.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Seven Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>43,353,427.00</u>	<u>45,586,244.00</u>	<u>51,651,999.00</u>	<u>62,508,375.00</u>	<u>48,031,175.00</u>	<u>43,053,836.00</u>	<u>40,693,510.00</u>
Total	<u><u>43,353,427</u></u>	<u><u>45,586,244</u></u>	<u><u>51,651,999</u></u>	<u><u>62,508,375</u></u>	<u><u>48,031,175</u></u>	<u><u>\$ 43,053,836.00</u></u>	<u><u>\$ 40,693,510.00</u></u>
District's covered payroll	\$ 7,357,777.00	\$ 7,050,654.00	\$ 7,296,318.00	\$ 7,304,305.00	\$ 7,178,045.00	\$ 7,663,677.00	\$ 7,663,677.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.64%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Four Fiscal Years

	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	-	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 35,557,010.00</u>	<u>40,433,631.00</u>	<u>48,202,124.00</u>	<u>52,427,469.00</u>
Total	<u>\$ 35,557,010.00</u>	<u>\$ 40,433,631.00</u>	<u>\$ 48,202,124.00</u>	<u>\$ 52,427,469.00</u>
District's covered payroll	9,031,743.00	8,724,620.00	8,926,959.00	8,926,959.00
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:				
Service Cost	1,172,593.00	1,421,599.00	1,720,094.00	
Interest Cost	1,589,861.00	1,758,009.00	1,527,989.00	
Differences between Expected & Actual	(7,110,094.00)	(5,264,325.00)	(6,398,076.00)	
Changes in Assumptopns	530,158.00	(4,639,962.00)	-	
Member Contributions	32,355.00	37,367.00	41,111.00	
Benefit Payments	(1,091,494.00)	(1,081,181.00)	(1,116,463.00)	
Change in Total Opeb Liability	<u>(4,876,621.00)</u>	<u>(7,768,493.00)</u>	<u>(4,225,345.00)</u>	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	<u>40,433,631.00</u>	<u>48,202,124.00</u>	<u>52,427,469.00</u>	
Ending Balance	<u>\$ 35,557,010.00</u>	<u>\$ 40,433,631.00</u>	<u>\$ 48,202,124.00</u>	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	393.69%	463.44%	539.96%	

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period. However, information is only currently available for four years. Additional years will be presented as they become available.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	Title I Part A	Title II Part A	I.D.E.A. Part B	NCLB Title IV	Perkins	Career Pathways
REVENUES:						
Local Sources						
State Sources	378,649.26	62,101.00	254,792.00	10,600.00	98,939.00	77,051.48
Federal Sources	378,649.26	62,101.00	254,792.00	10,600.00	98,939.00	77,051.48
Total Revenues						
EXPENDITURES:						
Instruction:						
Salaries of Teachers	164,487.42	9,568.46	20,425.90			2,406.40
Other Salaries for Instruction					4,927.00	
Purchased Professional Technical Services	41,285.00		221,514.88			
Tuition			5,144.58	10,600.00	82,537.66	60,524.89
General Supplies	21,429.00					
Other Objects	420.56					
Total Instruction	227,621.98	9,568.46	247,085.36	10,600.00	87,464.66	62,931.29
Support Services:						
Salaries of Other Professional Staff	44,689.25					5,842.35
Personal Services - Employee Benefits	61,047.00	7,612.50				262.85
Purchased Professional Technical Services						2,400.00
Purchased Professional - Educational Services	4,267.50	15,223.90	3,719.98			
Other Purchased Services (400-500 series)	2,744.65	12,084.57	1,699.00		9,274.34	2,044.30
Supplies & Materials	38,278.88	17,611.57	2,287.66			3,570.69
Other Objects						
Total Support Services	151,027.28	52,532.54	7,706.64	-	9,274.34	14,120.19
Facilities Acquisition and Construction Services						
Instructional Equipment					2,200.00	
Total Facilities Acquisition and Const. Services	-	-	-	-	2,200.00	-
Total Outflows	378,649.26	62,101.00	254,792.00	10,600.00	98,939.00	77,051.48
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-	-

CUMBERLAND REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	NJ Agriculture Grant	Dollar General Grant	Novo Rockefeller Grant	HIF Wellness	Totals
REVENUES:					
Local Sources					12,440.36
State Sources	7,000.00	2,000.00	10,220.36	220.00	84,051.48
Federal Sources					805,081.26
Total Revenues	<u>7,000.00</u>	<u>2,000.00</u>	<u>10,220.36</u>	<u>220.00</u>	<u>901,573.10</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					176,462.28
Other Salaries for Instruction				220.00	20,645.90
Purchased Professional Technical Services					46,212.00
Tuition					221,514.88
General Supplies	7,000.00				187,236.13
Other Objects					420.56
Total Instruction	<u>7,000.00</u>	<u>-</u>	<u>-</u>	<u>220.00</u>	<u>652,491.75</u>
Support Services:					
Salaries of Other Professional Staff			2,469.83		53,001.43
Personal Services - Employee Benefits					68,922.35
Purchased Professional Technical Services					2,400.00
Purchased Professional - Educational Services					23,211.38
Other Purchased Services (400-500 series)		2,000.00	3,095.05		30,941.91
Supplies & Materials			2,555.48		66,304.28
Other Objects			2,100.00		2,100.00
Total Support Services	<u>-</u>	<u>2,000.00</u>	<u>10,220.36</u>	<u>-</u>	<u>246,881.35</u>
Facilities Acquisition and Construction Services					2,200.00
Instructional Equipment					2,200.00
Total Facilities Acquisition and Const. Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,400.00</u>
Total Outflows	<u>7,000.00</u>	<u>2,000.00</u>	<u>10,220.36</u>	<u>220.00</u>	<u>901,573.10</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

CAPITAL PROJECTS FUND DETAIL STATEMENT

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2020

Description	Revised Appropriations	Expenditures to Date		Unexpended Balance June 30, 2020
		Prior Year	Current Year	
2004 NJSDA Settlement 0997-030-02-0926	\$ 6,591,803.62	\$ 6,416,745.41	\$ 2,500.00	\$ 172,558.21
Solar Project - 0997-030-09-1000	4,650,859.71	4,170,969.40	450,000.00	29,890.31
Total	\$ 11,242,663.33	\$ 10,587,714.81	\$ 452,500.00	\$ 202,448.52

CUMBERLAND REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2020

Revenues and Other Financing Sources

Interest	\$ 5,375.19
Total Revenues	5,375.19

Expenditures and Other Financing Uses

Construction services	2,500.00
Total Expenditures	2,500.00

Excess (deficiency) of revenues over (under) expenditures 2,875.19

Other Financing Sources (Uses):

Net Transfers (to)/from Debt Service Fund	(450,000.00)
Transfer of Interest to Debt Service Fund	(5,375.19)
Total Other Financing Sources (Uses)	(455,375.19)

Excess (Deficiency) of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses (452,500.00)

Fund balance - beginning 654,948.52

Fund balance - ending \$ 202,448.52

CUMBERLAND REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Solar Project
For the Year Ended June 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	\$ 4,418,382.00	\$ -	\$ 4,418,382.00	\$ 4,418,382.00
SDA Grant	\$ 232,326.71		232,326.71	232,326.71
Transfer From General Fund	151.00		151.00	151.00
Total revenues	<u>4,650,859.71</u>	<u>-</u>	<u>4,650,859.71</u>	<u>4,650,859.71</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	290,437.00		290,437.00	290,437.00
Construction Services	1,234,196.00		1,234,196.00	1,234,196.00
Other Objects	590,060.40		590,060.40	590,060.40
Transfer out	2,056,276.00	450,000.00	2,506,276.00	2,536,166.31
Total Expenditures	<u>4,170,969.40</u>	<u>450,000.00</u>	<u>4,620,969.40</u>	<u>4,650,859.71</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 479,890.31</u>	<u>\$ (450,000.00)</u>	<u>\$ 29,890.31</u>	<u>\$ -</u>
Additional project information:				
Project Number	0997-030-09-1000			
Original Authorized Cost	\$ 4,418,533.00			
Additional Authorized Cost	\$ 232,326.71			
Revised Authorized Cost	\$ 4,650,859.71			
Percentage Increase over Original Authorized Cost	5.3%			
Percentage Completion	100.00%			
Original Target completion date	9/15/2016			
Revised target completion date	Complete			

CUMBERLAND REGIONAL SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
2004 NJSDA Settlement Agreement
For the Year Ended June 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
NJ SDA Settlement	\$ 4,300,000.00	\$ -	\$ 4,300,000.00	\$ 4,300,000.00
NJ Clean Energy Program	139,202.62		139,202.62	139,202.62
Transfer From General Fund				
- Capital Reserve	2,152,601.00		2,152,601.00	2,152,601.00
Total revenues	<u>6,591,803.62</u>	<u>-</u>	<u>6,591,803.62</u>	<u>6,591,803.62</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	411,995.00	2,500.00	414,495.00	415,494.95
Construction Services	5,989,006.96		5,989,006.96	6,155,565.22
Other Objects	15,743.45		15,743.45	20,743.45
Total Expenditures	<u>6,416,745.41</u>	<u>2,500.00</u>	<u>6,419,245.41</u>	<u>6,591,803.62</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 175,058.21</u>	<u>\$ (2,500.00)</u>	<u>\$ 172,558.21</u>	<u>\$ -</u>
Additional project information:				
Project Number	0997-030-02-0926			
Original Authorized Cost	\$ 4,800,000.00			
Additional Authorized Cost	\$ 1,791,803.62			
Revised Authorized Cost	\$ 6,591,803.62			
Percentage Increase over Original Authorized Cost	37.3%			
Percentage Completion	100.00%			
Original Target completion date	2019			
Revised target completion date	2020			

PROPRIETARY FUND DETAIL STATEMENTS

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

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

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS
B-4, B-5 AND B-6**

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Agency Funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity and Athletic Funds – These agency funds are used to account for student funds held at the schools.

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2020

	Student Activity	Payroll/ Agency	Private Purpose Scholarship Fund	Unemployment Compensation Trust	Totals
ASSETS					
Cash and Cash Equivalents	\$ 303,895.19	103,483.35	12,703.59	\$ 345,136.96	\$ 765,219.09
Total Assets	303,895.19	103,483.35	12,703.59	345,136.96	765,219.09
LIABILITIES					
Payable to Student Groups	303,895.19	-	-	-	303,895.19
Accounts Payable	-	-	-	6,166.92	6,166.92
Reserve for Summer Savings	-	1,818.42	-	-	1,818.42
Reserve for Flex Savings	-	2,801.22	-	-	2,801.22
Payroll Deductions & Withholdings	-	98,863.71	-	-	98,863.71
Total Liabilities	303,895.19	103,483.35	-	6,166.92	413,545.46
Net Position	-	-	12,703.59	338,970.04	351,673.63
Total Net Position	-	-	12,703.59	338,970.04	351,673.63

CUMBERLAND REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Totals
ADDITIONS			
Contributions:			
Plan Member	\$ 32,777.79	-	32,777.79
Other	-	7,275.00	7,275.00
Board Contribution	80,000.00	-	80,000.00
Total Contributions	<u>112,777.79</u>	<u>7,275.00</u>	<u>120,052.79</u>
Investments Earnings:			
Interest	4,502.99	-	4,502.99
Net Investment Earnings	<u>4,502.99</u>	<u>-</u>	<u>4,502.99</u>
Total Additions	<u>117,280.78</u>	<u>7,275.00</u>	<u>124,555.78</u>
Deductions			
Scholarships Awarded	-	5,950.00	5,950.00
Other	-	-	-
Unemployment Claims	68,686.29	-	68,686.29
Total Deductions	<u>68,686.29</u>	<u>5,950.00</u>	<u>74,636.29</u>
Change in net position	48,594.49	1,325.00	49,919.49
Net Position - Beginning of the Year	290,375.55	11,378.59	301,754.14
Prior Year Audit Adjustment			
Net Position - End of the Year	<u>\$ 338,970.04</u>	<u>12,703.59</u>	<u>351,673.63</u>

CUMBERLAND REGIONAL SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Cumberland Regional High School \$	272,813.79	358,130.27	327,048.87	303,895.19
Total Assets	\$ <u>272,813.79</u>	<u>358,130.27</u>	<u>327,048.87</u>	<u>303,895.19</u>

CUMBERLAND REGIONAL SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
ASSETS:				
Cash and Cash Equivalents	\$ 101,643.36	\$ 11,957,570.13	\$ 11,955,730.14	\$ 103,483.35
Total Assets	<u>\$ 101,643.36</u>	<u>\$ 11,957,570.13</u>	<u>\$ 11,955,730.14</u>	<u>\$ 103,483.35</u>
LIABILITIES:				
Net Payroll	\$ -	\$ 6,343,123.78	\$ 6,343,123.78	\$ -
Payroll Deductions & Withholding	100,784.32	5,379,614.20	5,381,534.81	98,863.71
Summer Savings	859.04	207,828.38	206,869.00	1,818.42
Flex Savings	-	27,003.77	24,202.55	2,801.22
Interfund Payable	-			-
Total Liabilities	<u>\$ 101,643.36</u>	<u>\$ 11,957,570.13</u>	<u>\$ 11,955,730.14</u>	<u>\$ 103,483.35</u>

LONG-TERM DEBT SCHEDULES

The Long-term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Schedule of General Serial Bonds
As of June 30, 2020

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding June 30, 2020				Interest Rate	Balance June 30, 2019	Increased	Decreased	Refunded	Balance June 30, 2020
			Date	Amount	Amount	Interest Rate						
Roof replacement and solar energy project	09/01/10	6,477,000	03/01/21	475,000.00	3,000%	3,722,000.00			450,000.00		3,272,000.00	
			03/01/22	500,000.00	3,000%							
			03/01/23	550,000.00	3,000%							
			03/01/24	550,000.00	3,125%							
			03/01/25	600,000.00	3,250%							
			03/01/26	597,000.00	3,375%							
School refunding bond Series 2012	8/16/2012	3,785,000	04/15/21	370,000.00	4,000%	1,825,000.00			370,000.00		1,455,000.00	
			04/15/22	365,000.00	4,000%							
			04/15/23	365,000.00	3,000%							
			04/15/24	355,000.00	3,000%							
						\$	<u>5,547,000.00</u>	<u>-</u>	<u>820,000.00</u>	<u>-</u>	<u>4,727,000.00</u>	

CUMBERLAND REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 341,473.00	\$ -	\$ 341,473.00	\$ 341,473.00	\$ -
Total - Local Sources	341,473.00	-	341,473.00	341,473.00	-
State Sources:					
Debt Service Aid Type II	206,304.00	-	206,304.00	206,304.00	-
Total - State Sources	206,304.00	-	206,304.00	206,304.00	-
Total Revenues	547,777.00	-	547,777.00	547,777.00	-
EXPENDITURES:					
Regular Debt Service:					
Interest	181,888.00	-	181,888.00	181,886.26	1.74
Redemption of Principal	820,000.00	-	820,000.00	820,000.00	-
Total Regular Debt Service	1,001,888.00	-	1,001,888.00	1,001,886.26	1.74
Total Expenditures	1,001,888.00	-	1,001,888.00	1,001,886.26	1.74
Excess (Deficiency) of Revenues Over (Under) Expenditures	(454,111.00)	-	(454,111.00)	(454,109.26)	(1.74)
Other Financing Sources(Uses):					
Operating Transfers In:					
Capital Projects Fund Interest			-	5,375.19	5,375.19
Capital Projects Fund Balances	450,000.00	-	450,000.00	450,000.00	-
	450,000.00	-	450,000.00	455,375.19	5,375.19
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(4,111.00)	-	(4,111.00)	1,265.93	5,373.45
Fund Balance, July 1	1.18	-	1.18	15,142.02	15,137.88
Fund Balance, June 30	(4,109.82)	-	(4,109.82)	16,407.95	20,511.33
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ (4,111.00)	-	(4,111.00)	1,265.93	5,376.93

STATISTICAL SECTION

CUMBERLAND REGIONAL SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Invested in capital assets, net of related debt	\$ 31,129,007.00	\$ 32,000,537.00	\$ 32,246,776.00	\$ 30,923,250.00	\$ 29,722,722.00	\$ 28,453,162.00	\$ 27,270,479.36	\$ 650,990.10	\$ 5,705,199.56	\$ 6,775,933.53
Restricted	6,808,606.00	5,819,179.00	3,962,564.00	3,094,711.00	2,706,221.00	3,540,697.00	4,140,855.15	8,212,592.70	5,802,329.37	6,939,175.55
Unrestricted	(1,088,440.00)	(629,502.00)	(817,854.00)	(799,784.00)	(5,122,106.00)	(5,216,681.00)	(5,788,557.61)	(6,283,409.48)	(5,895,645.92)	(6,211,610.25)
Total governmental activities net position	\$ 36,849,173.00	\$ 37,290,214.00	\$ 35,391,486.00	\$ 33,218,177.00	\$ 27,306,837.00	\$ 26,777,178.00	\$ 25,622,776.90	\$ 2,580,173.32	\$ 5,611,883.01	\$ 7,503,498.83
Business-type activities										
Invested in capital assets, net of related debt	94,674.00	104,298.00	94,791.00	87,371.00	89,940.00	98,242.00	84,536.00	54,680.57	23,151.57	24,742.77
Unrestricted	166,947.00	118,396.00	103,576.00	118,117.00	68,669.00	48,715.00	38,295.26	1,826.15	53,112.92	58,901.69
Total business-type activities net position	\$ 261,621.00	\$ 222,694.00	\$ 198,367.00	\$ 205,488.00	\$ 158,609.00	\$ 146,957.00	\$ 122,831.26	\$ 56,506.72	\$ 76,264.49	\$ 83,644.46
District-wide										
Invested in capital assets, net of related debt	31,223,681.00	32,104,835.00	32,341,567.00	31,010,621.00	29,812,662.00	28,551,404.00	27,355,015.36	705,670.67	5,728,351.13	6,800,676.30
Restricted	6,808,606.00	5,819,179.00	3,962,564.00	3,094,711.00	2,706,221.00	3,540,697.00	4,140,855.15	8,212,592.70	5,802,329.37	6,939,175.55
Unrestricted	(921,493.00)	(411,106.00)	(714,278.00)	(681,667.00)	(5,053,437.00)	(5,167,966.00)	(5,750,262.35)	(6,281,583.33)	(5,842,533.00)	(6,152,708.56)
Total district net position	\$ 37,110,794.00	\$ 37,512,908.00	\$ 35,589,853.00	\$ 33,423,665.00	\$ 27,465,446.00	\$ 26,924,135.00	\$ 25,745,608.16	\$ 2,636,680.04	\$ 5,688,147.50	\$ 7,587,143.29

* - Restated Unrestricted in 2014 for the effects of GASB 68

Source: CAFR Schedule A-1

CUMBERLAND REGIONAL SCHOOL DISTRICT
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities										
Instruction										
Regular	7,230,958.00	6,718,516.00	7,060,822.00	6,916,603.00	6,921,279.00	7,205,982.00	22,724,093.73	12,659,246.93	11,815,069.65	11,310,583.70
Special education	966,272.00	1,524,815.00	1,297,464.00	1,539,977.00	1,464,861.00	1,399,232.00	2,689,362.73	1,591,964.52	1,379,271.75	1,193,736.87
Other special education	120,132.00	117,980.00	264,763.00	64,446.00	4,474.00	-	-	-	-	-
Other instruction	970,277.00	754,075.00	762,684.00	964,740.00	954,359.00	887,522.00	2,256,519.55	1,355,007.37	1,254,710.54	1,208,581.18
Support Services:										
Tuition	1,852,404.00	1,936,348.00	2,141,625.00	1,732,778.00	1,733,692.00	1,461,668.00	1,495,818.12	1,689,955.50	1,419,590.67	1,308,713.44
Student & instruction related services	1,645,759.00	1,775,396.00	2,189,920.00	2,055,065.00	1,950,111.00	1,823,597.00	2,939,777.38	2,983,704.17	2,763,196.55	2,491,140.20
School Administrative services	1,061,442.00	1,090,146.00	1,106,844.00	1,149,352.00	1,140,627.00	1,084,335.00	1,176,571.93	1,113,977.70	944,688.78	802,052.10
General & business administration services	994,290.00	1,043,852.00	1,045,246.00	1,215,857.00	1,222,450.00	1,275,975.00	1,438,387.89	1,272,228.07	1,225,206.74	1,085,692.98
Plant operations and maintenance	2,154,245.00	2,133,769.00	2,210,077.00	2,228,385.00	2,342,472.00	2,371,064.00	3,165,228.26	2,892,075.98	3,058,787.12	4,411,679.63
Pupil transportation	1,746,441.00	1,693,695.00	1,896,746.00	1,827,981.00	1,980,995.00	1,795,943.00	1,832,603.90	1,889,039.43	1,814,239.79	1,831,015.77
Unallocated Employee Benefits	4,190,953.00	4,367,967.00	4,610,423.00	4,469,447.00	6,625,271.00	7,390,394.00	-	-	-	-
Debt Service Assessment	251,888.00	148,479.00	224,824.00	224,824.00	224,824.00	224,824.00	224,824.00	224,824.00	224,824.00	224,824.00
Claim Cost	-	-	-	-	-	-	-	-	-	-
Internal Service Fund	493.00	5,049.00	-	-	21,952.00	758.00	-	-	-	-
Interest on long-term debt	380,703.00	382,352.00	271,061.00	306,595.00	277,755.00	263,064.00	244,184.26	222,825.14	200,615.64	174,224.32
Amortization of debt issuance cost	5,941.00	7,938.00	15,271.00	-	-	-	-	-	-	-
Total governmental activities expenses	23,572,198.00	23,700,377.00	25,097,770.00	24,696,050.00	26,865,122.00	27,184,358.00	40,187,371.75	27,894,848.81	26,100,201.23	26,042,244.19
Business-type activities:										
Food service	666,456.00	684,314.00	679,488.00	667,120.00	693,325.00	657,166.00	530,351.21	538,953.07	478,287.79	401,271.48
Total business-type activities expense	666,456.00	684,314.00	679,488.00	667,120.00	693,325.00	657,166.00	530,351.21	538,953.07	478,287.79	401,271.48
Total district expenses	24,238,654.00	24,384,691.00	25,777,258.00	25,363,170.00	27,558,447.00	27,841,524.00	40,717,722.96	28,433,801.88	26,578,489.02	26,443,515.67
Program Revenues										
Governmental activities:										
Charges for services:										
Pupil Transportation	136,814.00	109,822.00	88,645.00	206,606.00	217,712.00	136,757.00	137,771.35	118,694.88	136,614.00	136,065.00
Central and other support services	1,950.00	2,550.00	-	-	21,952.00	-	-	-	-	-
Operating grants and contributions	1,138,101.00	1,405,498.00	1,709,674.00	1,499,961.00	3,539,459.00	4,233,809.00	17,470,257.82	7,760,356.18	5,814,054.74	4,624,176.20
Capital grants and contributions	-	-	-	-	-	-	-	4,300,000.00	232,326.71	-
Total governmental activities program revenues	1,276,865.00	1,517,870.00	1,798,319.00	1,706,567.00	3,779,123.00	4,370,566.00	17,608,029.17	12,179,051.06	6,182,995.45	4,760,241.20
Business-type activities:										
Charges for services:										
Food service	342,363.00	341,700.00	329,664.00	343,904.00	314,213.00	303,880.00	231,890.40	179,950.05	225,830.70	132,865.81
Operating grants and contributions	281,119.00	302,150.00	324,557.00	329,648.00	331,641.00	340,617.00	274,188.54	267,508.13	274,833.27	269,685.51
Total business-type activities program revenues	623,482.00	643,850.00	654,221.00	673,552.00	645,854.00	644,497.00	506,078.94	447,458.18	500,663.97	402,551.32
Total district program revenues	1,900,347.00	2,161,720.00	2,452,540.00	2,380,119.00	4,424,977.00	5,015,063.00	18,114,108.11	12,626,509.24	6,683,659.42	5,162,792.52
Net (Expense)/Revenue										
Governmental activities	(22,295,333.00)	(22,182,507.00)	(23,299,451.00)	(22,989,483.00)	(23,085,999.00)	(22,813,792.00)	(22,579,342.58)	(15,715,797.75)	(19,917,205.78)	(21,282,002.99)
Business-type activities	(42,974.00)	(40,464.00)	(25,267.00)	6,432.00	(47,471.00)	(12,669.00)	(24,272.27)	(91,494.89)	22,376.18	1,279.84
Total district-wide net expense	(22,338,307.00)	(22,222,971.00)	(23,324,718.00)	(22,983,051.00)	(23,133,470.00)	(22,826,461.00)	(22,603,614.85)	(15,807,292.64)	(19,894,829.60)	(21,280,723.15)

CUMBERLAND REGIONAL SCHOOL DISTRICT
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	7,369,435.00	7,369,435.00	7,280,077.00	7,483,360.00	7,964,436.00	8,311,336.00	8,522,661.00	8,848,314.00	9,025,280.00	9,301,363.00
Taxes levied for debt service	664,875.00	664,875.00	554,082.00	350,800.00	350,801.00	453,393.00	423,156.00	397,418.00	374,058.00	341,473.00
Unrestricted grants and contributions	14,745,987.00	14,016,810.00	13,422,433.00	13,051,521.00	13,007,146.00	13,062,355.00	12,336,302.18	12,514,768.11	12,878,089.45	12,763,542.13
Tuition Received	-	43,904.00	8,757.00	-	11,290.00	-	-	-	-	-
Investment earnings	502,827.00	476,043.00	39,006.00	19,080.00	17,566.00	9,224.00	11,146.29	24,181.60	72,938.89	121,819.13
Miscellaneous income	21,143.00	52,481.00	96,818.00	83,331.00	31,241.00	447,825.00	131,676.01	192,875.82	417,147.82	124,011.09
Donation of Equipment from Student Activity Fund	-	-	-	-	-	-	-	(25,000.00)	(25,000.00)	-
Transfers (to) / from Other Funds	-	-	-	-	(36,152.00)	-	-	(29,279,963.36)	206,401.31	521,410.46
Adjustment to fixed assets	-	-	-	-	-	-	-	(7,326,805.63)	-	-
Total governmental activities	23,304,267.00	22,623,548.00	21,401,173.00	20,988,092.00	21,347,328.00	22,284,133.00	21,424,941.48	(7,326,805.63)	22,948,915.47	23,173,618.81
Business-type activities:										
Investment earnings	1,649.00	1,537.00	940.00	689.00	592.00	273.00	146.53	170.35	693.59	1,126.13
Transfers (to) / from Other Funds	-	-	-	-	-	744.00	-	25,000.00	25,000.00	-
Adjustment to fixed assets	-	-	-	-	-	1,017.00	-	-	(28,312.00)	4,974.00
Total business-type activities	1,649.00	1,537.00	940.00	689.00	592.00	1,017.00	146.53	25,170.35	(2,618.41)	6,100.13
Total district-wide	23,305,916.00	22,625,085.00	21,402,113.00	20,988,781.00	21,347,920.00	22,285,150.00	21,425,088.01	(7,301,635.48)	22,946,297.06	23,179,718.94
Change in Net Assets										
Governmental activities	1,008,934.00	441,041.00	(1,898,278.00)	(2,001,391.00)	(1,736,671.00)	(529,659.00)	(1,154,401.10)	(23,042,603.58)	3,031,709.69	1,891,615.82
Business-type activities	(41,325.00)	(38,927.00)	(24,327.00)	7,121.00	(46,879.00)	(11,652.00)	(24,125.74)	(66,324.54)	19,757.77	7,379.97
Total district	967,609.00	402,114.00	(1,922,605.00)	(1,994,270.00)	(1,783,550.00)	(541,311.00)	(1,178,526.84)	(23,108,928.12)	3,051,467.46	1,899,995.79

Source: CAFR Schedule A-2

CUMBERLAND REGIONAL SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved	1,720,890.00	2,326,800.00	1,251,245.00	1,006,610.00	1,125,775.00	2,284,016.00	3,255,358.76	5,245,142.41	5,835,899.61	7,053,218.03
Unreserved	(651,432.00)	(683,368.00)	(689,479.00)	(639,530.00)	(681,202.00)	(628,996.00)	(336,884.32)	(762,433.90)	(782,056.64)	(765,310.98)
Total general fund	<u>\$ 1,069,458.00</u>	<u>\$ 1,643,432.00</u>	<u>\$ 561,766.00</u>	<u>\$ 367,080.00</u>	<u>\$ 444,573.00</u>	<u>\$ 1,755,020.00</u>	<u>\$ 2,918,474.44</u>	<u>\$ 4,482,708.51</u>	<u>\$ 5,053,842.97</u>	<u>\$ 6,287,907.05</u>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	5,036,006.00	3,925,590.00	2,753,215.00	2,286,919.00	1,785,221.00	1,445,221.00	1,080,221.00	3,250,641.65	657,448.52	204,948.52
Debt service fund	55,673.00	69,393.00	16,935.00	39,333.00	37,011.00	25,158.00	12,734.18	6,300.28	15,142.02	16,407.95
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 5,091,679.00</u>	<u>\$ 3,994,983.00</u>	<u>\$ 2,770,150.00</u>	<u>\$ 2,326,252.00</u>	<u>\$ 1,822,232.00</u>	<u>\$ 1,470,379.00</u>	<u>\$ 1,092,955.18</u>	<u>\$ 3,256,941.93</u>	<u>\$ 672,590.54</u>	<u>\$ 221,356.47</u>

Source: CAFR Schedule B-1

CUMBERLAND REGIONAL SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis or accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Tax levy	\$ 8,034,310.00	\$ 8,034,310.00	\$ 7,834,159.00	\$ 7,834,160.00	\$ 8,315,237.00	\$ 8,764,729.00	\$ 8,945,817.00	\$ 9,245,732.00	\$ 9,399,338.00	\$ 9,642,836.00
Tuition charges	43,904.00	8,757.00	11,290.00	-	11,290.00	-	-	-	-	-
Transportation	136,814.00	109,822.00	88,645.00	206,606.00	217,712.00	136,757.00	137,771.35	118,694.88	136,614.00	136,065.00
Interest earnings	502,827.00	476,043.00	39,006.00	19,080.00	11,146.29	24,181.60	72,938.89	24,181.60	72,938.89	121,819.13
Miscellaneous	21,143.00	52,481.00	96,818.00	83,331.00	31,241.00	447,825.00	80,461.12	262,182.65	464,728.06	144,441.45
State sources	14,850,458.00	14,189,903.00	14,497,620.00	13,949,497.00	14,033,530.00	14,391,398.00	14,733,829.50	19,413,373.13	16,033,141.53	15,673,769.48
Federal sources	1,033,630.00	1,232,405.00	634,486.00	601,985.00	607,223.00	608,218.00	587,465.39	528,693.33	636,251.14	815,056.49
Total revenue	24,579,182.00	24,138,868.00	23,199,491.00	22,694,659.00	23,233,799.00	24,358,151.00	24,496,490.65	29,597,857.59	26,743,011.62	26,533,987.55
Expenditures										
Instruction	\$ 6,283,699.00	\$ 5,712,050.00	\$ 5,949,489.00	\$ 5,766,189.00	\$ 5,762,828.00	\$ 6,044,678.00	\$ 6,585,128.72	\$ 6,252,831.25	\$ 6,453,653.00	\$ 6,758,315.16
Regular instruction	966,272.00	1,341,821.00	1,297,464.00	1,539,977.00	1,464,861.00	1,399,232.00	779,340.20	786,325.25	753,388.81	713,283.26
Special education instruction	120,132.00	117,980.00	62,702.00	64,446.00	4,474.00	-	-	-	-	-
Other special instruction	798,048.00	754,075.00	762,684.00	755,574.00	743,732.00	676,376.00	653,908.22	669,284.08	685,350.72	722,153.05
Support Services:										
Tuition	1,852,404.00	1,936,348.00	2,141,625.00	1,732,778.00	1,733,692.00	1,461,668.00	1,485,818.12	1,689,955.50	1,419,590.67	1,308,713.44
Student & inst. related services	1,645,759.00	1,775,396.00	2,189,920.00	2,055,065.00	1,950,111.00	1,823,597.00	1,934,928.17	2,122,016.37	2,124,486.33	2,090,105.99
General administration	393,757.00	426,861.00	403,137.00	525,287.00	539,326.00	559,577.00	477,234.66	443,464.75	424,437.85	419,568.95
School administrative services	846,156.00	861,404.00	854,269.00	887,894.00	877,343.00	820,402.00	774,406.32	792,263.16	726,324.88	669,714.76
Central services	265,766.00	266,763.00	264,251.00	301,323.00	288,666.00	315,872.00	331,659.01	351,272.88	401,253.93	387,367.44
Administration Information Technology	119,481.00	121,486.00	125,283.00	127,789.00	131,174.00	136,593.00	137,836.95	110,073.51	116,309.62	99,618.97
Plant operations and maintenance	1,982,016.00	1,950,775.00	2,008,016.00	2,019,219.00	2,131,845.00	2,159,918.00	2,083,317.39	2,058,850.22	2,351,751.43	3,683,759.45
Pupil transportation	1,746,441.00	1,693,695.00	1,896,746.00	1,827,981.00	1,980,985.00	1,795,943.00	1,813,193.16	1,866,107.37	1,807,747.81	1,831,015.77
Other Support Services:										
Employee benefits	4,193,235.00	4,374,546.00	4,687,269.00	4,429,272.00	4,598,709.00	4,870,989.00	5,220,321.78	4,979,739.38	5,642,191.42	5,649,279.53
Claim Cost	3,887,161.00	2,019,947.00	1,686,667.00	312,960.00	420,568.00	346,726.00	434,431.07	2,720,891.79	4,822,430.82	426,375.51
Capital outlay	530,000.00	830,000.00	893,000.00	680,000.00	710,000.00	720,000.00	740,000.00	775,000.00	795,000.00	820,000.00
Debt service:										
Principal	230,552.00	478,443.00	283,468.00	307,489.00	286,849.00	267,986.00	248,936.26	228,561.26	207,311.26	181,886.26
Interest and other charges	25,860,879.00	24,661,590.00	25,505,990.00	23,333,243.00	23,625,173.00	23,399,557.00	23,710,460.03	25,844,636.77	28,731,228.55	25,751,157.54
Total expenditures	(1,281,697.00)	(522,722.00)	(2,306,499.00)	(638,584.00)	(391,374.00)	958,594.00	786,030.62	3,753,220.82	(1,988,216.93)	782,830.01
Excess (Deficiency) of revenues over (under) expenditures	\$ 6,477,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing sources (uses)										
Proceeds from sale of bonds	473,246.00	447,802.00	318,982.00	476,620.00	466,683.00	342,894.00	367,189.26	904,110.36	2,088,631.00	455,375.19
Prior year adjustment	(473,246.00)	(447,802.00)	(318,982.00)	(476,620.00)	(466,683.00)	(342,894.00)	(367,189.26)	(929,110.36)	(2,113,631.00)	(455,375.19)
Transfers in	6,477,000.00	-	-	-	(35,152.00)	-	-	(25,000.00)	-	-
Transfers out	-	-	-	-	(35,152.00)	-	-	-	-	-
Total other financing sources (uses)	\$ 5,195,303.00	\$ (522,722.00)	\$ (2,306,499.00)	\$ (638,584.00)	\$ (426,526.00)	\$ 958,594.00	\$ 786,030.62	\$ 3,728,220.82	\$ (2,013,216.93)	\$ 782,830.01
Net change in fund balances	3.46%	5.78%	4.94%	4.29%	4.30%	4.29%	4.25%	4.34%	4.19%	3.96%
Debt service as a percentage of noncapital expenditures										

Source: CAFR Schedule B-2

Noncapital expenditures are total expenditures less capital outlay.

CUMBERLAND REGIONAL SCHOOL DISTRICT
 General Fund Other Local Revenue by Source,
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Alternative School Fees	Transportation Fees	Interest on Investments	Tuition Revenue	Prior Year Refunds	Sale of SRECS	Miscellaneous	Totals
2011	-	136,814.00	29,644.00	-	-	-	14,076.00	180,534.00
2012	-	109,822.00	28,241.00	43,904.00	-	-	48,518.00	230,485.00
2013	-	88,645.00	17,943.00	8,757.00	7,008.00	-	76,936.00	199,289.00
2014	-	206,606.00	8,756.00	-	-	-	61,360.00	276,722.00
2015	-	217,712.00	10,267.00	11,290.00	-	-	12,257.00	251,526.00
2016	-	136,757.00	6,330.00	-	-	328,245.00	116,797.00	588,129.00
2017	-	137,771.35	8,957.03	32,057.08	8,227.30	-	32,111.63	219,124.39
2018	-	118,694.88	20,071.24	-	-	-	191,290.82	330,056.94
2019	-	136,614.00	61,908.89	-	-	-	315,860.20	514,383.09
2020	-	136,065.00	116,645.82	-	-	45,886.50	85,912.71	384,510.03

Source: District Records

CUMBERLAND REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

DEERFIELD TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized) Value
2011								-	-	187,619,461	0.542	224,370,817
2012			Detail Not Available					-	-	189,386,599	0.472	216,339,370
2013			Detail Not Available					-	-	187,959,971	0.487	209,337,794
2014			Detail Not Available					-	-	189,201,358	0.517	203,791,220
2015								-	-	189,208,919	0.558	197,598,153
2016	5,646,200	134,830,000	2,817,400	22,943,100	15,449,300	7,627,300	-	189,313,300	678,064	189,991,364	0.618	199,312,993
2017								190,382,100	675,752	191,057,852	0.593	196,742,935
2018	5,409,900	135,321,200	22,546,300	2,823,500	17,607,200	6,955,200	-	190,663,300	683,551	191,346,851	0.589	196,352,482
2019	5,605,300	136,124,000	22,297,500	2,815,400	18,177,200	6,955,200	-	191,974,600	667,747	192,642,347	0.685	202,408,689
2020	5,651,300	137,075,400	22,105,500	2,823,600	17,928,200	5,081,900	-	190,665,900	667,561	191,333,461	0.745	202,941,072

FAIRFIELD TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized) Value
2011								-	-	321,041,461	0.434	303,667,283
2012 R			Detail Not Available					-	-	319,694,847	0.470	325,283,562
2013			Detail Not Available					-	-	317,040,041	0.460	314,398,390
2014			Detail Not Available					-	-	315,622,682	0.485	308,715,419
2015			Detail Not Available					-	-	314,224,841	0.474	292,697,443
2016	18,269,100	250,625,000	12,490,800	2,924,600	25,601,100	1,630,200	344,200	311,885,000	713,142	312,598,142	0.500	288,755,627
2017			Detail Not Available					314,429,800	695,519	315,125,319	0.532	294,698,002
2018	16,388,000	251,762,000	11,729,200	2,612,200	26,632,800	1,630,200	300,000	311,054,400	705,607	311,760,007	0.537	276,306,026
2019	15,853,700	251,861,200	10,861,700	2,732,600	26,136,500	1,630,200	300,000	309,375,900	703,242	310,079,142	0.488	271,987,538
2020	16,180,800	254,421,700	9,806,800	2,682,600	26,548,200	1,630,200	257,900	311,528,200	715,886	312,244,086	0.515	285,292,661

Source: County Abstract of Ratables & Municipal Tax Assessors

Note:

- R Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment
- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

CUMBERLAND REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Exhibit J-6A

GREENWICH TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized) Value
2011				Detail Not Available				-		63,271,494.00	0.527	\$ 69,359,566.00
2012				Detail Not Available				-		63,420,152.00	0.580	\$ 86,386,734.00
2013				Detail Not Available				-		63,558,080.00	0.625	\$ 79,771,598.00
2014				Detail Not Available				-		63,110,769.00	0.656	\$ 79,333,966.00
2015				Detail Not Available				-		63,253,775.00	0.878	\$ 80,121,181.00
2016	3,632,200.00	43,201,500.00	10,202,800.00	3,241,000.00	2,290,600.00			62,568,100.00	371,631.00	62,939,731.00	0.769	\$ 77,130,142.00
2017				Detail Not Available				62,222,400.00	395,656.00	62,618,056.00	0.827	\$ 78,209,453.00
2018	4,685,000.00	52,942,800.00	12,290,500.00	3,556,700.00	2,348,300.00			75,823,300.00	499,666.00	76,322,966.00	0.610	\$ 77,709,890.00
2019	4,412,400.00	52,627,400.00	12,512,500.00	3,565,600.00	2,298,100.00			75,416,000.00	520,435.00	75,936,435.00	0.607	\$ 78,245,999.00
2020	4,371,000.00	52,142,400.00	12,838,800.00	3,574,100.00	2,298,100.00			75,224,400.00	534,223.00	75,758,623.00	0.606	\$ 73,824,435.00

HOPEWELL TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized) Value
2011				Detail Not Available				-		236,624,009.00	0.735	352,382,212.00
2012				Detail Not Available				-		237,253,558.00	0.645	342,556,122.00
2013				Detail Not Available				-		247,157,724.00	0.588	341,939,345.00
2014				Detail Not Available				-		246,887,661.00	0.671	336,618,453.00
2015				Detail Not Available				-		246,696,220.00	0.652	306,065,961.00
2016	4,027,100.00	178,700,600.00	29,805,700.00	6,704,200.00	26,172,400.00		415,400.00	245,825,400.00	597,575.00	246,422,975.00	0.698	309,412,642.00
2017 R				Detail Not Available				306,194,700.00	730,385.00	306,925,085.00	0.597	317,724,721.00
2018	4,507,200.00	225,213,100.00	34,998,800.00	8,008,100.00	34,169,900.00		450,900.00	307,348,000.00	678,641.00	308,026,641.00	0.604	338,257,362.00
2019	4,619,700.00	224,506,300.00	34,776,400.00	7,977,200.00	30,247,120.00		450,900.00	302,577,620.00	674,399.00	303,252,019.00	0.605	338,386,087.00
2020	4,561,500.00	225,320,700.00	34,276,900.00	7,974,700.00	30,474,600.00		450,900.00	303,059,300.00	710,689.00	303,769,989.00	0.645	331,618,452.00

Source: County Abstract of Ratables & Municipal Tax Assessors

Note:

- R Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment
- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

CUMBERLAND REGIONAL SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

SHILOH BOROUGH Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	QIarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized) Value
2011 R				Detail Not Available				-	-	33,589,433.00	0.488	32,213,091.00
2012				Detail Not Available				-	-	33,343,800.00	0.487	29,035,564.00
2013				Detail Not Available				-	-	33,263,798.00	0.570	36,155,078.00
2014				Detail Not Available				-	-	33,173,269.00	0.586	34,568,674.00
2015				Detail Not Available				-	-	33,125,352.00	0.506	30,905,136.00
2016	123,300.00	27,677,700.00	2,701,200.00	422,900.00	1,928,000.00			32,853,100.00	136,368.00	32,989,468.00	0.347	28,278,737.00
2017				Detail Not Available				32,770,400.00	136,019	32,906,419.00	0.363	30,666,180.00
2018	123,300.00	27,576,200.00	2,681,200.00	421,900.00	1,902,300.00			32,704,900.00	136,263.00	32,841,163.00	0.289	31,562,180.00
2019	123,300.00	27,576,200.00	2,681,200.00	421,900.00	2,002,300.00			32,804,900.00	136,263.00	32,941,163.00	0.283	32,309,491.00
2020	83,300.00	27,410,600.00	2,681,200.00	423,100.00	1,994,700.00		-	32,592,900.00	135,190.00	32,728,090.00	0.424	33,148,803.00

STOW CREEK TOWNSHIP Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	QIarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized) Value
2011				Detail Not Available				-	-	81,264,600.00	0.742	119,487,463.00
2012				Detail Not Available				-	-	81,115,597.00	0.713	112,973,919.00
2013				Detail Not Available				-	-	80,935,283.00	0.766	120,624,519.00
2014				Detail Not Available				-	-	81,046,748.00	0.765	115,401,742.00
2015 R				Detail Not Available				-	-	106,513,984.00	0.635	106,897,750.00
2016	1,251,700.00	64,025,500.00	32,988,600.00	4,396,700.00	3,850,100.00			106,522,600.00	444,192.00	106,966,792.00	0.618	103,970,176.00
2017				Detail Not Available				106,601,200.00	442,943.00	107,044,143.00	0.551	107,277,233.00
2018	1,289,000.00	65,098,500.00	31,826,300.00	4,561,700.00	4,291,400.00			107,066,900.00	398,839.00	107,465,739.00	0.669	119,390,889.00
2019	1,328,500.00	64,634,300.00	32,605,600.00	4,489,900.00	4,165,700.00			107,224,000.00	405,263.00	107,629,263.00	0.570	118,458,296.00
2020	1,215,600.00	64,891,300.00	32,081,000.00	4,479,600.00	4,630,100.00			107,297,600.00	419,740.00	107,717,340.00	0.565	114,737,580.00

Source: County Abstract of Rates & Municipal Tax Assessors

Note: R Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment
a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

CUMBERLAND REGIONAL SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

Exhibit J-6C

UPPER DEERFIELD TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized) Value
2011				Detail Not Available				-		424,194,653.00	0.670	696,056,777.00
2012				Detail Not Available				-		630,201,916.00	0.455	631,326,018.00
2013				Detail Not Available				-		628,117,666.00	0.445	618,417,150.00
2014				Detail Not Available				-		634,807,543.00	0.450	630,327,118.00
2015				Detail Not Available				-		631,661,246.00	0.510	640,884,881.00
2016	12,954,300.00	425,913,400.00	42,406,400.00	9,140,200.00	117,739,200.00	13,592,800.00	7,026,800.00	628,773,100.00	1,555,637.00	630,328,737.00	0.489	624,118,952.00
2017				Detail Not Available				626,359,300.00	1,600,057.00	627,959,357.00	0.527	605,625,952.00
2018	13,009,900.00	424,918,400.00	40,808,000.00	9,079,100.00	118,459,300.00	13,484,800.00	6,972,000.00	626,731,500.00	1,601,977.00	628,333,477.00	0.545	612,107,837.00
2019	12,747,200.00	425,567,000.00	41,039,800.00	9,026,000.00	120,069,100.00	17,484,800.00	6,972,000.00	632,905,900.00	1,628,233.00	634,534,133.00	0.574	636,554,292.00
2020	12,363,400.00	424,852,300.00	42,588,400.00	9,076,200.00	117,234,600.00	17,484,800.00	6,972,000.00	630,571,700.00	1,659,703.00	632,231,403.00	0.622	620,001,048.00

Source: County Abstract of Rates & Municipal Tax Assessors

Note:

- R Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment
- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

CUMBERLAND REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

DEERFIELD TOWNSHIP

Fiscal Year Ended June 30,	Cumberland Regional H.S. District			Overlapping Rates			Total Direct	Local School District			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	County General	County Open Space	County Other	Municipal Local Purpose		Local School District	Municipal Local Purpose		
2011	N/A	N/A	1.147	-	-	0.050	0.542	1.336	0.050	3.075	
2012	N/A	N/A	1.033	0.012	0.044	0.071	0.472	1.339	0.071	2.971	
2013	N/A	N/A	1.033	0.012	0.053	0.081	0.487	1.326	0.081	2.992	
2014	N/A	N/A	1.058	0.011	0.053	0.081	0.517	1.373	0.081	3.093	
2015	N/A	N/A	1.089	0.011	0.054	0.080	0.558	1.395	0.080	3.187	
2016	N/A	N/A	1.111	0.011	0.054	0.090	0.618	1.422	0.090	3.306	
2017	0.566	0.027	1.129	0.011	0.054	0.091	0.593	1.468	0.091	3.346	
2018	0.564	0.025	1.137	0.011	0.054	0.090	0.589	1.516	0.090	3.397	
2019	0.653	0.032	1.193	0.011	0.056	0.090	0.685	1.538	0.090	3.573	
2020	0.710	0.035	1.245	0.011	0.062	0.090	0.745	1.578	0.090	3.731	

FAIRFIELD TOWNSHIP

Fiscal Year Ended June 30,	Cumberland Regional H.S. District			Overlapping Rates			Total Direct	Local School District			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	County General	County Open Space	County Other	Municipal Local Purpose		Local School District	Municipal Local Purpose		
2011 R	N/A	N/A	0.896	-	-	0.375	0.434	0.378	0.375	2.083	
2012	N/A	N/A	0.915	0.011	0.039	0.384	0.470	0.384	0.384	2.203	
2013	N/A	N/A	0.919	0.010	0.047	0.383	0.460	0.393	0.383	2.212	
2014	N/A	N/A	0.959	0.010	0.048	0.383	0.485	0.390	0.383	2.275	
2015	N/A	N/A	0.972	0.010	0.048	0.407	0.474	0.401	0.407	2.312	
2016	N/A	N/A	0.971	0.010	0.048	0.430	0.500	0.416	0.430	2.375	
2017	0.507	0.025	1.024	0.010	0.049	0.429	0.532	0.460	0.429	2.504	
2018	0.512	0.025	0.981	0.009	0.047	0.430	0.537	0.486	0.430	2.490	
2019	0.465	0.023	0.995	0.009	0.047	0.440	0.488	0.514	0.440	2.493	
2020	0.491	0.024	1.072	0.010	0.053	0.439	0.515	0.516	0.439	2.605	

Source: District Records and Municipal Tax Collector

CUMBERLAND REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

GREENWICH TOWNSHIP

Fiscal Year Ended June 30,	Cumberland Regional H.S. District				Overlapping Rates				Total Direct and Overlapping Tax Rate	
	Basic Rate	Obligation Debt Service	General	Total Direct	County General	County Open Space	County Other	Local School District		Municipal Local Purpose
2011	N/A	N/A	1.000	0.527	1.000	0.011	0.041	1.245	0.446	3.270
2012	N/A	N/A	1.231	0.580	1.231	0.014	0.052	1.241	0.474	3.592
2013	N/A	N/A	1.165	0.625	1.165	0.013	0.060	1.238	0.484	3.585
2014	N/A	N/A	1.232	0.656	1.232	0.013	0.062	1.239	0.499	3.701
2015	N/A	N/A	1.322	0.878	1.322	0.013	0.065	1.292	0.507	4.077
2016	N/A	N/A	1.298	0.769	1.298	0.013	0.064	1.417	0.507	4.068
2017	0.788	0.039	1.364	0.827	1.364	0.013	0.066	1.466	0.507	4.243
2018	0.581	0.029	1.135	0.610	1.135	0.011	0.054	1.234	0.416	3.460
2019	0.578	0.029	1.165	0.607	1.165	0.011	0.055	1.289	0.418	3.545
2020	0.577	0.029	1.142	0.606	1.142	0.010	0.057	1.337	0.436	3.588

HOPEWELL TOWNSHIP

Fiscal Year Ended June 30,	Cumberland Regional H.S. District				Overlapping Rates				Total Direct and Overlapping Tax Rate	
	Basic Rate	Obligation Debt Service	General	Total Direct	County General	County Open Space	County Other	Local School District		Municipal Local Purpose
2011	N/A	N/A	1.359	0.735	1.359	0.015	0.055	1.421	0.217	3.802
2012	N/A	N/A	1.304	0.645	1.304	0.015	0.055	1.353	0.240	3.612
2013	N/A	N/A	1.284	0.588	1.284	0.014	0.066	1.286	0.241	3.479
2014	N/A	N/A	1.340	0.671	1.340	0.014	0.067	1.338	0.248	3.678
2015	N/A	N/A	1.295	0.652	1.295	0.013	0.064	1.366	0.274	3.664
2016	N/A	N/A	1.330	0.698	1.330	0.013	0.065	1.327	0.302	3.735
2017 R	0.569	0.028	1.135	0.597	1.135	0.011	0.055	1.094	0.248	3.140
2018	0.575	0.029	1.213	0.604	1.213	0.011	0.058	1.096	0.258	3.240
2019	0.576	0.029	1.267	0.605	1.267	0.012	0.060	1.127	0.281	3.352
2020	0.614	0.031	1.279	0.645	1.279	0.011	0.064	1.106	0.297	3.402

Source: District Records and Municipal Tax Collector

CUMBERLAND REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

SHILOH BOROUGH

Fiscal Year Ended June 30,	Cumberland Regional H.S. District				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	Obligation Debt Service	County General	County Open Space	County Other	Local School District	Municipal Local Purpose		
2011 R	N/A	N/A	0.876	0.010	0.036	0.552	0.316	2.278	
2012	N/A	N/A	0.783	0.009	0.033	0.639	0.317	2.268	
2013	N/A	N/A	1.005	0.011	0.052	0.770	0.317	2.725	
2014	N/A	N/A	1.024	0.011	0.051	0.761	0.318	2.751	
2015	N/A	N/A	0.974	0.010	0.048	0.835	0.318	2.691	
2016	N/A	N/A	0.905	0.009	0.044	0.977	0.318	2.600	
2017	0.346	0.017	1.021	0.010	0.049	0.915	0.318	2.676	
2018	0.275	0.014	1.071	0.010	0.051	0.970	0.319	2.710	
2019	0.270	0.013	1.114	0.010	0.053	1.062	0.320	2.842	
2020	0.404	0.020	1.183	0.011	0.059	1.095	0.320	3.092	

STOW CREEK TOWNSHIP

Fiscal Year Ended June 30,	Cumberland Regional H.S. District				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	Obligation Debt Service	County General	County Open Space	County Other	Local School District	Municipal Local Purpose		
2011	N/A	N/A	1.342	0.015	0.054	1.084	0.2110	3.448	
2012	N/A	N/A	1.256	0.015	0.053	1.100	0.2180	3.355	
2013	N/A	N/A	1.381	0.015	0.071	1.183	0.2240	3.660	
2014	N/A	N/A	1.399	0.015	0.070	1.258	0.2330	3.740	
2015 R	N/A	N/A	1.048	0.011	0.052	0.968	0.1790	2.893	
2016	N/A	N/A	1.028	0.010	0.050	0.977	0.1790	2.862	
2017	0.525	0.026	1.100	0.011	0.053	1.008	0.1790	2.902	
2018	0.637	0.032	1.237	0.012	0.059	1.025	0.2080	3.210	
2019	0.543	0.027	1.249	0.012	0.059	1.077	0.2090	3.176	
2020	0.538	0.027	1.249	0.011	0.062	1.129	0.2100	3.226	

Source: District Records and Municipal Tax Collector

CUMBERLAND REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Exhibit J-7C

UPPER DEERFIELD TOWNSHIP

Fiscal Year Ended June 30,	Cumberland Regional H.S. District			Overlapping Rates				Total Direct	Local			Total Direct and Overlapping Tax Rate
	Basic Rate	Debt Service	General Obligation	County General	County Open Space	County Other	School District		Municipal Local Purpose			
2011	N/A	N/A	N/A	1.493	0.017	0.060	1.547	-	3.787			
2012 R	N/A	N/A	N/A	0.898	0.011	0.038	1.065	0.030	2.497			
2013	N/A	N/A	N/A	0.912	0.010	0.047	1.089	0.045	2.548			
2014	N/A	N/A	N/A	0.975	0.011	0.049	1.099	0.061	2.645			
2015	N/A	N/A	N/A	1.056	0.011	0.052	1.125	0.087	2.841			
2016	N/A	N/A	N/A	1.044	0.010	0.051	1.146	0.095	2.835			
2017	0.278	0.249	0.249	1.051	0.010	0.051	1.168	0.097	2.904			
2018	0.287	0.258	0.258	1.084	0.010	0.052	1.186	0.151	3.028			
2019	0.302	0.272	0.272	1.137	0.011	0.054	1.194	0.155	3.125			
2020	0.328	0.294	0.294	1.149	0.010	0.057	1.217	0.166	3.221			

Source: District Records and Municipal Tax Collector

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Nine Years Ago

Exhibit J-8

DEERFIELD TOWNSHIP

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
GST Non-exempt NJ R/E Trust Et als	\$ 4,859,200.00	1	0.025396499			
F&S Realty Associates LLC	2,438,500.00	2	0.012744765	\$ 2,075,200.00	3	1.11%
Piptone Realty LLC	2,096,000.00	3	0.010954697	2,153,500.00	2	1.15%
Lanland, LLC	926,700.00	4	0.004843377			
Crop Prod Serv Inc	853,400.00	5	0.004460276			
S&L Realty Associates LLC	755,300.00	6	0.003947558	805,199.00	8	0.43%
Verizon	667,747.00	7	0.003489965			
White Dog Corporation	648,200.00	8	0.003387803	5,486,300.00	1	2.92%
Individual Tax Payer #1	610,000.00	9	0.003188151			
Bridgeton DG LLC	577,500.00	10	0.003018291			
Individual Tax Payer #2						
LoBiondo Motor Express				1,506,500.00	4	0.80%
AJB Investments				1,262,600.00	5	0.67%
Individual Tax Payer #3				1,067,500.00	6	0.57%
556 Irving Avenue				947,300.00	7	0.50%
Individual Tax Payer #4				553,300.00	9	0.29%
				549,700.00	10	0.29%
Total	\$ 14,432,547.00		7.54%	\$ 16,407,099.00		8.74%
Total Assessed Value	\$ 191,333,461			\$ 187,619,461		

FAIRFIELD TOWNSHIP

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
South State Inc	\$ 4,394,400.00	1	1.41%	\$ 4,925,900.00	1	1.53%
Cumberland Self Storage LLC	1,850,000.00	2	0.62%	2,132,900.00	5	0.66%
Tip's Trailer Park Inc % J STANGER	1,816,300.00	3	0.58%	3,935,600.00	2	1.23%
NJ Oak Solar LLC	1,630,200.00	4	0.52%			
Fairton Oaks Village LLC	1,400,000.00	5	0.45%			
Tip's Trailer Park Inc % J STANGER	1,114,800.00	6	0.36%			
Fairton Oaks Village LLC	1,000,000.00	7	0.32%			
Eagle Manor LLC	754,200.00	8	0.24%			
Verizon	703,242.00	9	0.23%			
Tip's Trailer Park Inc % J STANGER	668,900.00	10	0.21%	2,522,600.00	4	0.79%
Laning Bros Farms Inc				1,801,700.00	7	0.56%
Individual Taxpayer 1				1,224,900.00	9	0.38%
Individual Taxpayer 2				1,525,000.00	8	0.48%
T Zander & Sons, Inc. Profit Sharing				2,800,100.00	3	0.87%
Arthur Moss, MK Boss & MB McDowell				2,031,300.00	6	0.63%
Milner Corp.				1,165,200.00	10	0.36%
Halka Nurseries, Inc.						
Total	\$ 15,432,042.00		4.94%	\$ 24,066,200.00		7.50%
Total Assessed Value	\$ 312,244,086			\$ 321,041,461		

Source: Municipal Tax Assessors (Asbury Park Press - Data Universe)

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Nine Years Ago

Exhibit J-8A

GREENWICH TOWNSHIP

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
PSE & G	\$ 2,686,200.00	1	3.55%	\$ 3,500,100.00	1	5.53%
PSE & G	974,900.00	2	1.29%			
Individual Taxpayer 1	854,300.00	3	1.13%	894,800.00	4	1.41%
Individual Taxpayer 2	714,900.00	4	0.94%	746,200.00	6	1.18%
Individual Taxpayer 3	596,000.00	5	0.79%	582,900.00	7	0.92%
Individual Taxpayer 4	555,900.00	6	0.73%	575,600.00	8	0.91%
Verizon c/o Duff & Phelps	520,435.00	7	0.69%	497,300.00	9	0.79%
Individual Taxpayer 5	509,200.00	8	0.67%	472,500.00	10	0.75%
Individual Taxpayer 6	488,500.00	9	0.64%			
Individual Taxpayer 7	399,400.00	10	0.53%	978,500.00	2	1.55%
Arnold Gifford - Hancock Harbor				957,900.00	3	1.51%
Marvin Hitchner, III				798,100.00	5	1.26%
TJK Landholdings, LLC						
Total	\$ 8,299,735.00		10.96%	\$ 10,003,900.00		15.81%
Total Assessed Value	\$ 75,758,623.00			\$ 63,271,494.00		

HOPEWELL TOWNSHIP

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Cumberland Mutual Fire Insurance Co	6,377,400.00	1	2.10%	5,486,700.00	1	2.32%
LTC MGMT, LLC	5,900,000.00	2	1.94%			
Brid. Shiloh Pike DG LLC	1,745,720.00	3	0.57%			
FD Retail Properties LLC	1,685,800.00	4	0.55%			
AMC Realty LLC	1,496,400.00	5	0.49%	1,218,000.00	4	0.51%
Hopewell Amish Market, LLC	1,259,900.00	6	0.41%			
Sunny Slopes Farms of NJ	789,200.00	7	0.26%	1,758,300.00	2	0.74%
Taxpayer #1	707,700.00	8	0.23%	1,014,200.00	5	0.43%
Riley c/o RW Connection Inc.	698,800.00	9	0.23%			
Taxpayer #2	689,100.00	10	0.23%	924,200.00	6	0.39%
Solavista LLC				1,256,200.00	3	0.53%
Blue Sterling Nursery LLC				835,200.00	7	0.35%
Cottages at Dutch Neck				759,500.00	8	0.32%
Verizon				621,609.00	9	0.26%
Taxpayer #3				611,700.00	10	0.26%
Total	\$ 21,350,020.00		7.03%	\$ 14,485,609.00		6.12%
Total Assessed Value	\$ 303,769,969.00			\$ 236,624,009.00		

Source: Municipal Tax Assessors (Asbury Park Press - Data Universe)

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Nine Years Ago

Exhibit J-8B

SHILOH BOROUGH

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Sarju Realty LLC	495,200	1	1.51%			
Solavista LLC	392,000	2	1.20%			
Individual Taxpayer 1	340,600	3	1.04%			
Individual Taxpayer 2	339,600	4	1.04%			
Individual Taxpayer 3	289,800	5	0.89%			
Individual Taxpayer 4	285,400	6	0.87%			
Dewilde Farm Associates LP	284,900	7	0.87%			
Individual Taxpayer 5	283,300	8	0.87%			
Individual Taxpayer 6	281,200	9	0.86%			
Individual Taxpayer 7	274,100	10	0.84%			
Total	\$ 3,266,100.00		9.98%	\$ -		0.00%
Total Assessed Value	\$ 3,266,100.00		\$ 32,728,090.00	\$ 63,271,494.00		\$ 63,271,494.00

STOW CREEK TOWNSHIP

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Farm Rite	878,600	1	0.82%			
Individual Taxpayer 1	655,500	2	0.61%	668,400.00	1	0.28%
Individual Taxpayer 2	582,700	3	0.54%	526,100.00	2	0.22%
Individual Taxpayer 3	498,600	4	0.46%	486,800.00	3	0.21%
Individual Taxpayer 4	478,800	5	0.44%	477,000.00	4	0.20%
R E M Farms, LLC	422,000	6	0.39%			
Individual Taxpayer 5	420,200	7	0.39%	469,300.00	5	0.20%
Verizon New Jersey	405,263	8	0.38%			
Individual Taxpayer 6	400,200	9	0.37%	422,000.00	6	0.18%
Individual Taxpayer 7	399,200	10	0.37%	381,600.00	7	0.16%
Individual Taxpayer 8				377,800.00	8	0.16%
NJ Bell Telephone				455,459.00	9	0.19%
Individual Taxpayer 9				360,100.00	10	0.15%
Total	\$ 5,141,063.00		4.77%	\$ 3,809,000.00		1.95%
Total Assessed Value	\$ 5,141,063.00		\$ 107,717,340.00	\$ 236,624,009.00		\$ 236,624,009.00

Source: Municipal Tax Assessors (Asbury Park Press - Data Universe)

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Nine Years Ago

Exhibit J-8C

UPPER DEERFIELD

	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Walmart TRS LLC	\$ 13,954,900.00	1	2.21%	\$ 7,400,800.00	1	1.74%
Cedar-Carls Corner LLC	10,755,600.00	2	1.70%	6,948,100.00	2	1.64%
Lassonde Pappas & Co Inc	10,746,400.00	3	1.70%	4,020,000.00	6	0.95%
KMT Properties LLC	10,229,900.00	4	1.62%	4,355,000.00	5	1.03%
Upper Deerfield Station	6,629,700.00	5	1.05%	4,507,300.00	3	1.06%
B&B Plaza Properties LLC	6,153,400.00	6	0.73%	2,265,600.00	10	0.53%
Upper Deerfield Adult Living, LLC	4,600,000.00	7	0.73%	2,270,700.00	9	0.54%
Seabrook Brothers & Sons Inc	3,911,900.00	8	0.62%	4,000,000.00	7	0.94%
Pappas Properties LLC	3,192,400.00	9	0.50%	3,174,300.00	8	0.75%
Wawa, Inc	2,983,000.00	10		4,466,700.00	4	1.05%
Upper Deerfield Leasing, LLC						
Founders Realty III						
Bridgeton Realty Assoc, LLP						
Clement Pappas Co, Inc.						
Seabrook House Inc						
Total	\$ 73,157,200.00		12.47%	\$ 43,408,500.00		10.23%
	Total Assessed Value		\$ 632,231,403.00			\$ 424,194,653.00

Source: Municipal Tax Assessors (Asbury Park Press - Data Universe)

**CUMBERLAND REGIONAL SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (a)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	8,034,310.00	8,034,310.00	100.00%	-
2012	8,034,310.00	8,034,310.00	100.00%	-
2013	7,834,159.00	7,834,159.00	100.00%	-
2014	7,834,160.00	7,834,160.00	100.00%	-
2015	8,315,237.00	8,315,237.00	100.00%	-
2016	8,764,729.00	8,764,729.00	100.00%	-
2017	8,945,817.00	8,945,817.00	100.00%	-
2018	9,245,732.00	9,245,732.00	100.00%	-
2019	9,399,338.00	9,399,338.00	100.00%	-
2020	9,642,836.00	9,642,836.00	100.00%	-

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

a School taxes are collected by the Municipal Tax Collectors. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax

CUMBERLAND REGIONAL SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Bond Anticipation Notes (BANs)		Capital Leases	Total District		
			Capital Leases					
2011	11,602,000.00	-	-	-	-	11,602,000.00	1.38%	476
2012	10,772,000.00	-	-	-	-	10,772,000.00	1.24%	437
2013	9,996,700.00	-	-	-	-	9,996,700.00	1.14%	403
2014	9,287,000.00	-	-	-	-	9,287,000.00	1.05%	377
2015	8,577,000.00	-	-	-	-	8,577,000.00	0.99%	351
2016	7,857,000.00	-	-	-	-	7,857,000.00	N/A	325
2017	7,117,000.00	-	-	-	-	7,117,000.00	N/A	301
2018	6,342,000.00	-	-	-	-	6,342,000.00	N/A	268
2019	5,547,000.00	-	-	-	-	5,547,000.00	N/A	238
2020	4,727,000.00	-	-	-	-	4,727,000.00	N/A	204

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

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
 Per Capita Income by Municipality was unavailable. Per Capita Income by County was used.

CUMBERLAND REGIONAL SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Exhibit J-11

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2011	11,602,000.00	-	11,602,000.00	0.86%	476
2012	10,772,000.00	-	10,772,000.00	0.69%	437
2013	9,996,700.00	-	9,996,700.00	0.64%	403
2014	9,287,000.00	-	9,287,000.00	0.59%	377
2015	8,577,000.00	-	8,577,000.00	0.54%	351
2016	7,857,000.00	-	7,857,000.00	0.50%	325
2017	7,117,000.00	-	7,117,000.00	0.43%	298
2018	6,342,000.00	-	6,342,000.00	0.38%	268
2019	5,547,000.00	-	5,547,000.00	0.33%	238
2020	4,727,000.00	-	4,727,000.00	0.29%	204

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

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

b Population data can be found in Exhibit NJ J-14. Per Capital Income by Municipality was not available. Used Per Capita Income by County.

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

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

**Cumberland Regional School District
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2019**

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Local Municipalities:			
Deerfield Township	\$ 366,451.30	100.00%	\$ 366,451
Deerfield Township School District	690,000.00	100.00%	690,000
Fairfield Township	2,845,189.20	100.00%	2,845,189
Fairfield Township School District	2,965,000.00	100.00%	2,965,000
Greenwich Township	-	100.00%	-
Greenwich Township School District	-	100.00%	-
Hopewell Township	1,252,475.00	100.00%	1,252,475
Hopewell Township School District	1,376,000.00	100.00%	1,376,000
Shiloh Borough	-	100.00%	-
Shiloh Borough School District	-	100.00%	-
Stow Creek Township	110,000.00	100.00%	110,000
Stow Creek Township School District	-	100.00%	-
Upper Deerfield Township	758,640.19	100.00%	758,640
Upper Deerfield Township School District	1,165,000.00	100.00%	1,165,000
Other Debt			
Cumberland County	94,714,744.63	19.02%	18,016,949
Subtotal, Overlapping Debt			29,545,705
Cumberland Regional High School District Direct Debt			<u>5,547,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 35,092,705</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Cumberland County Board of Taxation. Debt outstanding data provided by each governmental unit.

Cumberland Regional School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

Equalized valuation basis:	
2019	\$ 1,649,491,067
2018	1,664,396,709
2017	1,636,628,622
	<u>\$ 4,950,516,398</u>

Average equalized valuation of taxable property \$ 1,650,172,132.67

Debt limit (3% of average)	49,505,163.98
Net bonded school debt	4,727,000.00
Legal debt margin	<u>\$ 44,778,163.98</u>

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 54,741,721.00	\$ 53,141,120.00	\$ 51,828,271.00	\$ 51,480,407.00	\$ 50,642,890.00	\$ 49,819,128.00	\$ 48,802,813.03	\$ 48,741,553.18	\$ 49,221,656.26	\$ 49,505,163.98
Total net debt applicable to limit	11,602,000.00	10,772,000.00	9,996,700.00	9,287,000.00	8,577,000.00	7,857,000.00	7,117,000.00	6,342,000.00	5,547,000.00	4,727,000.00
Legal debt margin	<u>\$ 43,139,721.00</u>	<u>\$ 42,369,120.00</u>	<u>\$ 41,831,571.00</u>	<u>\$ 42,193,407.00</u>	<u>\$ 42,065,890.00</u>	<u>\$ 41,962,128.00</u>	<u>\$ 41,685,813.03</u>	<u>\$ 42,399,553.18</u>	<u>\$ 43,674,656.26</u>	<u>\$ 44,778,163.98</u>

Total net debt applicable to the limit as a percentage of debt limit	21.19%	20.27%	19.29%	18.04%	16.94%	15.77%	14.58%	11.38%	11.27%	9.55%
--	--------	--------	--------	--------	--------	--------	--------	--------	--------	-------

Source: Abstract of Rates and District Records CAFR Schedule J-7

CUMBERLAND REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit J-14

DEERFIELD TOWNSHIP

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2010	3,120	103,546,560	33,188	9.90%
2011	3,123	107,000,226	34,262	11.40%
2012	3,111	106,302,870	34,170	12.80%
2013	3,127	107,212,322	34,286	8.30%
2014	3,120	110,660,160	35,468	9.50%
2015	3,099	112,348,047	36,253	7.70%
2016	3,083	N/A	N/A	6.20%
2017	3,057	114,218,691	37,363	4.90%
2018	3,039	118,195,827	38,893	4.80%
2019	3,012	121,350,468	40,289	4.10%

FAIRFIELD TOWNSHIP

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2010	6,358	211,009,304	33,188	14.40%
2011	6,417	219,859,254	34,262	15.40%
2012	6,633	226,649,610	34,170	14.60%
2013	6,547	224,470,442	34,286	11.60%
2014	6,471	229,513,428	35,468	10.60%
2015	6,355	230,387,815	36,253	10.49%
2016	6,163	N/A	N/A	9.20%
2017	6,087	227,428,581	37,363	8.90%
2018	5,902	229,546,486	38,893	7.90%
2019	5,911	238,148,279	40,289	7.40%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by County estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit J-14A

GREENWICH TOWNSHIP

	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2010	802	26,616,776	33,188	6.30%
2011	803	27,512,386	34,262	7.90%
2012	806	27,541,020	34,170	8.90%
2013	804	27,565,944	34,286	13.50%
2014	798	28,303,464	35,468	6.80%
2015	787	28,531,111	36,253	6.00%
2016	776	N/A	N/A	6.00%
2017	771	28,806,873	37,363	5.10%
2018	765	29,753,145	38,893	4.90%
2019	758	30,539,062	40,289	3.00%

HOPEWELL TOWNSHIP

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2010	4,566	151,536,408	33,188	8.30%
2011	4,554	156,029,148	34,262	9.60%
2012	4,521	154,482,570	34,170	10.85%
2013	4,509	154,595,574	34,286	7.30%
2014	4,500	159,606,000	35,468	6.85%
2015	4,457	161,579,621	36,253	6.10%
2016	4,446	N/A	N/A	5.40%
2017	4,422	165,219,186	37,363	4.30%
2018	4,371	170,001,303	38,893	4.10%
2019	4,350	175,257,150	40,289	3.70%

Sources:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been estimated based upon the municipal population and per capita personal income presented
- ^c Per capita personal income by County estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

CUMBERLAND REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit J-14B

SHILOH BOROUGH

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2010	516	17,125,008	33,188	10.30%
2011	516	17,679,192	34,262	11.90%
2012	512	17,495,040	34,170	13.40%
2013	511	17,520,146	34,286	7.00%
2014	509	18,053,212	35,468	6.90%
2015	505	18,307,765	36,253	5.90%
2016	500	N/A	N/A	4.50%
2017	497	18,569,411	37,363	4.50%
2018	492	19,135,356	38,893	5.70%
2019	487	19,620,743	40,289	4.20%

STOW CREEK TOWNSHIP

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2010	1,433	47,558,404	33,188	9.40%
2011	1,445	49,508,590	34,262	7.30%
2012	1,439	49,170,630	34,170	9.90%
2013	1,435	49,200,410	34,286	10.20%
2014	1,430	50,719,240	35,468	7.50%
2015	1,423	51,588,019	36,253	6.80%
2016	1,417	N/A	N/A	5.50%
2017	1,405	52,495,015	37,363	4.70%
2018	1,385	53,866,805	38,893	4.10%
2019	1,370	55,195,930	40,289	3.20%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by County estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Exhibit J-14C

UPPER DEERFIELD TOWNSHIP

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2010	7,660	254,220,080	33,188	10.40%
2011	7,667	262,686,754	34,262	12.00%
2012	7,668	262,015,560	34,170	13.50%
2013	7,624	261,396,464	34,286	7.40%
2014	7,614	270,053,352	35,468	7.50%
2015	7,586	275,015,258	36,253	6.20%
2016	7,489	N/A	N/A	5.80%
2017	7,431	277,644,453	37,363	5.50%
2018	7,380	287,030,340	38,893	5.20%
2019	7,277	293,183,053	40,289	4.40%

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been estimated based upon the municipal population and per capita personal income presented
- ^c Per capita personal income by County estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15A

GREENWICH TOWNSHIP

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

HOPEWELL TOWNSHIP

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15B

SHILOH BOROUGH

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

STOW CREEK TOWNSHIP

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15

DEERFIELD TOWNSHIP

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

FAIRFIELD TOWNSHIP

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

CUMBERLAND REGIONAL SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15C

UPPER DEERFIELD TOWNSHIP

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

Information not available

Information not available

CUMBERLAND REGIONAL SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program,
 Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction										
Regular	102	105	94	94	92	84	88	71	69	69
Other instruction	25	21	25	25	23	24	9	21	22	22
Support Services:										
Student & instruction related services	4	5	24	24	26	22	24	23	20	21
General administration	10	10	14	2	2	2	2	2	2	2
Other administrative services	16	18	6	16	15	15	15	13	12	12
Administrative Information Technology	3	3	2	2	2	2	2	2	2	2
Plant Operations and Maintenance	14	14	14	14	16	24	24	22	21	21
Other support services	8	10	6	6	6	2	2	1	1	1
Total	182	186	185	183	182	175	166	155	148	150

Source: District Personnel Records

CUMBERLAND REGIONAL SCHOOL DISTRICT
 Operating Statistics,
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	1,330	21,213,166.00	15,949.75	0.66%	100.00	11.97	1,197.00	1,137.00	-2.21%	94.99%
2012	1,291	21,333,200.00	16,524.55	3.60%	105.00	11.80	1,239.00	1,163.00	3.51%	93.87%
2013	1,273	22,642,855.00	17,787.00	7.64%	98.00	12.44	1,219.00	1,149.00	-1.61%	94.26%
2014	1,338	22,032,794.00	16,883.00	-5.08%	97.00	12.85	1,246.00	1,171.00	2.21%	93.98%
2015	1,335	22,207,756.00	16,635.02	-1.47%	93.00	13.49	1,255.00	1,185.00	0.72%	94.42%
2016	1,278	22,064,845.00	17,265.14	3.79%	104.00	11.70	1,217.00	1,146.00	-3.03%	94.17%
2017	1,203	22,287,092.70	18,526.26	7.30%	96.00	12.53	1,155.00	1,071.00	-5.09%	92.73%
2018	1,131	23,959,402.72	21,184.26	14.35%	92.00	12.29	1,104.00	1,025.00	-4.42%	92.84%
2019	1,065	22,906,486.47	21,508.44	1.53%	91.00	18:00	1,047.00	995.00	-5.16%	95.03%
2020	1,018	24,322,895.77	23,892.82	11.09%	91.00	11.19	989.00	950.00	-5.54%	96.06%

Sources: District records

Note: Enrollment based on annual October district count.

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years

Exhibit J-18

District Building	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Primary:</u>										
High School										
Square Feet	247,960	247,960	247,960	247,960	247,960	247,960	247,960	251,371	251,371	251,371
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,330	1,291	1,273	1,338	1,335	1,278	1,203	1,131	1,065	1,018
<u>Other:</u>										
Administration Building										
Square Feet	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,400	4,400	4,400
Storage	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Storage	960	960	960	960	960	960	960	960	960	960

Number of Schools at June 30, 2020
 Senior High Schools - 1
 Other - 3

Source: District Records.

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions. Changes in capacity are also due to recalculations under Department of Education guidelines. Enrollment is based on the Fall survey reports

Cumberland Regional School District
 General Fund
 Schedule of Required Maintenance for School Facilities,
 Last Ten Fiscal Years
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project# (s)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cumberland Regional High School	N/A	\$ 174,865.00	\$ 314,163.00	\$ 301,551.00	\$ 254,543.00	\$ 246,119.00	\$ 257,172.00	\$ 329,005.72	\$ 321,598.39	\$ 448,922.77	\$ 1,787,173.45
Total School Facilities		<u>\$ 174,865.00</u>	<u>\$ 314,163.00</u>	<u>\$ 301,551.00</u>	<u>\$ 254,543.00</u>	<u>\$ 246,119.00</u>	<u>\$ 257,172.00</u>	<u>\$ 329,005.72</u>	<u>\$ 321,598.39</u>	<u>\$ 448,922.77</u>	<u>\$ 1,787,173.45</u>
Other Facilities											
Grand Total		<u>\$ 174,865.00</u>	<u>\$ 314,163.00</u>	<u>\$ 301,551.00</u>	<u>\$ 254,543.00</u>	<u>\$ 246,119.00</u>	<u>\$ 257,172.00</u>	<u>\$ 329,005.72</u>	<u>\$ 321,598.39</u>	<u>\$ 448,922.77</u>	<u>\$ 1,787,173.45</u>

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) (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

**Cumberland Regional School District
Insurance Schedule
For the Year Ended June 30, 2020
Unaudited**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - Republic Franklin Insurance Company		
Property-Blanket Building and Contents	\$ 64,090,470.00	1,000.00
Commercial General Liability	1,000,000.00	
School District Legal Liability	1,000,000.00	7,500.00
Comprehensive Crime Coverage	100,000.00	500.00
Employee Benefits Program Liability	1,000,000.00	1,000.00
Commercial Inland Marine	3,000,000.00	1,000.00
Earthquake Changes	1,000,000.00	25,000.00
Flood Coverage	1,015,000.00	25,000.00
Limited Water Damage	500,000.00	1,000.00
Limited Backup of Sewers or Drains Coverage	1,000,000.00	
Employment-Related Practices-Liability	1,000,000.00	5,000.00
Commercial Automobile-Republic Franklin Insurance Co.	1,000,000.00	
Umbrella Liability - Utica Mutual Insurance Company	10,000,000.00	10,000.00
Umbrella Policy		
Workers' Compensation and Employers Liability -		
New Jersey Schools Insurance Group	3,000,000.00	
Student Accident - Catlin Insurance Company Incorporated	25,000.00	
Student Accident - Catastrophic - United States Fire Insurance	5,000,000.00	25,000.00
Company		
Catastrophic Excess Liability - Fireman's Fund	50,000,000.00	
Bonds:		
Board Secretary/Business Administrator:		
Bruce Harbinson	250,000.00	

Source: District Records

SINGLE AUDIT SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Cumberland Regional School District
65 Love Lane
Bridgeton, New Jersey 08302

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 Cumberland Regional School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Cumberland Regional School District's basic financial statements, and have issued our report thereon dated January 4, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Cumberland Regional School District's 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 Cumberland Regional School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Cumberland Regional 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 4, 2021



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Cumberland Regional School District
65 Love Lane
Bridgeton, New Jersey 08302

Report on Compliance for Each Major Federal & State Program

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

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grant terms and conditions applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Cumberland Regional School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Uniform Guidance and NJ OMB 15-08. Those standards and the Uniform Guidance 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 Cumberland Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Cumberland Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs as identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned costs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Cumberland Regional School District's 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 Cumberland Regional School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Cumberland Regional School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 4, 2021

CUMBERLAND 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	Grant or State Project Number	Grant Period From To	Program or Award Amount	Balance at June 30, 2019			Budgetary Expenditures			Repayment of Prior Years' Balances	June 30, 2020 Deferred Revenue	Due to Grantor		
						Account Receivable	Unearned Revenue	Due to Grantor	Carryover (Walkover) Amount	Cash Received	Pass Through to State-Recipients				Direct	Total
U.S. Department of Health and Human Services Pass-Through State Department of Health and Human Services General Fund:																
Medical Assistance Program (SEMI)	83.778	2005NLSMAP	N/A	7/1/2019 - 6/30/2020	13,913.13	\$ -	\$ -	\$ -	\$ -	\$ 13,913.13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Fund										\$ 13,913.13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Department of Education Pass-Through State Department of Education Special Revenue Fund:																
Title I, Part A	84.010A	S010A200030	NCLB-099720	7/1/2019 - 6/30/2020	402,943.00	-	-	-	-	198,207.00	-	-	-	-	-	-
Title I, Part A	84.010A	S010A190030	NCLB-099719	7/1/2018 - 6/30/2019	208,725.00	(40,678.00)	-	-	-	40,678.00	(378,649.28)	-	-	-	(204,736.00)	24,293.74
Title II, Part A	84.367A	S367A200029	NCLB-099720	7/1/2019 - 6/30/2020	63,758.31	-	-	-	-	31,598.00	-	-	-	-	-	-
Title II, Part A	84.367A	S367A190029	NCLB-099719	7/1/2018 - 6/30/2019	42,068.00	(3,715.00)	-	-	-	42,068.00	(62,101.00)	-	-	-	(30,583.00)	-
I.D.E.A. Part B, Basic, Regular	84.027	H027A300100	FT-098720	7/1/2019 - 6/30/2020	254,782.00	-	-	-	-	103,221.00	-	-	-	-	-	-
I.D.E.A. Part B, Basic, Regular	84.027	H027A180100	FT-098719	7/1/2018 - 6/30/2019	272,513.00	(34,313.00)	-	-	-	34,313.00	(254,782.00)	-	-	-	(151,571.00)	-
CARES Emergency/Relief Grant	84.425	S425D200027	N/A	3/13/2020 - 9/30/2022	318,703.00	-	-	-	-	-	-	-	-	-	(318,703.00)	318,703.00
Title IV	84.424	S424A200031	NCLB-099720	7/1/2019 - 6/30/2020	-	-	-	-	-	-	-	-	-	-	-	-
Title IV	84.424	S424A190031	NCLB-099719	7/1/2018 - 6/30/2019	10,355.00	(462.00)	-	-	-	11,062.00	(10,600.00)	-	-	-	-	-
Peikins Vocational	84.948A	S948A190030	PERK-099720	7/1/2019 - 6/30/2020	-	-	-	-	-	-	-	-	-	-	-	-
Peikins Vocational	84.948A	S948A200030	PERK-099719	7/1/2018 - 6/30/2019	82,226.00	(13,207.00)	-	-	-	81,386.00	(98,939.00)	-	-	-	(30,760.00)	-
Total Special Revenue Fund						\$ 92,375.00	\$ -	\$ -	\$ -	\$ 504,120.00	\$ 695,081.28	\$ -	\$ -	\$ -	\$ 736,333.00	\$ 342,986.74
U.S. Department of Agriculture Pass-Through State Department of Education Enterprise Fund:																
Food Distribution Program	10.555	201N304N1099	N/A	7/1/2018 - 6/30/2019	14,839.01	-	-	-	-	14,839.01	(14,839.01)	-	-	-	-	-
National School Breakfast Program	10.553	191N304N1099	N/A	7/1/2018 - 6/30/2019	48,898.09	(3,628.89)	-	-	-	3,628.89	-	-	-	-	-	-
National School Breakfast Program	10.553	191N304N1099	N/A	7/1/2019 - 6/30/2020	72,224.04	-	-	-	-	65,014.64	(72,224.04)	-	-	-	(7,209.40)	-
National School Lunch Program	10.555	191N304N1099	N/A	7/1/2018 - 6/30/2019	189,855.03	(10,277.59)	-	-	-	10,277.59	-	-	-	-	-	-
National School Lunch Program	10.555	191N304N1099	N/A	7/1/2019 - 6/30/2020	178,976.43	-	-	-	-	67,500.93	(178,976.43)	-	-	-	(11,469.50)	-
Total Enterprise Fund						\$ 13,906.48	\$ -	\$ -	\$ -	\$ 281,287.06	\$ 266,039.48	\$ -	\$ -	\$ -	\$ 18,678.00	\$ -
Total Federal Financial Awards						\$ 106,281.48	\$ -	\$ -	\$ -	\$ 779,300.19	\$ 1,096,033.87	\$ -	\$ -	\$ -	\$ 755,011.00	\$ 342,986.74

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

CUMBERLAND REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2020

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting and those in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's basic financial statements. The information included in this schedule is presented in accordance with the requirements of OMB Uniform Guidance and NJ OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3 RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2.. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two 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 net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$3,888.00), for the general fund and (\$14,265.53) for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>TPAF Pension</u>	<u>Total</u>
General Fund	\$ 13,913.13	\$ 15,393,741.63	\$ (2,103,287.00)	\$ 13,304,367.76
Special Revenue Fund	801,143.36	73,723.85	-	874,867.21
Capital Projects Fund	-	-	-	-
Debt Service Fund	-	206,304.00	-	206,304.00
Food Service Fund	<u>266,039.48</u>	<u>3,646.03</u>	-	<u>269,685.51</u>
	<u>\$ 1,081,095.97</u>	<u>\$ 15,677,415.51</u>	<u>\$ (2,103,287.00)</u>	<u>\$ 14,655,224.48</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

CUMBERLAND REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2020
(CONTINUED)

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER

Revenues and expenditures reported under the U.S.D.A. Commodities Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the 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.

NOTE 6 ADJUSTMENTS

The District has instances where a grant period overlaps fiscal years and the grant has not closed out at the end of the current fiscal year.

CUMBERLAND REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2020

I. SUMMARY OF AUDITORS RESULTS

Financial Statements

Type of auditor's report issued: Unmodified Opinion issued on the Basic Financial Statements

Internal control over financial reporting:

1) Material weakness identified? None noted

2) Significant deficiencies identified? None noted

Noncompliance material to the Basic Financial Statements noted? None noted

Federal Awards

Internal control over major programs:

1) Material weakness identified? None noted

2) Significant deficiencies identified? None noted

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? None noted

Identification of major programs:

<u>CFDA Numbers</u>	<u>FAIN#</u>	<u>Name of Federal Program or Cluster</u>
84.010A	S010A200030	Title I, Grants to Local Educational Agencies

Dollar threshold used to distinguish between type A and type B programs: \$750,000.00

Auditee qualified as low-risk auditee? Yes

CUMBERLAND REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2020
(CONTINUED)

I. SUMMARY OF AUDITORS RESULTS - Continued

State Awards

Dollar threshold used to distinguish between type A and Type B Programs:	\$750,000.00
Auditee qualified as low-risk auditee?	Yes
Type of auditor's report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs
Internal Control over major programs:	
1) Material weakness identified?	None noted
2) Significant deficiencies identified?	None noted
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
19-495-034-5120-078	Equalization Aid
19-495-034-5120-068	School Choice Aid
19-495-034-5120-089	Special Education Aid
19-495-034-5120-084	Categorical Security Aid

CUMBERLAND REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2020
(CONTINUED)

II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

III. FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

Federal:

Our audit disclosed no material Findings or Questioned Costs.

State:

Our audit disclosed no material Findings or Questioned Costs.

STATUS OF PRIOR YEAR FINDINGS

There were no audit findings in 2019.

{THIS PAGE IS INTENTIONALLY LEFT BLANK}