

Comprehensive Annual Financial Report

of the

Matawan-Aberdeen Regional School District

County of Monmouth

Aberdeen, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

**Matawan-Aberdeen Regional, Board of Education
Finance Department**

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INTRODUCTORY SECTION

Matawan-Aberdeen Regional School District
OFFICE OF THE BUSINESS ADMINISTRATOR/BOARD SECRETARY

One Crest Way, Aberdeen, New Jersey 07747

Joseph G. Majka, J.D.
Superintendent of Schools

(732) 705-4016 Fax (732) 290-0553
afferreira@marsd.org

Alex Ferreira
School Business Administrator/
Board Secretary

February 1, 2021

Honorable President and
Members of the Board of Education
Matawan-Aberdeen Regional School District
1 Crest Way
Aberdeen, New Jersey 07747

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report of the Matawan-Aberdeen Regional School District for the fiscal year ended June 30, 2020, is hereby submitted. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Matawan-Aberdeen Regional School District Board of Education. To the best of our knowledge and belief, the data presented in the auditor's 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 includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Federal Uniform Guidance and New Jersey OMB's Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

Matawan-Aberdeen Regional School District is an independent reporting entity within the criteria adopted by G.A.S.B. (Governmental Accounting Standards Board) established by Statement No. 14. All funds of the District are included in this report. The Matawan-Aberdeen Regional School Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular, vocational and special needs students in and out of district. The District provides a variety of after school activities which include interscholastic athletics and extra-curricular club activities. The District provides transportation for children required by law and also provides courtesy subscription busing, which allows the District to charge parents for empty seats on a route.

The District completed the 2019-2020 fiscal year with an average daily enrollment of 3,725.1 students. The following details the changes in the student enrollment of the District over the past five year period.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	3,773	1.29%
2018-2019	3,725.1	0.14%
2017-2018	3,720	0.22%
2016-2017	3,712	(1.47%)
2015-2016	3,767.5	(1.48%)

2. ECONOMIC CONDITION AND OUTLOOK:

The Township of Aberdeen and the Borough of Matawan are located in the center of New Jersey, in the northern part of Monmouth County and are halfway between New York and Philadelphia. Within a forty-five minute drive to the north and east is the Manhattan Borough in New York City. Taking a westerly route, the semi-rural areas of New Jersey are a similar drive away. These municipalities are located near one of New Jersey’s largest commercial/industrial areas as well as close proximity to plane, highway, and public transportation access.

These municipalities are almost completely developed and are primarily residential communities. The Garden State Parkway, which passes through the District, provides access to all parts of the State because of its connections with the New Jersey Turnpike, which is in close proximity. A station operated by the New Jersey Transit located in the Borough of Matawan provides commercial and mass transit rail service.

There is an active degree of participation by parents and community members with the school system including making the facilities available for the recreation programs, Boys Scouts and Girls Scouts.

3. MAJOR INITIATIVES

The district engaged in and expanded upon several major initiatives to improve student achievement during the 2019-2020 school year, in the following areas:

Curriculum & Instruction Initiatives

- o New Senior Seminar Capstone Course at MRHS
- o Offering FREE SAT to all Juniors - MRHS
- o Adoption of new PreK Curriculum - Tools of the Mind
- o Adoption of IXL Online Personalized Learning Software - MS & HS
- o Ready Math & Big Ideas Math Pilots - K-5
- o Revising K & 1 ELA Curriculum to include Lucy Calkins Units of Study.
- o Implementation of a Departmentalized model for 3rd grade classrooms at Cliffwood Elementary School in which teachers are paired for Math & Science or Language Arts & Social Studies
- o Increased Enrichment for All opportunities in our 2nd and 3rd grade classrooms at Ravine Drive, Cliffwood, and Strathmore Schools.
- o Elementary Math Pilot - Ready Math & Big Ideas (K-5)
- o Introduction of Junior Civic Leadership Design Lab Course (MAMS)
- o Phase 2 Rollout of The STEAM Experience - MAMS to include STEAM Machines & STEAM Circuitry
- o Preschool Expansion - Full day Preschool - Gen & Sped - 3&4 year olds in MARSD

3. MAJOR INITIATIVES (CONTINUED)

Curriculum & Instruction Initiatives (Continued)

- o Adoption & implementation of Dibels Progress Monitoring Universal Screener - K-3
- o Adoption & implementation of iReady Diagnostic & Online Instructional Supports for students in need of supplemental support - ELA & Math
- o Adoption of Teaching Strategies Gold (TS Gold) - Prek
- o Expanded training for Lindamood Bell - Visualizing and Verbalizing
- o Districtwide PD Goal focused on Tier 1 Interventions
- o Schoolwide Title 1 Status -Cliffwood & Lloyd Road
- o Expanded Title III ESL Summer Program Offerings for K-5 ESL students
- o Implementation of a hybrid summer Credit Recovery Course - MAMS & MRHS
- o Restructured Tutorials to target support by content area
- o Implementation of Speech and Debate Club at Lloyd Road Elementary and Matawan-Aberdeen Middle School
- o Student participation in Engineering Club, Recorders, Peer Buddies, and Literacy Club at Ravine Drive School.
- o Music and Chorus Clubs, Library Club, Garden Club new at Cliffwood.
- o MAMS will be submitting a formal proposal to start an E-Gaming Team to compete against other schools.
- o Year 2 Implementation of Husky Early College Academy
- o Implementation of iReady Diagnostic and the iReady Platform for universal screening and progress monitoring (Grades K-8)
- o Implementation of Dibels Screener for K-3 students (Dyslexia and Phonics Screener)
- o Implementation of School-Based Technology Committees
- o Introduction of Sandy Hook Promises Start with Hello Program geared to teaching students how to be more socially inclusive and connected to each other - MAMS
- o Implementation Morning Meetings to promote and support social-emotional learning and mindfulness practices - K-5
- o Implementation of Student-Led Conferences -Gr. 4-5
- o Implementation of Daily Mindfulness - K-5
- o District-wide Equity Committee
- o School-Based Equity Committee Members
- o Student Equity Leaders
- o Implementation of Lifelines Suicide Awareness Curriculum

Community Partnership Initiatives -2019-2020

- Expanded Mental Health Workshops
- Staff, Parents, and Community Members
- Title 1 Family Nights
- ESL Parent Advisory Committee
- ESL Family Nights
- Literacy Workshops
- Family Math Nights
- Expansion of Special Education Parent Workshops
- Continue partnership with Monmouth University
- Continue partnership with Brookdale College
- Enhanced Parent University offerings to include Mental Health and Wellness, Young Children and Stress, Suicide Awareness, Raising Resilient Teens
- Continued partnerships with Monmouth University Principal's Academy, Superintendent's Academy and Monmouth County Curriculum Consortium

3. MAJOR INITIATIVES (CONTINUED)

Community Partnership Initiatives (Continued)

- Expanded partnership with YMCA to provide counseling services
- Continued Partnership with Brookdale for Year 2 of K.E.Y.S. Academy Recovery HS
- Monmouth University
- Rutgers University & NJ Collaborating Center for Nursing (NJCCN)
- Brookdale College
- Rider University
- TCNJ
- Rutgers University
- Monmouth County Curriculum Consortium (MC3)
- YMCA
- Monmouth Medical
- Central Jersey Mental Health Consortium
- Mental Health Association of Monmouth County
- Summer Technology Internship Program
- Bell Labs
- Community Career Fairs

Special Education Major Initiatives

- Collaboration with Parents of Special People (POSP) to strengthen District programs and services
- SPED Extended School Year (ESY) with an additional hour of instructional time
- Year 2 implementation of Frontline IEP Direct as the new platform for IEPs and 504 Plans
- Expanded Mental Health and Wellness programs for students, staff and parents
- Continued implementation of REACH Program for 18-21 Year Olds
- Continued implementation of Effective School Solutions (ESS) for counseling services
- Continue to return students to district programs within Least Restrictive Environments; savings re-invested in Special Services programs, materials, supplies and personnel
- Continued partnership with the Bay Area YMCA Partnership to provide our special needs students with meaningful, enriching opportunities during the school day and on weekends and holidays. The membership includes entry and participation for those aids and/or parents.
- Targeted reduction of pull-out resource in favor of in-class resource with appropriate support and co-teacher training
- Expanded Structured Learning Experience program to provide more work sites and more varied experiences for students eligible for the SLE program
- Partnership with YMCA for Counseling Services - K-12
- Partnership with Mental Health Association of Monmouth County
- Effective School Solutions (ESS) Student Services - MS & HS
- Implementation and expansion of Peer Buddy Mentoring Program
- Implemented Positive Behavioral Supports (PBS)- Prek-12
- Child Assault Prevention (CAP) Program K-5
- MRHS is placing a spotlight on ICR classrooms and providing co-teachers with two days per week of Common Planning Time.
- MRHS is implementing a PCAST program. The goal for 19-20 is to conduct sessions for four students as a starting point. For 20-21, we anticipate offering the program as an elective course
- Expanded Community Based Instruction (CBI) Opportunities

3. MAJOR INITIATIVES (CONTINUED)

Facilities and Finance Major Initiatives

- Installation of 1900 LED lights to replace T-8 fluorescent lighting in classrooms and corridors with NJCE Grants
- Continued integration of electronic controls for HVAC and lighting systems for energy savings
- Full implementation of “blue” cleaning technology to eliminate chemicals from daily cleaning using on-site generated cleaning solutions from water and salt.
- Start up of school and district level green teams to promote sustainability.
- New design of pre-k areas per Preschool expansion grant success/failure.
- Turf and track replacement for 20/21 summer.
- Replacement of Rubberized flooring in MAMS gym (mercury levels deemed non-hazardous but floor replacement is needed nonetheless)
- Continued improvement in air quality in classrooms and offices through upgraded HVAC equipment and filters
- Parking Lot Paving Projects - CL & LR

Professional Development Major Initiatives

- Social-Emotional Learning/Wellness Practices & Restorative Discipline Strategies
- Reader’s & Writer’s Workshop - K-1
- Extreme Ownership (PD delivered by Escholan Fronts, former Navy Seals)
- Co-Teaching Best Practices - K-12
- Literacy by Design (LBD) PD & Coaching Support - Gr. 2-5
- Wilson Foundations -K-1
- K-12 Continued PD - Sheltered English Instruction (SIOP)
- Lindamood Bell - Visualizing and Verbalizing - K-5
- Standard/Skill Focused Data Analysis and Standards-Based Curriculum Design
- Orton Gillingham - K-5
- Multi-Tiered Interventions -K-5
- Sheltered English Instruction (SIOP) - K-12
- Handle with Care - K-12
- Intervention & Referral Services (I&RS) - K-12
- Lifelines Suicide Awareness Training - 6-12
- Restorative Practices - K-12
- Partnership with YMCA to provide mental health counseling and supports - K-12
- Partnership with Central Jersey Consortium for Equity and Excellence in Education
- Partnership with Kean University Diversity Council

4. INTERNAL ACCOUNTING CONTROLS:

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

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

As part of the District 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 program, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. 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 cancelled or are included as a reappropriation of fund balances in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020.

Budgetary controls are part of a school district's complete internal control structure. As noted in item 4, problems noted at the time the Business Administrator was hired have been fully addressed to the satisfaction of the district's independent auditor.

6. ACCOUNTING SYSTEM AND REPORTS:

A District's accounting records must reflect generally accepted principles, as promulgated by the Governmental Accounting Standards Board (G.A.S.B.). 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.

An effective and efficient system of internal controls is essential to accurate, timely reporting of all relevant transactions on an accounting system and the resultant administrative and external reports generated from that system.

7. DEBT ADMINISTRATION:

The District's total outstanding debt as of June 30, 2020, was \$47,176,276. The remaining annual maturity schedule as of June 30, 2020, for principal and interest are detailed in the section labeled "Notes to Financial Statements".

8. CASH MANAGEMENT:

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

The District utilizes Investors Bank as its main depository for district funds.

9. RISK MANAGEMENT:

The District maintains a comprehensive insurance program, including but not limited to blanket building and contents property insurance, general liability, automobile liability and comprehensive/collision, umbrella liability and worker's compensation. Annual reviews of the entire program are done in order to evaluate potential insurance changes. A schedule of insurance coverage is found in Schedule J-20.

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board of Education selected the accounting firm of Suplee, Clooney & Company. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the Federal Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of the report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

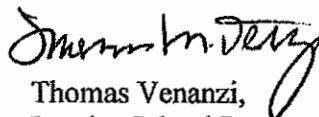
11. ACKNOWLEDGEMENTS:

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

Respectfully submitted,



Dr. Joseph Majka,
Superintendent of Schools



Thomas Venanzi,
Interim School Business Administrator/Board Secretary

MATAWAN-ABERDEEN REGIONAL BOARD OF EDUCATION

ABERDEEN, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2020

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Allison Friedman, President	2020
Randi Moore, Vice President	2021
Kevin Ahearn	2020
Weymouth Brittingham	2020
John Montone	2021
Shari Whalen	2021
Kizzie Osborne	2022
Annette Ascoli	2022
Tara Martinez	2022

Other Officials

Dr. Joseph G. Majka, Superintendent of Schools

Mr. John Bombardier, Assistant Superintendent of Curriculum & Instruction

Ms. Nelyda Perez, Assistant Superintendent for Special Services & Programs

Mr. Alexandre Ferreira, School Business Administrator / Board Secretary

Mr. Michael Liebmann, Director of Personnel

Mr. Kenneth Jannarone, Treasurer of School Monies

MATAWAN-ABERDEEN REGIONAL BOARD OF EDUCATION

ABERDEEN, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2020

Auditor / Audit Firm

Suplee, Clooney and Company
308 East Broad Street
Westfield, New Jersey 07090

Attorney

David B. Rubin, Esquire
450 Main Street
P.O. Box 4579
Metuchen, New Jersey 08840

Official Depository

Investors Bank
345 Matawan Road
Matawan, New Jersey 07747

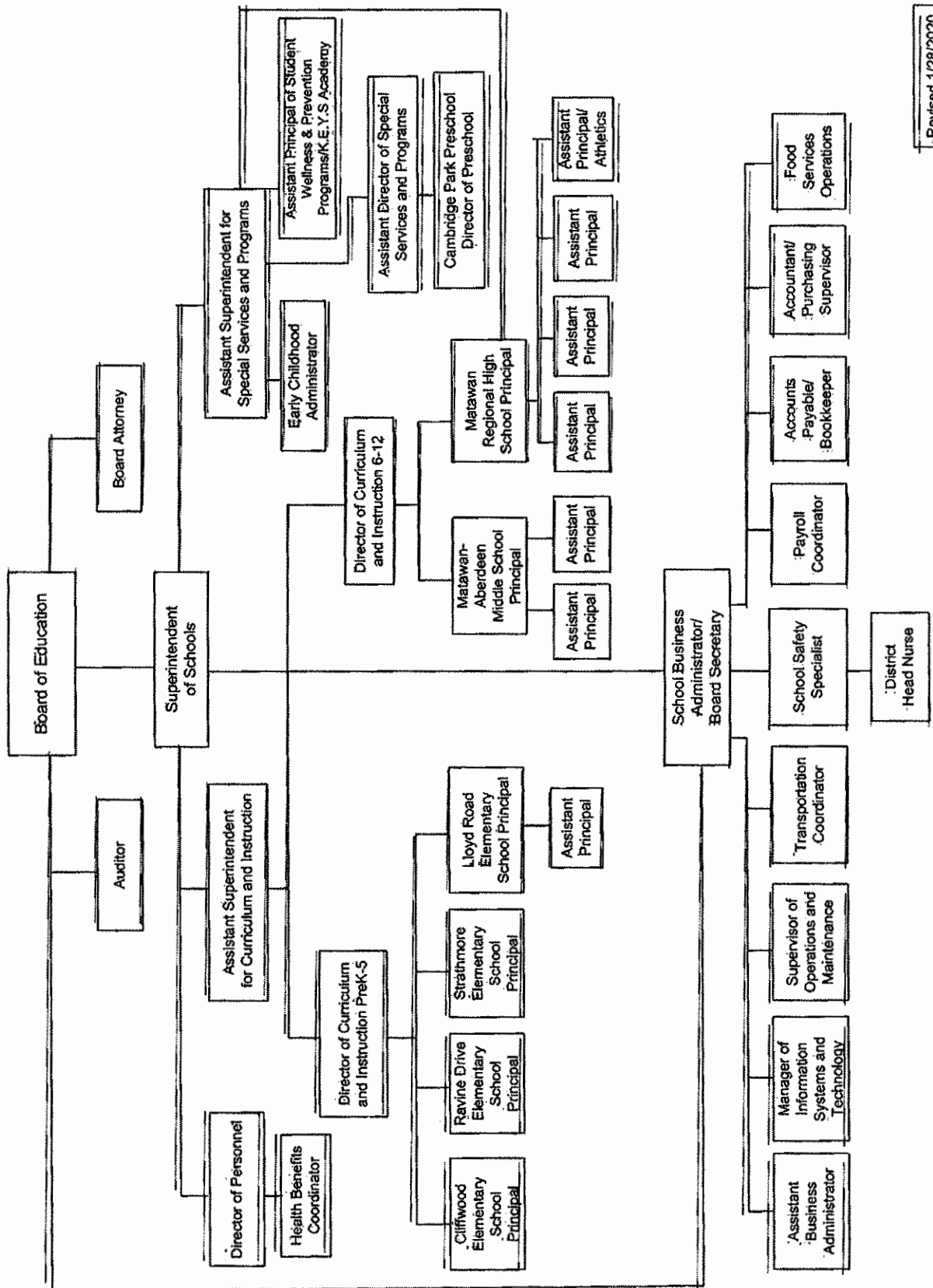
NJARM

P. O. Box 11813
Harrisburg, Pennsylvania 17108

Bank of America

140 Main Street
Matawan, New Jersey 07747

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
District Organization Chart
2019 - 2020



Revised 1/28/2020

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FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Matawan-Aberdeen Regional School District
County of Monmouth
Aberdeen, New Jersey 07747

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 Matawan-Aberdeen Regional School District, County of Monmouth, 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

SUPLEE, CLOONEY & COMPANY

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

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

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) on Exhibits M-1 and M-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPLEE, CLOONEY & COMPANY

Other Information

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

The combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 1, 2021 on our consideration of the Matawan-Aberdeen 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 effectiveness of the Matawan-Aberdeen Regional School District's 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 Matawan-Aberdeen Regional School District's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

February 1, 2021

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Year Ended June 30, 2020

UNAUDITED

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The statement of net position (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

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

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

The District maintains four individual government funds: the general fund, special revenue fund, capital projects fund and debt service fund. All are considered to be major funds. The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary funds – The District maintains two proprietary funds. These 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 is that the costs of providing the goods or services be financed through user charges. Included in the enterprise fund are the Food Services and Summer Theater program operations. The basic proprietary fund statements can be found as Exhibits B-4 through B-6.

Fiduciary funds - are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the District-wide financial statement because the resources of those funds are not available to support the District's own programs. The District uses fiduciary funds to account for resources held for student activities and groups and for payroll transactions. The basic fiduciary fund statements can be found as Exhibit B-7 and B-8.

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

FINANCIAL HIGHLIGHTS

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

On the District Wide Financial Statements:

In total, net position increased \$2,077,515, which represents a 5.23 percent increase from 2019.

General revenues accounted for \$73,028,995 in revenue or 80 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$18,726,333 or 20 percent of total revenues.

The School District had \$89,678,988 in expenses; \$18,726,333 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$73,028,995 were adequate to provide for these programs.

On the Fund Financial Statements:

The General Fund local tax levy increased from 2018-2019 by \$1,359,340 to \$57,986,573 or 2.40 percent.

Among governmental funds, the General Fund had \$80,745,337 in revenues and \$79,656,476 in expenditures. Overall the General Fund's fund balance increased \$1,088,861 from 2019.

District–Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the District’s financial position. The following table provides a summary of net position:

TABLE 1
Net Position

	2019-2020			2018-2019		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
ASSETS						
Current & Other Assets	\$14,160,048	\$415,467	\$14,575,515	\$13,826,617	\$453,851	\$14,280,468
Capital Assets	78,327,424	28,478	78,355,901	76,375,008	32,713	76,407,721
TOTAL ASSETS	92,487,472	443,944	92,931,416	90,201,625	486,564	90,688,189
DEFERRED OUTFLOWS OF RESOURCES:						
Pension Related	2,675,423		2,675,423	3,962,294		3,962,294
Total Deferred Outflow of Resources	2,675,423		2,675,423	3,962,294		3,962,294
LIABILITIES						
Cash Deficit					5,963	5,963
Long-Term Liabilities	44,963,228		44,963,228	46,438,720		46,438,720
Other Liabilities	4,311,865	103,761	4,415,626	3,914,845	84,583	3,999,428
TOTAL LIABILITIES	49,275,093	103,761	49,378,854	50,353,566	90,545	50,444,111
DEFERRED INFLOWS OF RESOURCES:						
Gain on Refunding of Long Term Debt	173,250		173,250	192,208		192,208
Pension Related	4,284,913		4,284,913	4,321,857		4,321,857
Total Deferred Inflow of Resources	4,458,163		4,458,163	4,514,065		4,514,065
NET POSITION						
Net Investment in Capital Assets	44,482,022	28,478	44,510,500	42,243,160	32,713	42,275,873
Restricted	10,863,444		10,863,444	8,552,700		8,552,700
Unrestricted (Deficit)	(13,915,827)	311,706	(13,604,121)	(11,499,572)	363,306	(11,136,266)
TOTAL NET POSITION	\$41,429,639	\$340,183	\$41,769,823	\$39,296,289	\$396,019	\$39,692,307

The District’s combined net position were \$41,769,823 on June 30, 2020. The District’s investment in capital assets is shown net of any related debt used to acquire those assets.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position from the prior year:

**TABLE 2
CHANGES IN NET POSITION**

	2019-2020			2018-2019		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
Revenues:						
Program Revenues:						
Charges for Services		\$650,046	\$650,046	\$13,100	\$989,833	\$1,002,933
Operating Grants & Contributions	17,380,870	695,417	18,076,287	20,415,274	752,911	21,168,185
General Revenues						
Property Taxes	57,986,573		57,986,573	56,627,233		56,627,233
Grants (includes State Aid) and Entitlements	13,874,890		13,874,890	14,017,707		14,017,707
Other Revenues	1,219,118	53	1,219,171	884,031	2	884,033
Transfers & Other Adjustments	(51,639)		(51,639)	(41,974)		(41,974)
	<u>90,409,813</u>	<u>1,345,516</u>	<u>91,755,328</u>	<u>91,915,371</u>	<u>1,742,746</u>	<u>93,658,117</u>
Expenses:						
Instruction	30,420,115		30,420,115	29,274,831		29,274,831
Support Services/Undistributed Costs	54,717,278		54,717,278	56,840,973		56,840,973
Interest on Long-Term Debt	1,138,595		1,138,595	1,004,323		1,004,323
Business-Type Unallocated depreciation	2,000,474	1,401,351	1,401,351	2,012,318	1,683,823	1,683,823
Total Expenses	<u>88,276,462</u>	<u>1,401,351</u>	<u>89,677,813</u>	<u>89,132,446</u>	<u>1,683,823</u>	<u>90,816,269</u>
Change in Net Position	2,133,351	(55,835)	2,077,515	2,782,925	58,923	2,841,848
Net Position July 1,	<u>39,296,289</u>	<u>396,019</u>	<u>39,692,307</u>	<u>36,513,363</u>	<u>337,096</u>	<u>36,850,459</u>
Net Position June 30,	<u>\$41,429,639</u>	<u>\$340,183</u>	<u>\$41,769,823</u>	<u>\$39,296,289</u>	<u>\$396,019</u>	<u>\$39,692,307</u>

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Variances in both the revenues and expenditures are significantly affected by fluctuations in the actuarial revenue/expenses for TPAF and PERS Pension under GASB 68 and Postemployment Benefits under GASB 75.

Table 3 shows the total cost of services and the net cost of services. The total costs include compensating absences, unallocated benefits, and depreciation and is reduced by grants and specific state aid. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. In accordance with GASB Statement 34, a comparison to fiscal year 2019 is presented.

**TABLE 3
NET COST OF SERVICES**

	Total Cost of Services <u>2020</u>	Total Cost of Services <u>2019</u>	Net Cost of Services <u>2020</u>	Net Cost of Services <u>2019</u>
Instruction	\$30,421,259	29,274,831	\$38,095,673	\$37,019,112
Support Services/Undistributed Costs	54,717,309	56,840,973	30,041,149	29,026,900
Interest on Long-Term Debt	1,138,595	1,004,323	1,002,451	859,331
Business-Type	1,401,351	1,683,823	55,888	(58,921)
Unallocated depreciation	2,000,474	2,012,318	1,756,317	1,798,728
Total Expenses	\$89,678,988	\$90,816,269	\$70,951,480	\$68,645,151

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget is comprised mainly of the June 30, 2019 encumbrances, which 'roll-over' into the subsequent year's budget (2019-2020) and are added to the original budget appropriations. In addition, the District amended the Budget to account for capital projects.

Throughout the year, as necessary, budget transfers are effectuated between budget accounts to re-align the 2019-2020 budget.

Capital Assets

At the end of the fiscal year 2020, the School District had \$78,355,901 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2020 balances compared to 2019.

Table 4
Capital Assets (Net of Depreciation) at June 30

	<u>2020</u>	<u>2019</u>
Land	\$12,323,200.00	\$12,323,200.00
Construction in Progress	23,540,608.12	20,780,115.54
Site Improvements	3,070,461.24	3,215,346.31
Buildings	38,157,431.81	38,919,970.47
Equipment	<u>1,264,200.18</u>	<u>1,169,088.71</u>
	<u>\$78,355,901.35</u>	<u>\$76,407,721.03</u>

Debt Administration

At June 30, 2020, the School District had \$47,176,276 of outstanding debt. Of this amount, \$1,984,808 is for compensated absences; \$31,736,000 of serial bonds, \$335,152 in Unamortized Bond Premium, \$1,601,000 in Capital Leases and \$11,519,316 in Net Pension Liability.

Table 5 illustrates the balances of the District's various bonds issues outstanding at June 30, 2020 and June 30, 2019.

Table 5
Outstanding Bonds at June 30,

	<u>2020</u>	<u>2019</u>
2017 School Bonds	\$18,756,000	\$ 19,306,000
2011 Refunding Bonds	<u>12,980,000</u>	<u>14,255,000</u>
	<u>\$31,736,000</u>	<u>\$33,561,000</u>

For the Future:

On April 27, 2020, the 2020-2021 district budget was approved by the Board of Education. The certified general fund tax levy of \$56,777,262 represents an increase from 2019-2020 of \$1,349,296 or 2.43 percent. The Administration of the Matawan-Aberdeen Regional School District is determined to continue to address the educational needs of our students while delivering a fiscally responsible budget to the taxpayers of the community.

Contacting the District's Financial Management

The District's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions regarding this report can be addressed to the Business Administrator/Board Secretary, Matawan-Aberdeen Regional School District, One Crest Way, Aberdeen, NJ 07747 or at (732) 705-4016.

BASIC FINANCIAL STATEMENTS

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

DISTRICT-WIDE FINANCIAL STATEMENTS

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$4,066,986.85	\$293,610.38	\$4,360,597.23
Receivables, net		93,580.58	93,580.58
Inventory		28,275.82	28,275.82
Interfunds	4,181,129.14		4,181,129.14
Restricted assets:			
Restricted cash and cash equivalents	5,911,932.12		5,911,932.12
Capital assets:			
Land and Construction in progress	35,863,808.12		35,863,808.12
Other Capital Assets net of depreciation	<u>42,463,615.71</u>	<u>28,477.52</u>	<u>42,492,093.23</u>
Total Assets	92,487,471.94	443,944.30	92,931,416.24
DEFERRED OUTFLOW OF RESOURCES:			
Pension Related	<u>2,675,423.00</u>		<u>2,675,423.00</u>
Total Deferred Outflows	2,675,423.00		2,675,423.00
LIABILITIES:			
Interfunds Payable		33,170.16	33,170.16
Accounts payable	737,177.52	9,368.16	746,545.68
Payable to state government	1,175.00		1,175.00
Payable to federal government	24,194.65		24,194.65
Unearned revenue	953,407.05	61,222.72	1,014,629.77
Accrued Interest Payable	382,862.50		382,862.50
Noncurrent liabilities:			
Due within one year:			
Bonds and capital leases payable	2,213,048.35		2,213,048.35
Due beyond one year:			
Compensated absences payable	1,984,808.37		1,984,808.37
Bonds and capital leases payable	31,459,103.31		31,459,103.31
Net Pension Liability	<u>11,519,316.00</u>		<u>11,519,316.00</u>
Total liabilities	49,275,092.75	103,761.04	49,378,853.79
DEFERRED INFLOWS OF RESOURCES:			
Gain on Refunding Bonds	173,249.72		173,249.72
Pension Related	<u>4,284,913.00</u>		<u>4,284,913.00</u>
Total Deferred Inflows	4,458,162.72		4,458,162.72
NET POSITION:			
Net investment in capital assets	44,482,022.46	28,477.52	44,510,499.98
Restricted for:			
Debt service fund	0.82		0.82
Capital projects fund	1,454,843.63		1,454,843.63
Other purposes	9,408,599.51		9,408,599.51
Unrestricted (Deficit)	<u>(13,915,826.94)</u>	<u>311,705.74</u>	<u>(13,604,121.20)</u>
Total net position	<u>\$41,429,639.47</u>	<u>\$340,183.26</u>	<u>\$41,769,822.73</u>

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2020

Functions/Programs	Expenses	Indirect Cost Allocation	Programs Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental Activities:						
Instruction:						
Regular	\$ 19,766,047.02	\$ 13,453,498.42	\$ 8,868,828.26	\$	\$ (24,350,717.18)	\$ (24,350,717.18)
Special	7,771,961.35	4,931,394.25	2,751,421.48		(9,951,934.12)	(9,951,934.12)
Other Instruction	2,882,106.39	2,050,097.92	1,139,182.18		(3,793,022.13)	(3,793,022.13)
Support services:						
Tuition	3,911,823.93				(3,911,823.93)	(3,911,823.93)
Student & instruction related services	8,501,519.66	4,253,880.72	3,009,147.77		(9,746,252.61)	(9,746,252.61)
General administrative services	1,505,883.50	488,129.26	63,359.57		(1,910,653.19)	(1,910,653.19)
School administrative services	2,868,938.36	2,160,736.33	1,208,109.61		(3,821,565.08)	(3,821,565.08)
Central service	705,178.29	232,984.13	35,913.49		(902,248.93)	(902,248.93)
Admin information technology	227,823.09	60,714.49	9,051.37		(279,486.21)	(279,486.21)
Plant operations and maintenance	4,980,600.85	417,911.35	57,228.00		(5,341,284.20)	(5,341,284.20)
Pupil transportation	3,429,310.28	801,009.51	102,484.84		(4,127,834.95)	(4,127,834.95)
Unallocated benefits	28,586,199.89	(28,586,199.89)				
Interest on Long-Term Debt	1,138,595.21		136,143.74		(1,002,451.47)	(1,002,451.47)
Unallocated depreciation	2,000,473.93	(244,156.49)			(1,756,317.44)	(1,756,317.44)
Total governmental activities	88,276,461.75		17,380,870.31		(70,895,591.44)	(70,895,591.44)
Business-type activities						
Food Service	1,382,379.70		621,076.03	695,416.72	(65,886.95)	(65,886.95)
Summer Theater	18,971.50		28,970.00		9,998.50	9,998.50
Total business-type activities	1,401,351.20		650,046.03	695,416.72	(55,888.45)	(55,888.45)
Total primary government	\$ 89,677,812.95		\$ 650,046.03	\$ 18,076,287.03	\$ (70,895,591.44)	\$ (70,951,479.89)
General Revenues:						
Taxes:						
Property taxes, levied for general purposes, net					\$ 55,427,966.00	\$ 55,427,966.00
Taxes levied for debt service					2,558,607.00	2,558,607.00
Federal and state aid not restricted					13,652,761.02	13,652,761.02
Federal and state aid restricted					222,129.26	222,129.26
Miscellaneous income					1,219,118.18	1,219,118.18
Disposal of capital asset (net)					(51,639.13)	(51,639.13)
Total general revenues					73,028,942.33	73,028,942.33
Change in net position					2,133,350.89	2,077,515.42
Net Position - beginning					39,296,288.58	39,692,307.31
Net Position ending					41,429,639.47	41,769,822.73

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

MAJOR FUND FINANCIAL STATEMENTS

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

MATAWAN-ABERDEEN 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	\$ 157,856.90	\$ 909,167.04	\$ 98,442.67	\$ 1.11	\$ 1,165,467.72
Cash, Capital Reserve	5,298,307.18				5,298,307.18
Cash, Emergency Reserve	280,601.00				280,601.00
Cash, Maintenance Reserve	3,234,543.07				3,234,543.07
Other receivables	45,553.33		1,743,498.96		1,789,052.29
Due from other funds	959,956.54		200,000.00	1,897.71	1,161,854.25
Receivables from other governments	1,030,721.66	396,668.25	374,286.81		1,801,676.72
Total assets	\$ 11,007,539.68	\$ 1,305,835.29	\$ 2,416,228.44	\$ 1,898.82	\$ 14,731,502.23
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 44,048.29	\$ 10,407.23	\$	\$	\$ 54,455.52
Payable to state government		1,175.00			1,175.00
Payable to federal government		24,194.65			24,194.65
Interfund payables	200,000.00	369,556.41	1,897.71		571,454.12
Unearned revenue		900,502.00	52,905.05		953,407.05
Total liabilities	244,048.29	1,305,835.29	54,802.76		1,604,686.34
Fund balances:					
Restricted:					
Capital reserve account	5,298,307.18				5,298,307.18
Emergency Reserve Account	280,601.00				280,601.00
Maintenance Reserve Account	3,234,543.07				3,234,543.07
Excess Surplus designated for subsequent years expenditures	263,574.00				263,574.00
Excess surplus	331,574.26				331,574.26
Capital Projects Fund			1,454,843.63		1,454,843.63
Debt service fund				0.82	0.82
Committed:					
Encumbrances			906,582.05		906,582.05
Assigned:					
Designated for subsequent years expenditures				1,898.00	1,898.00
Unassigned					
General fund	476,960.26				476,960.26
Total fund balances	10,763,491.39		2,361,425.68	1,898.82	13,126,815.89
Total liabilities and fund balances	\$ 11,007,539.68	\$ 1,305,835.29	\$ 2,416,228.44	\$ 1,898.82	\$ 14,731,502.23

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

Total Fund Balances (Brought Forward) \$13,126,815.89

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.

Cost of Assets	\$119,247,375.04	
Accumulated Depreciation	(40,919,951.21)	
	78,327,423.83	78,327,423.83

Long term liabilities, including bonds payable, and other related
amounts that are not due and payable in the current period
and therefore are not reported as liabilities in the funds.

Net Pension Liability	(11,519,316.00)	
Compensated Absences	(1,984,808.37)	
Bonds Payable	(31,736,000.00)	
Deferred Amount on Premium on Refunding Bonds	(335,151.65)	
Deferred Amount on Gain on Refunding Bonds	(173,249.72)	
	(47,349,525.74)	(47,349,525.74)

Deferred Outflows and Inflows of resources are applicable
to future periods and therefore are not reported in the funds.

Pensions:

Deferred Outflows		2,675,423.00
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Deferred Inflows		(4,284,913.00)
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Certain liabilities are not due and payable in the current period
and therefore, are not reported in the governmental funds.

Accounts Payable - Pension Related	(682,722.00)	
Accrued Interest Payable	(382,862.50)	
	(1,065,584.50)	(1,065,584.50)

Net Position of Governmental Activities		\$41,429,639.47
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The accompanying Notes to the Financial Statements are an integral part of this statement.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local tax levy	\$ 55,427,966.00			\$ 2,558,607.00	\$ 57,986,573.00
Transportation fees from Other LEAs					
Interest on Capital Reserve	21,438.45				21,438.45
Interest on Maintenance Reserve	21,914.90				21,914.90
Interest on Emergency Reserve	2,792.75				2,792.75
Miscellaneous	990,351.34	20,420.52			1,010,771.86
Total - local sources	56,464,463.44	20,420.52		2,558,607.00	59,043,490.96
State sources	24,202,682.70	545,592.37		358,273.00	25,106,548.07
Federal sources	78,191.02	1,440,595.98			1,518,787.00
Total revenues	80,745,337.16	2,006,608.87		2,916,880.00	85,668,826.03
EXPENDITURES:					
Current expense:					
Regular instruction	19,766,047.02				19,766,047.02
Special instruction	6,419,881.38	1,352,079.97			7,771,961.35
Other Instruction	2,882,106.39				2,882,106.39
Support services:					
Tuition	3,911,823.93				3,911,823.93
Student & instruction related services	7,846,990.76	654,528.90			8,501,519.66
General administrative services	1,505,883.50				1,505,883.50
School administrative services	2,868,938.36				2,868,938.36
Central service	705,178.29				705,178.29
Administrative information technology services	227,823.09				227,823.09
Plant operations and maintenance	4,980,600.85				4,980,600.85
Pupil transportation	3,429,310.28				3,429,310.28
Unallocated benefits	23,528,848.28				23,528,848.28
Debt Service:					
Principal				1,825,000.00	1,825,000.00
Interest				1,119,817.50	1,119,817.50
Capital outlay	1,583,043.78		2,526,459.08		4,109,502.86
Total expenditures	79,656,475.91	2,006,608.87	2,526,459.08	2,944,817.50	87,134,361.36
Excess (deficiency) of revenues over (under) expenditures	1,088,861.25		(2,526,459.08)	(27,937.50)	(1,465,535.33)
Other financing sources (uses):					
Proceeds from Lease Financing			1,601,000.00		1,601,000.00
Original Issue Premium			182,620.74		182,620.74
Total other financing sources (uses)			1,783,620.74		1,783,620.74
Net change in fund balances	1,088,861.25		(742,838.34)	(27,937.50)	318,085.41
Fund balances, July 1, 2019	9,674,630.14	-0-	3,104,264.02	\$ 29,836.32	12,808,730.48
Fund balances, June 30, 2020	\$ 10,763,491.39	\$ -0-	\$ 2,361,425.68	\$ 1,898.82	\$ 13,126,815.89

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Total net change in fund balances - governmental funds (from B-2)		\$318,085.41
<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, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense		(2,000,473.93)
Capital outlays	\$4,109,502.86	
Less: Capital Outlays not capitalized	<u>(104,974.00)</u>	
		4,004,528.86
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position and is not reported in the statement of activities.		1,825,000.00
Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net Position.		
Capital lease proceeds - Current Year		(1,601,000.00)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		23,750.00
Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Gain on Refunding Bonds		18,957.84
Premium on Refunding Bonds		43,488.45
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed(-).		(51,639.13)
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
District pension contributions	\$621,858.00	
Less: Pension expense	<u>(908,232.00)</u>	
		(286,374.00)
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-). When the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>(160,972.61)</u>
Change in net position of governmental activities (A-2)		<u>\$2,133,350.89</u>

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

OTHER FUNDS

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>FOOD SERVICE</u>	<u>SUMMER THEATER</u>	
	<u>FUND</u>	<u>FUND</u>	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$280,772.01	\$12,838.37	\$293,610.38
Accounts receivable:			
State	421.47		421.47
Federal	40,767.16		40,767.16
Other	52,391.95		52,391.95
Inventories	28,275.82		28,275.82
Total current assets	402,628.41	12,838.37	415,466.78
Noncurrent assets:			
Furniture, machinery and equipment	288,232.24		288,232.24
Less accumulated depreciation	(259,754.72)		(259,754.72)
Total noncurrent assets	28,477.52		28,477.52
Total assets	431,105.93	12,838.37	443,944.30
LIABILITIES:			
Current liabilities:			
Interfund payables	33,170.16		33,170.16
Unearned revenue	61,222.72		61,222.72
Accounts payable	9,368.16		9,368.16
Total current liabilities	103,761.04		103,761.04
Total liabilities	103,761.04		103,761.04
NET POSITION:			
Net investment in capital assets	28,477.52		28,477.52
Unrestricted	298,867.37	12,838.37	311,705.74
Total net position	\$327,344.89	\$12,838.37	\$340,183.26

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>		
	<u>FUND</u>	<u>SUMMER THEATER</u>	
	<u>SCHOOL NUTRITION</u>	<u>FUND</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Charges for services:			
Daily sales - reimbursable programs	\$371,495.03		\$371,495.03
Daily sales - non-reimbursable programs	228,927.00		228,927.00
Special functions	20,654.00		20,654.00
Fees - individuals		\$28,970.00	28,970.00
Total operating revenues	621,076.03	28,970.00	650,046.03
OPERATING EXPENSES:			
Cost of sales-reimbursable programs	427,662.31		427,662.31
Cost of sales-non-reimbursable programs	116,299.58		116,299.58
Salaries and benefits	407,531.00	18,252.50	425,783.50
Employee benefits	148,106.00		148,106.00
Supplies and materials	1,839.65	719.00	2,558.65
Other purchased services	8,010.00		8,010.00
Management fee	122,400.00		122,400.00
Miscellaneous	146,295.68		146,295.68
Depreciation	4,235.48		4,235.48
Total operating expenses	1,382,379.70	18,971.50	1,401,351.20
Operating (loss)	(761,303.67)	9,998.50	(751,305.17)
NONOPERATING REVENUES (EXPENSES):			
State Sources			
State school lunch program	12,358.57		12,358.57
Federal Sources			
National school lunch program	428,961.19		428,961.19
Healthy Hunger-Free Kids Act	16,485.56		16,485.56
School breakfast program	98,018.20		98,018.20
National food distribution commodities	139,593.20		139,593.20
Interest	52.98		52.98
Total nonoperating revenues (expenses)	695,469.70		695,469.70
Income (loss) before contributions and transfers	(65,833.97)	9,998.50	(55,835.47)
Total net position - beginning	393,178.86	2,839.87	396,018.73
Total net position - ending	\$327,344.89	\$12,838.37	\$340,183.26

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND			TOTAL
	FOOD SERVICE FUND	SUMMER THEATER FUND	PAWS FUND	
Cash flows from operating activities:				
Receipts from customers	\$619,317.88	\$19,410.00		\$638,727.88
Payments to employees	(407,531.00)	(18,252.50)	-	(425,783.50)
Payments for employees benefits	(148,106.00)	-	-	(148,106.00)
Payments to suppliers	(681,030.94)	(719.00)	-	(681,749.94)
Net cash provided by (used for) operating activities	<u>(617,350.06)</u>	<u>438.50</u>		<u>(616,911.56)</u>
Cash flows from noncapital financing activities:				
State sources	13,192.02			\$13,192.02
Federal sources	548,247.92			548,247.92
Operating subsidies and transfers to other funds	-		5,962.64	5,962.64
Net cash provided by noncapital financing activities	<u>561,439.94</u>		<u>5,962.64</u>	<u>567,402.58</u>
Cash flows from investing activities:				
Interest and dividends	52.98			52.98
Net cash provided by investing activities	<u>52.98</u>			<u>52.98</u>
Net increase (decrease) in cash and cash equivalents	<u>(55,857.14)</u>	<u>438.50</u>	<u>5,962.64</u>	<u>(49,456.00)</u>
Cash and cash equivalents, July 1, 2019 (deficit)	<u>336,629.15</u>	<u>12,399.87</u>	<u>(5,962.64)</u>	<u>\$343,066.38</u>
Cash and cash equivalents, June 30, 2020	<u>\$280,772.01</u>	<u>\$12,838.37</u>		<u>\$293,610.38</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	(\$761,303.67)	\$9,998.50		(\$751,305.17)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	4,235.48			4,235.48
Federal commodities	139,593.20			139,593.20
Change in assets and liabilities:				
(Increase) decrease in other accounts receivable	(18,690.10)			(18,690.10)
Increase (decrease) in accounts payable	5,476.18			5,476.18
Increase (decrease) in unearned revenue	23,262.13	(9,560.00)		13,702.13
(Increase) decrease in inventories	(9,923.28)			(9,923.28)
	<u>143,953.61</u>	<u>(9,560.00)</u>		<u>134,393.61</u>
Net cash provided by (used for) operating activities	<u>(\$617,350.06)</u>	<u>\$438.50</u>		<u>(\$616,911.56)</u>

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>STATE UNEMPLOYMENT</u> <u>TRUST FUND</u>	<u>SCHOLARSHIP</u> <u>FUND</u>	<u>AGENCY FUND</u>
ASSETS:			
Cash and cash equivalents	\$ <u>80,050.87</u>	\$ <u>10,885.92</u>	\$ <u>780,872.64</u>
Total assets	\$ <u>80,050.87</u>	\$ <u>10,885.92</u>	\$ <u>780,872.64</u>
LIABILITIES:			
Interfunds payable	\$	\$	\$ 557,229.97
Payroll deductions and withholdings			29,466.70
Due to student groups	<u> </u>	<u> </u>	<u>194,175.97</u>
Total liabilities	\$ <u> </u>	\$ <u> </u>	\$ <u>780,872.64</u>
NET POSITION:			
Held in trust for state unemployment insurance claims and other purposes	\$ 80,050.87	\$	
Held in trust for scholarships and other purposes	<u> </u>	<u>10,885.92</u>	<u> </u>
Total net position	\$ <u>80,050.87</u>	\$ <u>10,885.92</u>	\$ <u>-0-</u>

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

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

	<u>STATE UNEMPLOYMENT</u> <u>INSURANCE FUND</u>	<u>PRIVATE PURPOSE</u> <u>AWARD FUND</u> <u>SCHOLARSHIP FUND</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Other	\$ 250,674.74	\$	250,674.74
Total contributions	<u>250,674.74</u>		<u>250,674.74</u>
Investment earnings:			
Interest		86.11	86.11
Net investment earnings		<u>86.11</u>	<u>86.11</u>
Total additions	<u>250,674.74</u>	<u>86.11</u>	<u>250,760.85</u>
DEDUCTIONS:			
Unemployment claims	<u>245,611.28</u>		<u>245,611.28</u>
Total deductions	<u>245,611.28</u>		<u>245,611.28</u>
Change in net position	5,063.46	86.11	5,149.57
Net position beginning of year	<u>74,987.41</u>	<u>10,799.81</u>	<u>85,787.22</u>
Net position end of year	\$ <u><u>80,050.87</u></u>	\$ <u><u>10,885.92</u></u>	<u><u>90,936.79</u></u>

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Matawan-Aberdeen Regional School District is a Type II District located in Monmouth County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Matawan-Aberdeen Regional School District, comprised of nine elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

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

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Basis of Presentation

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

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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

Governmental Funds

General Fund The general fund is the general operating fund of the District and is used to account for all expendable 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 Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. Generally Accepted Accounting Principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to 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 the current expense by Board resolution; in certain instances approval by the County Superintendent of Schools may also be required.

Special Revenue Fund The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Projects Funds The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Proprietary Funds

Enterprise Fund The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service and Summer Theater program operations. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Funds

Agency Funds The agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District. The agency funds included are as follows:

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

Private Purpose Trust Funds These trust funds are used to account for assets donated by individuals that will provide for the payment of awards and other purposes.

Unemployment Insurance Trust Funds An expendable trust fund used to account for unemployment compensation claims as they arise.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting-Measurement Focus

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution.

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

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described 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.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

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 recognized encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial records.

Encumbrance Accounting

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

Open encumbrances in the special revenue for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

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

Interfunds

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories and Prepaid Expenses

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

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

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

Capital Assets

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

In fiscal year 2016, the District implemented GASB 72. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature.

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

	<u>Estimated Life</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and computer equipment	10
Instructional equipment	10
Grounds equipment	15

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and/or collective bargaining unit contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service and are only paid upon retirement.

The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

Fund Equity

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

Unearned Revenue

Unearned revenue in the General, Special Revenue and Proprietary funds represents funds which have been received but not yet earned.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long term debt is recognized as a liability on the fund financial statements when due.

Net Position

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

Fund Balance Reserves

In accordance with GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" the fund financial statements, governmental funds report the following classifications of fund balance:

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Reserves (Continued)

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

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

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

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

Revenues Exchange and Non-exchange Transactions

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues, Exchange and Non-exchange Transactions (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from property taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Operating Revenues and Expenses

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

Allocation of Indirect Expenses

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

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

Management Estimates

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

Accounting and Financial Reporting for Pensions

In the District-Wide Financial Statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one item that qualifies for reporting in this category, deferred amounts that are pension related. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has two items that qualify for reporting in this category, deferred amounts from a gain on refunding bonds and deferred amounts that are pension related.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Deposits

The Matawan-Aberdeen Regional School District had the following cash and cash equivalents at June 30, 2020:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 11,824,923.71
Proprietary Funds	356,406.50
Fiduciary Funds	<u>1,047,750.98</u>
Total Cash in Bank	\$ 13,229,081.19
Less: Reconciling Items	<u>(2,084,742.41)</u>
	<u>\$ 11,144,338.78</u>

Custodial Credit Risk- Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2020, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$13,229,081.19, \$409,374.67 was covered by Federal Depository Insurance, \$6,907,713.97 was covered under the provisions of NJGUDPA and \$5,911,992.55 was on deposit with the New Jersey Assets Rebate Management (NJARM).

Investments

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Investments (Continued)

2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2020, the District has \$5,911,992.55 on deposit with NJARM. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1, and existing investment practices of NJARM, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 3: 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 & Transfers</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$12,323,200.00			\$12,323,200.00
Construction in Progress	20,780,115.54	\$2,760,492.58		23,540,608.12
Total Capital Assets not being depreciated	33,103,315.54	2,760,492.58		35,863,808.12
Site improvements	4,489,852.74	73,206.00		4,563,058.74
Buildings & Building Improvements	74,291,171.65	686,416.99	\$12,810.00	74,964,778.64
Machinery & Equipment	5,326,992.30	484,413.29	1,955,676.05	3,855,729.54
Totals at historical cost	84,108,016.69	1,244,036.28	1,968,486.05	83,383,566.92
Gross Assets (Memo only)	117,211,332.23	4,004,528.86	1,968,486.05	119,247,375.04
Less: Accumulated Depreciation				
Site improvements	(1,274,506.43)	(218,091.07)		(1,492,597.50)
Buildings & Building Improvements	(35,371,201.18)	(1,438,769.65)	(2,624.00)	(36,807,346.83)
Machinery & Equipment	(4,190,616.59)	(343,613.21)	(1,914,222.92)	(2,620,006.88)
Total Depreciation	(40,836,324.20)	(2,000,473.93)	(1,916,846.92)	(40,919,951.21)
Total capital assets being depreciated, net of depreciation	43,271,692.49	(756,437.65)	51,639.13	42,463,615.71
Total Governmental Fund Activities, net	\$76,375,008.03	\$2,004,054.93	\$51,639.13	\$78,327,423.83
Proprietary Activities:				
Machinery & Equipment	\$291,232.24		\$3,000.00	\$288,232.24
Totals at historical cost	291,232.24		3,000.00	288,232.24
Less: Accumulated Depreciation				
Machinery & Equipment	(258,519.24)	(4,235.48)	(3,000.00)	(259,754.72)
Total Depreciation	(258,519.24)	(4,235.48)	(3,000.00)	(259,754.72)
Total Proprietary Fund Activities, net	\$32,713.00	(\$4,235.48)		\$28,477.52

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 3: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functional expenses areas of the District as follows:

Direct Expense of various functions (\$2,000,473.93)

NOTE 4: LONG-TERM LIABILITIES

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

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

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2020:

	Balance June 30, <u>2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2020</u>	Amounts due Within <u>one year</u>
Bonds Payable	\$33,561,000.00		\$1,825,000.00	\$31,736,000.00	\$1,900,000.00
Unamortized Bond Premium	378,640.10		43,488.45	335,151.65	42,048.35
Capital Leases		\$1,601,000.00		1,601,000.00	271,000.00
Compensated Absences	1,823,835.76	160,972.61		1,984,808.37	
Net Pension Liability	<u>12,543,733.00</u>		<u>1,024,417.00</u>	<u>11,519,316.00</u>	
	<u>\$48,307,208.86</u>	<u>\$1,761,972.61</u>	<u>\$2,892,905.45</u>	<u>\$47,176,276.02</u>	<u>\$2,213,048.35</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

Debt Service Requirements:

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

Fiscal Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u> FY2021	\$1,900,000.00	\$1,041,817.50	\$2,941,817.50
FY2022	1,975,000.00	962,942.50	2,937,942.50
FY2023	2,045,000.00	883,492.50	2,928,492.50
FY2024	2,125,000.00	796,730.00	2,921,730.00
FY2025	2,215,000.00	701,980.00	2,916,980.00
FY2026	2,295,000.00	611,705.00	2,906,705.00
FY2027	2,370,000.00	526,655.00	2,896,655.00
FY2028	2,455,000.00	436,155.00	2,891,155.00
FY2029	1,100,000.00	375,180.00	1,475,180.00
FY2030	1,100,000.00	347,680.00	1,447,680.00
FY2031	1,100,000.00	320,180.00	1,420,180.00
FY2032	1,050,000.00	293,305.00	1,343,305.00
FY2033	1,000,000.00	267,680.00	1,267,680.00
FY2034	1,000,000.00	242,680.00	1,242,680.00
FY2035	1,000,000.00	217,680.00	1,217,680.00
FY2036	1,000,000.00	192,680.00	1,192,680.00
FY2037	1,000,000.00	165,180.00	1,165,180.00
FY2038	1,000,000.00	135,180.00	1,135,180.00
FY2039	1,000,000.00	105,180.00	1,105,180.00
FY2040	1,000,000.00	75,180.00	1,075,180.00
FY2041	1,000,000.00	45,180.00	1,045,180.00
FY2042	1,006,000.00	15,090.00	1,021,090.00
	<u>\$31,736,000.00</u>	<u>\$8,759,532.50</u>	<u>\$40,495,532.50</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

General obligation school and refunding bonds payable with their outstanding balances are comprised of the following individual issues:

<u>Issue</u>	<u>Amount Outstanding June 30, 2020</u>	<u>Bonds Authorized But Not Issued</u>
\$20,530,000.00 in Refunding School Bonds dated September 15, 2011, due in remaining annual installments ranging between \$1,350,000.00 and \$1,905,000.00 beginning September 15, 2020 and ending September 15, 2027 with interest from 4.00% to 5.00%	<u>\$12,980,000.00</u>	<u>-0-</u>
\$19,856,000.00 in School Bonds dated August 2, 2016, due in remaining annual installments ranging between \$550,000.00 and \$1,100,000.00 beginning August 1, 2020 and ending August 1, 2041 with interest from 2.25% to 3.00%	<u>18,756,000.00</u>	<u>-0-</u>
	<u><u>\$31,736,000.00</u></u>	<u><u>-0-</u></u>

Refunding School Bonds

The district issued \$20,530,000.00 in Refunding School bonds to advance refund \$21,400,000.00 of the districts previously issued and outstanding school bonds. The net carrying amount exceeded the reacquisition price by \$870,000.00. The District also received a premium on the sale of \$1,901,399.25. These amounts are being amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. The current year portion of the gain on the refunding debt charged to the Statement of Activities was \$18,957.84 leaving a balance of \$173,249.72. Under the escrow agreement, the escrow is irrevocably pledged to the payment of principal and interest on the refunded bonds. As a result, the \$21,400,000.00 of the refunded obligations are considered to be defeased and the liability for those bonds has been removed from the financial statements.

Bonds Authorized But Not Issued

As of June 30, 2020, the District had no Bonds Authorized but not issued.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

Capital Leases Payable

The District is leasing school buses and technology totaling \$1,601,000.00. The lease is for a term of five years. The improvements are financed through the Monmouth County Improvement Authority. The following is a schedule of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, 2020:

Fiscal Year Ended <u>June 30,</u>	Governmental <u>Funds</u>
2021	\$377,852
2022	367,775
2023	366,950
2024	366,350
2025	365,925
Total Minimum Lease Payments	1,844,852
Less: Amount Representing Interest	243,852
Present Value of Lease Payments	\$1,601,000

NOTE 5: PENSION PLANS

Description of Plans All required employees of the District are covered by the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program 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 each system will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the above systems. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on line at www.state.nj.us/treasury/pensions.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

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

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

Significant Legislation

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

Pension Plan Design Changes

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2020 actuarial valuation (July 1, 2020 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

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

Vesting and Benefit Provisions The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 5: PENSION PLANS (CONTINUED)

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

Three Year Trend Information for PERS

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2020	\$621,858.00	100%	\$621,858.00
2019	\$633,686.00	100%	\$633,686.00
2018	583,145.00	100%	595,201.00

Three Year Trend Information for TPAF (On-Behalf)

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2020	\$6,026,048.00	100%	\$6,026,048.00
2019	5,604,959.00	100%	5,604,959.00
2018	4,137,969.00	100%	4,137,969.00

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2020, 2019 and 2018 \$2,213,895.70, \$2,171,706.07, and \$2,072,092.23 respectively 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 basic financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB 68.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Public Employees Retirement System (PERS)

At June 30, 2020, the District reported a liability of \$11,519,316.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the District's proportion was 0.0639305567 percent, which was an increase of 0.0002228367 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$908,232.00 in the district-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$206,757	\$50,887
Changes of assumptions	1,150,246	3,998,318
Net difference between projected and actual earnings on pension plan investments		181,837
Changes in proportion and differences between District contributions and proportionate share of contributions	635,698	53,871
District contributions subsequent to the measurement date	<u>682,722</u>	
	<u>\$2,675,423</u>	<u>\$4,284,913</u>

The \$682,722 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Public Employees Retirement System (PERS) (Continued)

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

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2020	(\$216,260)
2021	(962,665)
2022	(847,146)
2023	(336,053)
2024	<u>69,912</u>
	<u><u>(\$2,292,212)</u></u>

Actuarial Assumptions

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

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2019 and June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.28% and 5.66% as of June 30, 2019 and June 30, 2018, respectively. These single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30 2019 and June 30, 2018 and a municipal bond rate of 3.50% and 3.87% for June 30, 2019 and June 30, 2018 respectively based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the District's proportionate share of the net pension liability 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 <u>5.28%</u>	At Current Discount Rate <u>6.28%</u>	1% Increase <u>7.28%</u>
District's proportionate share of the net pension liability	\$15,827,467	\$11,519,316	\$9,869,574

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Public Employees Retirement System (PERS) (Continued)

Pension Plan Fiduciary Net Position

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

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

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

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$171,311,762</u>
	<u><u>\$171,311,762</u></u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 which was rolled forward to June 30, 2019. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2019, the proportion of the TPAF net pension liability associated with the District was .2791414821% which was an increase of .0048102908 percent from its proportion measured as of June 30, 2018.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Teachers Pensions and Annuity Fund (TPAF) (Continued)

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue of \$10,104,426.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

Actuarial Assumptions

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

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

Mortality Rate

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2019 and June 30, 2018 respectively) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries.

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.60% and 4.86% as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00, and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and 2018, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 50% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

Pension Plan Fiduciary Net Position

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Plan Description and Benefits Provided

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Employees Covered by Benefit Terms

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

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Total Non-Employer OPEB Liability

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

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	119,817,464
	<u>119,817,464</u>
	<u>\$119,817,464</u>

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

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

For the year ended June 30, 2020, the District recognized on-behalf post-employment expense and revenue of \$2,919,796 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2019 measurement date.

At June 30, 2019, the District's proportion was .2871318059 percent, which was a decrease of .0003477047 from its proportion measured as of June 30, 2018.

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Actuarial Assumptions and Other Inputs

The total Non-Employer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

*- Based on Years of Service

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Actuarial Assumptions and Other Input (Continued)

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

Health Care Trend Assumptions

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

Discount Rate

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Changes in the Total Non-Employer OPEB Liability

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

Balance at 6/30/18		\$132,559,197
Changes for the year:		
Service cost	4,609,294	
Interest	5,240,016	
Differences between expected and actual experience	(20,808,519)	
Changes in assumptions or other inputs	1,786,488	
Membership Contributions	109,027	
Benefit payments - Net	<u>(3,678,039)</u>	
Net changes		<u>(12,741,733)</u>
Balance at 6/30/19		<u><u>\$119,817,464</u></u>

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

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

	June 30, 2019		
	<u>1.00%</u> <u>Decrease (2.50%)</u>	<u>At Discount</u> <u>Rate (3.50)</u>	<u>1.00%</u> <u>Increase (4.50%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$141,551,774	\$119,817,464	\$102,552,920

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

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

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

	June 30, 2019		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$98,724,250	\$119,817,464	\$147,740,548

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

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$	\$ 30,105,670
Changes of assumptions		24,353,168
Changes in proportion	<u>3,238,019</u>	<u>412,215</u>
	<u>\$ 3,238,019</u>	<u>\$ 54,871,053</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Amount</u>
2020	(\$6,746,728)
2021	(\$6,746,728)
2022	(\$6,746,728)
2023	(\$6,746,728)
2024	(\$6,746,728)
Total Thereafter	<u>(\$17,899,393)</u>
	<u><u>(\$51,633,034)</u></u>

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

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

State Health Benefit Local Education Retired Employee Plan Information

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

NOTE 8: LITIGATION

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 9: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2019-2020 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000.00 Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

NOTE 10: RISK MANAGEMENT

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

Property and Liability Insurance The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the District is required to remit an employer's match to the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 11: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2020, a liability existed for compensated absences for governmental fund-types in the district- wide Statement of Net Position of \$1,984,808.37.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

NOTE 12: FUND BALANCE APPROPRIATED

General Fund The table below reflects the District's Fund Balance at June 30, 2020 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last two state aid payments which under GAAP are not recognized:

	<u>Budgetary Basis (C-1)</u>	<u>Adjustment</u>	<u>GAAP Basis (B-1)</u>
Restricted:			
Excess Surplus:			
Designated for Subsequent			
Year's Expenditures	\$ 263,574.00	\$	\$ 263,574.00
Current Year	331,574.26		331,574.26
Emergency Reserve	280,601.00		280,601.00
Maintenance Reserve	3,234,543.07		3,234,543.07
Capital Reserve	5,298,307.18		5,298,307.18
Assigned:			
Encumbrances	877,931.62		877,931.62
Unassigned	1,721,307.26	(1,244,347.00)	476,960.26
	<u>\$ 12,007,838.39</u>	<u>\$ (1,244,347.00)</u>	<u>\$ 10,763,491.39</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 12: FUND BALANCE APPROPRIATED (CONTINUED)

Debt Service Fund Of the \$1,898.82 in Debt Service Fund Balance at June 30, 2020, .82 is restricted in accordance with N.J.S.A. 18A:7F-41c(2) and \$1,898.00 is assigned and has been appropriated and included as anticipated revenue for the year ended June 30, 2020.

NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS

Calculation of Excess Surplus In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget.

General Fund Expenditures:		
Fiscal Year Ended, June 30 2020		\$79,656,475.91
Less:		
Reimb. TPAF Pension Contributions	\$6,026,048.00	
Reimb. TPAF Non-Contributory Insurance	108,010.00	
Reimb. TPAF Post Retirement Contributions	2,275,623.00	
Reimb. TPAF Social Security Contributions	2,213,895.70	
Reimb. TPAF Long-Term Disability	4,536.00	
		10,628,112.70
Adjusted General Fund Expenditures		\$69,028,363.21
Excess Surplus Percentage		2.00%
		\$1,380,567.26
Increased by:		
Extraordinary Aid (unbudgeted)	340,740.00	
		340,740.00
Maximum Unreserved/Undesignated General Fund Balance		\$1,721,307.26
Actual Unassigned General Fund Balance		2,052,881.52
Excess Surplus		\$331,574.26
Recapitulation of Excess Surplus, June 30, 2020		
Restricted for Excess Surplus - Designated for Subsequent Year's Expenditure		\$263,574.00
Restricted for Excess Surplus		331,574.26
		\$595,148.26

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS

Based on the preceding calculation, as of June 30, 2020, \$263,574.00 is reported as Restricted Fund Balance Excess Surplus Designated for Subsequent Year's Expenditure and is required to be appropriated for property tax relief in the 2020-20 budget. \$331,574.26 is reported as Restricted Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2020-2021 budget.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 959,956.54	\$ 200,000.00
Special Revenue Fund		369,556.41
Capital Projects Fund	200,000.00	1,897.71
Proprietary Fund		33,170.16
Debt Service Fund	1,897.71	
Fiduciary Fund		557,229.97
	\$ 1,161,854.25	\$ 1,161,854.25

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

NOTE 15: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Matawan-Aberdeen Regional Board of Education on October 16, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)

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

Balance, July 1, 2019		\$4,201,868.73
Increased by:		
Board Resolution dated 06/15/2020	\$1,925,000.00	
Interest	<u>21,438.45</u>	
		<u>1,946,438.45</u>
		6,148,307.18
Decreased by:		
FY2020 Budget Appropriation	<u>850,000.00</u>	
		<u>850,000.00</u>
Balance, June 30, 2020		<u><u>\$5,298,307.18</u></u>

NOTE 16: EMERGENCY RESERVE ACCOUNT

In accordance with N.J.S.A. 18A:7F-41c(1), an emergency reserve account was established by the District. The emergency reserve account is maintained in the general fund.

The funds in the reserve shall be used to finance unanticipated general fund current expense costs required for T&E. For the purpose of the emergency reserve account "unanticipated" shall mean reasonably unforeseeable and shall not include additional costs caused by poor planning or error.

The account balance is not to exceed \$250,000.00 or one percent of the district's general fund budget up to a maximum of \$1,000,000.00 whichever is greater. Withdrawals require approval by the Commissioner.

At June 30, 2020, the balance of the Emergency Reserve Account was \$280,601.00 and is within the statutory limitations.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 16: EMERGENCY RESERVE ACCOUNT (CONTINUED)

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

Balance, July 1, 2019		\$245,808.25
Increased by:		
Board Resolution dated 06/15/20	\$90,000.00	
Interest	\$2,792.75	
		92,792.75
		338,601.00
Decreased by:		
Budgeted Withdrawal		58,000.00
Balance, June 30, 2020		\$280,601.00

NOTE 17: MAINTENANCE RESERVE ACCOUNT

In accordance with N.J.S.A. 18A:7G-13, a Maintenance reserve account was established by the District. The Maintenance reserve account is maintained in the general fund.

A district board of education or board of school estimate, as appropriate, may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes.

A district board of education or board of school estimate, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26A-4.

The district board of education shall ensure that the maintenance reserve account balance does not, at any time, exceed four percent of the replacement cost of the school district's school facilities for the current year. If the account exceeds this maximum amount at June 30, the district board of education shall reserve and designate such excess in the subsequent year's budget.

At June 30, 2020, the balance of the Maintenance Reserve Account was \$3,234,543.07 and is within the statutory limitations.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 17: MAINTENANCE RESERVE ACCOUNT (CONTINUED)

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

Balance, July 1, 2019		\$3,212,628.17
Increased by:		
Board Resolution dated 06/15/2020	\$900,000.00	
Interest	21,914.90	
		921,914.90
		4,134,543.07
Decreased by:		
FY2020 Budget Appropriation		900,000.00
Balance, June 30, 2020		\$3,234,543.07

NOTE 18: INVENTORY

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

Food and Supplies	<u>\$28,275.82</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

NOTE 19: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 19: TAX ABATEMENTS (CONTINUED)

The District has identified agreements that have been entered into by Matawan Borough and Aberdeen Township that require disclosure under this statement. The gross dollar amount, on an accrual basis, by which the District's property tax revenues were potentially reduced during the reporting period as a result of tax abatement agreements totaled \$2,236,072.86. It is important to note that the District Tax Levy is guaranteed to be paid in full by the municipalities and that the District collected its full tax levy for FY2020.

NOTE 20: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through February 1, 2021 which is the date the financial statements were available to be issued. The District has determined that the following subsequent event requires disclosure:

The ongoing spread of the new COVID-19 has become a threat to the global economy and financial markets. The ultimate effect of COVID-19 on the District and its future operations cannot presently be determined.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 55,427,966.00	\$	\$ 55,427,966.00	\$ 55,427,966.00	\$ (22,000.00)
Transportation Fees From Other LEAS	22,000.00		22,000.00	990,351.34	852,351.34
Unrestricted Miscellaneous Revenues	138,000.00		138,000.00	2,792.75	2,792.75
Interest Earned on Current Expense Emergency Res				21,914.90	21,914.90
Interest Earned on Maintenance Reserve	50.00		50.00	21,438.45	21,388.45
Interest Earned on Capital Reserve Funds					
Total Local Sources	55,588,016.00		55,588,016.00	56,464,463.44	876,447.44
Slate Sources:					
Categorical Transportation Aid	849,277.00		849,277.00	849,277.00	340,740.00
Extraordinary Aid	580,287.00		580,287.00	921,027.00	
Categorical Special Education Aid	2,297,673.00		2,297,673.00	2,297,673.00	
Equalization Aid	9,323,608.00		9,323,608.00	9,323,608.00	
Categorical Security Aid	173,621.00		173,621.00	173,621.00	
On-behalf TPAF Contributions-non-budgeted				6,026,048.00	6,026,048.00
On-behalf TPAF N.C.G.I.-non-budgeted				108,010.00	108,010.00
Reimbursed TPAF Soc. Sec. Contribution-non-budgeted				2,213,895.70	2,213,895.70
Post Retirement Medical-non budgeted				2,275,623.00	2,275,623.00
Long Term Disability Insurance				4,536.00	4,536.00
Total State Sources	13,224,466.00		13,224,466.00	24,193,318.70	10,968,852.70
Federal Sources:					
Medicaid Reimbursement	123,586.00		123,586.00	78,191.02	(45,394.98)
Total Federal Sources	123,586.00		123,586.00	78,191.02	(45,394.98)
Total Revenues	68,936,068.00		68,936,068.00	80,735,973.16	11,799,905.16

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
EXPENDITURES:					
CURRENT EXPENSE:					
Instruction - Regular Programs:					
Preschool	146,916.00	162,039.00	308,955.00	305,329.90	3,625.10
Kindergarten	1,141,120.01	22,415.00	1,163,535.00	1,163,534.68	0.32
Grades 1-5	5,382,413.00	333,220.00	5,715,633.01	5,660,970.16	54,662.85
Grades 6-8	4,548,949.00	44,969.00	4,399,213.00	4,398,015.92	1,197.08
Grades 9-12	4,689,163.00	699,372.00	5,583,240.00	5,567,159.38	16,080.62
Regular programs - home instruction:					
Salaries of teachers	22,813.00	7,222.00	30,035.00	29,787.25	247.75
Purchased professional educational services	25,000.00	(15,532.00)	9,468.00	9,466.88	1.12
Other programs - undistributed instruction:					
Purchased professional - educational services	247,278.00	25,568.00	272,846.00	271,793.45	1,052.55
Purchased technical services	1,603,202.90	(264,936.00)	1,335,200.40	1,318,464.02	16,736.38
Other purchased services (400 - 500 series)	74,200.00		74,200.00	599.06	73,600.94
General supplies	72,621.00	(13,978.00)	58,643.00	53,718.22	4,924.78
Textbooks	984,674.31	(4,741.00)	979,933.31	958,131.31	21,802.00
Other objects	53,385.00	(27,579.00)	25,806.00	25,803.07	2.93
Total regular programs	9,177.00	(5,880.00)	3,297.00	3,273.72	23.28
	19,000,912.22	962,159.00	19,960,004.72	19,766,047.02	193,957.70
Instruction - Special Education:					
Cognitive Mild:					
Salaries of Teachers	28,073.00	28,073.00	28,073.00	28,072.81	0.19
Other Salaries for Instruction	5,895.00	5,895.00	5,895.00	5,894.88	0.12
Total Cognitive Mild	33,968.00	33,968.00	33,968.00	33,967.69	0.31
Cognitive Moderate:					
Salaries of Teachers	181,749.00	60,966.00	242,715.00	242,715.00	
Other Salaries for Instruction	80,180.00	(1,275.00)	78,905.00	78,905.00	
Total Cognitive Moderate	261,929.00	59,691.00	321,620.00	321,620.00	
Learning and/or Language Disabilities:					
Salaries of Teachers	556,782.00	10,382.00	567,164.00	567,163.00	1.00
Other salaries for instruction	32,679.00	5,655.00	38,334.00	38,332.70	1.30
Total Learning and/or Language Disabilities	589,461.00	16,037.00	605,498.00	605,495.70	2.30

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Auditory Disabilities:					
Salaries of Teachers		372.00	372.00	371.36	0.64
Total Auditory Disabilities		372.00	372.00	371.36	0.64
Behavioral Disabilities:					
Salaries of Teachers	90,744.00	(5,044.00)	85,700.00	85,700.00	
Other Salaries for Instruction	66,648.00	13,866.00	80,514.00	80,512.60	1.40
Total Behavioral Disabilities	157,392.00	8,822.00	166,214.00	166,212.60	1.40
Multiple Disabilities:					
Salaries for Teachers	129,961.01	(109,755.00)	20,206.01	17,412.51	2,793.50
Other Salaries for Instruction	38,798.00	(7,227.00)	31,571.00	30,641.86	929.14
Total Multiple Disabilities	168,759.01	(116,982.00)	51,777.01	48,054.37	3,722.64
Resource Room / Resource Center:					
Salaries of Teachers	3,291,224.00	283,502.00	3,574,726.00	3,567,829.05	6,896.95
Other salaries for instruction	55,487.00	1,784.00	57,271.00	57,270.08	0.92
Total Resource Room / Resource Center	3,346,711.00	285,286.00	3,631,997.00	3,625,099.13	6,897.87
Autism:					
Salaries of Teachers	451,220.00	79,900.00	531,120.00	529,568.61	1,551.39
Other Salaries for Instruction	316,303.00	(42,469.00)	273,834.00	273,831.90	2.10
General Supplies	3,900.00	(3,436.00)	464.00	463.14	0.86
Total Autism	771,423.00	33,995.00	805,418.00	803,863.65	1,554.35
Preschool Disabilities - Full - Time:					
Salaries of Teachers	385,094.00	62,232.00	447,326.00	441,613.81	5,712.19
Other Salaries for Instruction	353,076.00	(558.00)	352,518.00	352,484.26	33.74
Total Preschool Disabilities - Full - Time	738,170.00	61,674.00	799,844.00	794,098.07	5,745.93
Home Instruction:					
Salaries of Teachers	27,731.00	(23,801.00)	3,930.00	3,930.00	
Purchased Professional-Educational Services	25,000.00	(7,831.00)	17,169.00	17,168.81	0.19
Total Home Instruction	52,731.00	(31,632.00)	21,099.00	21,098.81	0.19
Total Special Education	6,086,576.01	351,231.00	6,437,807.01	6,419,881.38	17,925.63

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Basic Skills / Remedial:					
Salaries of Teachers	1,434,063.00	(197,111.00)	1,236,952.00	1,236,951.20	0.80
General Supplies	7,023.00	(687.00)	6,336.00	6,334.68	1.32
Total Basic Skills / Remedial	1,441,086.00	(197,798.00)	1,243,288.00	1,243,285.88	2.12
Bilingual Education Instruction:					
Salaries of Teachers	266,945.00	8,237.00	275,182.00	273,881.50	1,300.50
General Supplies	68.00	110.00	178.00	177.54	0.46
Total Bilingual Education Instruction	267,013.00	8,347.00	275,360.00	274,059.04	1,300.96
School Sponsored Co-Curricular Activities:					
Salaries	40,191.00	360,153.00	400,779.00	344,517.09	56,261.91
Unused Vacation Payment to Terminated/Retired Staff	435.00				
Purchased Services (300-500 series)	9,700.00	(3,067.00)	6,633.00	3,188.00	3,445.00
Supplies and Materials	40,024.00	(20,161.00)	19,863.00	16,498.71	3,364.29
Other Objects	13,900.00	(8,261.00)	5,639.00	222.61	5,416.39
Total School Sponsored Co-Curricular Activities	104,250.00	328,664.00	432,914.00	364,426.41	68,487.59
School Sponsored Athletics:					
Salaries	657,230.00	252,396.00	909,626.00	741,609.54	168,016.46
Purchased Services (300-500 Series)	69,050.75	(5,498.00)	61,134.90	23,296.09	37,838.81
Supplies and Materials	152,215.00	(17,325.00)	134,890.00	126,140.67	8,749.33
Other Objects	35,500.00	(6,158.00)	29,342.00	24,414.65	4,927.35
Transfers to Cover Deficit (Agency Funds)	60,000.00	(8,000.00)	52,000.00	47,000.00	5,000.00
Total School Sponsored Athletics	973,995.75	215,415.00	1,186,992.90	982,460.95	224,531.95
Before/After School Programs Instruction:					
Salaries of Teacher Tutors	49,101.00	(11,224.00)	37,877.00	37,874.11	2.89
Total Before/After School Programs Instruction	49,101.00	(11,224.00)	37,877.00	37,874.11	2.89
Total Before/After School Programs	49,101.00	(11,224.00)	37,877.00	37,874.11	2.89
Total Other Instructional Programs	2,835,445.75	343,404.00	3,176,431.90	2,882,106.39	294,325.51
Total - Instruction	27,922,933.98	1,656,794.00	29,574,243.63	29,068,034.79	506,208.84

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's within the State - Regular		1.00	1.00		1.00
Tuition to Other LEA's within the State - Special	481,300.00	(58,070.00)	423,230.00	423,199.45	30.55
Tuition to County Vocational School District - Regular	326,520.00	(30,255.00)	296,265.00	286,565.00	9,700.00
Tuition to County Vocational School District - Sp Ed	172,000.00		172,000.00	170,891.25	1,108.75
Tuition to CSSD & Regional Day Schools	8,200.00	(89.00)	8,111.00	8,100.30	10.70
Tuition to Private Schools for the Handicapped w/in State	2,365,071.00	647,631.00	3,012,702.00	2,953,158.13	59,543.87
Tuition - State Facilities	39,872.00	(3,987.00)	35,885.00	35,884.80	0.20
Tuition - Other		11,176.00	11,176.00	11,175.00	1.00
Total Undistributed Expenditures - Instruction	3,392,963.00	566,407.00	3,959,370.00	3,888,973.93	70,396.07
Attendance and Social Work Services:					
Salaries	33,603.01	(22,205.00)	11,398.01	11,398.00	0.01
Total Attendance and Social Work Services	33,603.01	(22,205.00)	11,398.01	11,398.00	0.01
Health Services:					
Salaries	657,208.00	(5,931.00)	651,277.00	633,727.44	17,549.56
Purchased Professional and Technical Services	261,414.00	(2,898.00)	258,516.00	253,000.62	5,515.38
Other Purchased Services	3,330.00	5,161.00	8,491.00	8,490.47	0.53
Supplies and Materials	13,468.00	6,103.00	19,571.00	19,397.06	173.94
Other Objects		63.00	63.00	62.60	0.40
Total Health Services	935,420.00	2,498.00	937,918.00	914,678.19	23,239.81
Other Support Services - Speech, OT, PT & Related Services:					
Salaries	675,516.01	(66,068.00)	609,448.01	598,526.99	10,921.02
Purchased Professional - Educational Services	494,697.00	(219,000.00)	275,697.00	275,697.00	
Supplies and Materials	9,300.00	(407.00)	8,893.00	8,892.62	0.38
Total Other Support Services - Speech, OT, PT & Related Serv	1,179,513.01	(285,475.00)	894,038.01	883,116.61	10,921.40
Other Support Services - Students - Extra Services					
Aids for Instruction	533,762.00	281,430.00	815,192.00	806,372.04	8,819.96
Purchased Professional - Educational Services	698,748.00	288,709.00	1,011,528.72	957,709.34	53,819.38
Total Other Support Services - Students - Extra Services	1,232,510.00	570,139.00	1,826,720.72	1,764,081.38	62,639.34

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Guidance:					
Salaries of Other Professional Staff	887,251.01	(139,797.00)	747,454.01	744,963.41	2,490.60
Salaries of Secretarial and Clerical Assistants	78,609.00	607.00	79,216.00	79,214.88	1.12
Other Purchased Professional and Tech Services	63,934.00	9,389.00	73,323.00	73,322.88	0.12
Other Purchased Services	54,900.00	(21,481.00)	33,419.00	32,379.97	1,039.03
Supplies and Materials	10,693.00	(8,092.00)	2,601.00	2,600.24	0.76
Other Objects	8,730.00	(5,290.00)	3,440.00	1,216.00	2,224.00
Total Guidance	<u>1,104,117.01</u>	<u>(164,664.00)</u>	<u>939,453.01</u>	<u>933,697.38</u>	<u>5,755.63</u>
Child Study Teams:					
Salaries of Other Professional Staff	1,606,538.00	71,253.00	1,677,791.00	1,671,700.18	6,090.82
Salaries of Secretarial and Clerical Assistants	38,396.00	28,847.00	67,243.00	67,242.34	0.66
Other Purchased Professional and Technical Svcs.	25,965.00	(5,000.00)	20,965.00	20,964.07	0.93
Other Purchased Services (400-500 series)	546,258.00	(50,640.00)	495,618.00	491,018.08	4,599.92
Supplies and Materials	16,000.00	(11,279.00)	4,721.00	4,720.39	0.61
Other Objects	31,500.00	(25,507.00)	5,993.00	1,507.49	4,485.51
Total Child Study Teams	<u>2,264,657.00</u>	<u>7,674.00</u>	<u>2,272,331.00</u>	<u>2,257,152.55</u>	<u>15,178.45</u>
Improvement of Instruction Services					
Other Support Services - Instructional Staff:					
Salaries of Supervisors of Instruction	162,976.00	(5,633.00)	157,343.00	157,342.03	0.97
Salaries of Other Professional Staff	78,025.00	(48,490.00)	29,535.00	28,815.00	720.00
Sal of Facilitators, Math & Literacy Coaches	91,750.00	7,476.00	99,226.00	96,555.00	2,671.00
Purchased Prof. and Tech. Services	92,300.00	(24,127.00)	68,173.00	68,172.50	0.50
Other Purchased Services (400-500)	16,000.00	(11,560.00)	4,440.00	2,283.68	2,156.32
Supplies and materials	18,150.00	(9,412.00)	8,738.00	8,414.50	323.50
Other Objects	24,460.00	(4,641.00)	19,819.00	19,819.00	
Total Improvement of Instruction Services / Other Support Services - Instructional Staff	<u>483,661.00</u>	<u>(96,387.00)</u>	<u>387,274.00</u>	<u>381,401.71</u>	<u>5,872.29</u>
Educational Media Services / School Library:					
Salaries	355,921.00	3,656.00	359,577.00	358,132.68	1,444.32
Salaries of Technological Coordinators	129,372.00	4,668.00	134,040.00	134,039.20	0.80
Purchased Professional and Technical Services	15,459.00	(2,935.00)	12,524.00	12,523.65	0.35
Supplies and materials	23,952.00	(3,259.00)	20,693.00	20,689.14	3.86
Total Educational Media Services / School Library	<u>524,704.00</u>	<u>2,130.00</u>	<u>526,834.00</u>	<u>525,384.67</u>	<u>1,449.33</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Instructional Staff Training Services:					
Salaries of Supervisors of Instr. Summer Hours	153,391.00	2,667.00	156,058.00	156,057.40	0.60
Other Purchased Professional - Educational Svces.	7,548.00	(2,628.00)	4,920.00	4,919.40	0.60
Other Purchased Services (400- 500)	50,000.00	(34,446.00)	15,554.00	15,103.47	450.53
Total Instructional Staff Training Services	210,939.00	(34,407.00)	176,532.00	176,080.27	451.73
Support Services General Administration:					
Salaries	838,593.00	(4,363.00)	834,230.00	828,054.53	6,175.47
Legal Services	137,718.50	34,702.00	172,420.50	159,062.81	13,357.69
Expenditure and Internal Control Audit Fees	33,660.00	6,390.00	40,050.00	40,050.00	
Other Purchased Professional Services	58,419.45	(2,253.00)	56,166.45	11,746.40	44,420.05
Other Purchased Technical Services	25,128.00	(8,636.00)	16,492.00	16,492.00	
Communications / Telephone	136,634.00	(2,574.00)	134,060.00	129,287.29	4,772.71
Board Travel Expense	15,230.00				
Miscellaneous Expenditures	279,178.00	(25,125.00)	269,263.00	268,980.83	302.17
General Supplies	12,625.00	(3,737.00)	8,888.00	8,147.09	740.91
BOE In- House Training/ Meeting Supplies	2,000.00	100.00	2,100.00	1,024.75	1,075.25
Judgements against the District	32,000.00	(15,042.00)	16,958.00	4,826.80	12,131.20
Miscellaneous Expenditures	12,412.00	(863.00)	11,549.00	11,548.30	0.70
BOE Membership Dues and Fees	28,200.00	(1,537.00)	26,663.00	26,662.70	0.30
Total Support Services General Administration	1,611,797.95	(22,938.00)	1,588,859.95	1,505,883.50	82,976.45
Support Services School Administration:					
Salaries of Principals / Asst. Principals	2,113,118.00	43,980.00	2,157,098.00	2,130,944.08	26,153.92
Salaries of Secretarial and Clerical Assistants	640,157.00	26,416.00	666,573.00	664,527.23	2,045.77
Purchased Professional and Technical Services	27,000.00	(13,106.00)	13,894.00	13,892.64	1.36
Other Purchased Services(400-500 series)	5,580.00	(4,318.00)	1,262.00	1,259.19	2.81
Supplies and Materials	61,815.18	2,753.00	71,080.16	52,871.47	18,208.69
Other Objects	5,850.00	(406.00)	5,444.00	5,443.75	0.25
Total Support Services School Administration	2,853,520.18	55,319.00	2,915,351.16	2,868,938.36	46,412.80

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central Service:					
Salaries	466,246.01	4,627.00	470,873.01	469,522.09	1,350.92
Purchased Professional Services	17,430.00	2,900.00	20,330.00	20,330.00	
Other Purchase Professional Service	70,789.00	105,767.00	176,556.00	173,566.45	2,989.55
Misc. Purch Services (400-500)	20,561.00	(3,548.00)	17,013.00	16,784.58	228.42
Supplies and Materials	20,050.00	(4,884.00)	15,166.00	15,119.52	46.48
Miscellaneous Expenditures	6,100.00	3,756.00	9,856.00	9,855.65	0.35
Total Central Service	601,176.01	108,618.00	709,794.01	705,178.29	4,615.72
Administrative Information Technology:					
Salaries	194,272.00	(68,026.00)	126,246.00	117,669.61	8,576.39
Purchased Technical Services	124,127.00	(23,267.00)	100,860.00	100,540.91	319.09
Other Purchased Services	38,237.00	(36,937.00)	1,300.00	623.11	676.89
Supplies and Materials	22,004.00	(13,013.00)	8,991.00	8,989.46	1.54
Total Administrative Information Technology	378,640.00	(141,243.00)	237,397.00	227,823.09	9,573.91
Required Maintenance for School Facilities:					
Salaries	585,133.00	71,206.00	656,339.00	646,287.34	10,051.66
Cleaning, Repair and Maintenance Services	311,768.44	(36,851.00)	271,891.38	242,763.47	29,127.91
General Supplies	141,762.32	42,600.00	187,257.31	169,678.45	17,578.86
Other Objects	62,675.00	(56,000.00)	6,675.00	6,074.86	600.14
Total Required Maintenance for School Facilities	1,101,338.76	20,955.00	1,122,162.69	1,064,804.12	57,358.57
Custodial Services:					
Salaries of Non-Instructional Aides	90,032.00	(18,946.00)	71,086.00	70,822.30	263.70
Purchased Professional and Technical Services	28,500.00	1,000.00	29,500.00	23,910.00	5,590.00
Cleaning, Repair and Maintenance Services	1,766,500.00	220,888.00	1,987,388.00	1,914,844.34	72,543.66
Other Purchased Property Services	425,025.28	(75,939.00)	324,061.00	313,105.31	10,955.69
Insurance	352,356.00	18,415.00	370,771.00	370,770.10	0.90
Miscellaneous Purchased Services	4,000.00	(4,000.00)			
General Supplies	130,000.00	(10,000.00)	120,000.00	112,228.06	7,771.94
Energy (Natural Gas)	330,000.00	(46,832.00)	283,168.00	280,886.87	2,281.13
Energy (Heat and Electricity)	627,000.00	(65,899.00)	561,101.00	546,100.31	15,000.69
Energy (Gasoline)	15,000.00		15,000.00	9,070.70	5,929.30
Other Objects	2,500.00		2,500.00	125.00	2,375.00
Total Custodial Services	3,770,913.28	18,687.00	3,764,575.00	3,641,862.99	122,712.01

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Care and Upkeep of Grounds:					
Salaries	19,564.00	10,374.00	29,938.00	29,937.21	0.79
Cleaning, Repair And Maintenance	99,500.00	4,000.00	103,500.00	99,032.57	4,467.43
General Supplies	36,485.28	(3,000.00)	33,485.28	26,367.26	7,118.02
Total Care and Upkeep of Grounds	155,549.28	11,374.00	166,923.28	155,337.04	11,586.24
Security:					
Purchased Professional and Technical Services	79,600.00	(33,801.00)	45,799.00	892.76	44,906.24
Cleaning, Repair, and Maintenance Services	98,235.98	(1,500.00)	96,735.98	96,735.98	57.00
General Supplies	59,205.00	(38,233.00)	20,972.00	20,967.96	4.04
Total Security	237,040.98	(73,534.00)	163,506.98	118,596.70	44,967.28
Student Transportation Services:					
Salaries of Non-Instructional Aides	178,155.01	(10,000.00)	168,155.01	163,087.16	5,067.85
Home and School) - Regular	766,975.00	(13,551.00)	753,424.00	751,822.16	1,601.84
Home and School) - Special	363,741.00	5,304.00	369,045.00	369,043.56	1.44
Salaries (Other than H & S)	78,752.00	(22,696.00)	56,056.00	56,055.29	0.71
Cleaning, Repair and Maintenance Services	305,800.00	(43,000.00)	262,800.00	186,698.89	76,101.11
Lease Payments	276,852.00	(276,852.00)			
Contracted Services - Aid in Lieu Payments-NonPub Sch	141,000.00	(56,000.00)	85,000.00	82,389.79	2,610.21
Contracted Services (Between Home & School) - Vendors	650,000.00	100,445.00	750,445.00	493,071.00	257,374.00
and School) - Vendors	338,000.00	(306,011.00)	31,989.00	26,884.16	5,104.84
Contract Services (Sp. Ed. Sids.) - Vendors	1,293,552.00	(3,159.00)	1,290,393.00	1,142,811.01	147,581.99
Contracted Svces. (Spec. Ed. Stud.s) - Joint Agree.	150,000.00	(20,575.00)	29,425.00	29,144.70	280.30
Miscellaneous Purchased Services - Transportation	45,600.00	(20,000.00)	25,600.00	22,353.29	3,246.71
Transportation Supplies	149,400.00	(6,500.00)	142,900.00	97,580.16	45,319.84
Other Objects	11,500.00	(200.00)	11,300.00	8,369.11	2,930.89
Total Student Transportation Services	4,749,327.01	(772,795.00)	3,976,532.01	3,429,310.28	547,221.73

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	1,098,288.65	313,710.00	1,411,998.65	553,742.38	858,256.27
Other Retirement Contributions - PERS	720,086.00	(83,502.00)	636,584.00	615,015.33	21,568.67
Unemployment Compensation	276,773.40	42,653.00	319,426.40	122,354.39	197,072.01
Workmen's Compensation	601,865.00	(90,375.00)	511,490.00	506,828.56	4,661.44
Health Benefits	12,753,949.00	(1,903,370.00)	10,850,579.00	10,818,987.95	31,591.05
Tuition Reimbursements	108,840.00	(39,004.00)	69,836.00	66,306.64	3,529.36
Other Employee Benefits	569,220.00	(265,019.00)	304,201.00	217,500.33	86,700.67
Total Unallocated Benefits - Employee Benefits	16,129,022.05	(2,024,907.00)	14,104,115.05	12,900,735.58	1,203,379.47
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF Contributions-non-budgeted				6,026,048.00	(6,026,048.00)
NCGI-non-budgeted				108,010.00	(108,010.00)
Post Retirement Medical-non budgeted				2,275,623.00	(2,275,623.00)
Reimbursed TPAF Social Security Contribution-non-budgete				2,213,895.70	(2,213,895.70)
Long Term Disability Insurance				4,536.00	(4,536.00)
Total TPAF Pension/Social Security				10,628,112.70	(10,628,112.70)
Total Undistributed Expenditures	42,950,412.53	(2,274,754.00)	40,681,142.88	48,982,547.34	(8,301,404.46)
TOTAL EXPENDITURES - CURRENT EXPENSE	70,873,346.51	(617,960.00)	70,255,386.51	78,050,582.13	(7,795,195.62)
CAPITAL OUTLAY:					
Equipment:					
Grades 1-5	4,951.00	(4,951.00)			
School Sponsored and Other Instructional Program	21,026.00	(21,026.00)		2,595.00	
Undist. Expend. - Supp Serv. - Related & Extra.		2,595.00	2,595.00	3,190.00	
Undistributed-Central Services		3,190.00	3,190.00		
Undistributed-Admin. Info Technology		51,147.00	51,147.00	51,146.29	0.71
School Buses - Regular		427,482.00	427,482.00	427,482.00	
Total Equipment	25,977.00	458,437.00	484,414.00	484,413.29	0.71

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Facilities Acquisition and Construction Services:					
Architectural/engineering services	146,000.00	(22,509.00)	123,491.00	102,916.99	20,574.01
Construction services	906,432.02	147,807.00	1,054,239.02	890,739.50	163,499.52
Assessment for Debt Service on SDA Funding	104,974.00		104,974.00	104,974.00	
Total Facilities Acquisition and Construction Services	<u>1,157,406.02</u>	<u>125,298.00</u>	<u>1,282,704.02</u>	<u>1,098,630.49</u>	<u>184,073.53</u>
Interest Deposit to Capital Reserve	50.00	(50.00)			
TOTAL CAPITAL OUTLAY	<u>1,183,433.02</u>	<u>583,665.00</u>	<u>1,767,118.02</u>	<u>1,583,043.78</u>	<u>184,074.24</u>
Transfer of funds to charter schools		34,275.00	34,275.00	22,850.00	11,425.00
TOTAL EXPENDITURES	<u>\$ 72,056,779.53</u>	<u>\$</u>	<u>\$ 72,056,779.53</u>	<u>\$ 79,656,475.91</u>	<u>\$ (7,599,696.38)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (3,120,711.53)</u>	<u>\$</u>	<u>\$ (3,120,711.53)</u>	<u>\$ 1,079,497.25</u>	<u>\$ 4,200,208.78</u>
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	<u>(3,120,711.53)</u>		<u>(3,120,711.53)</u>	<u>1,079,497.25</u>	<u>4,200,208.78</u>
Fund balances, July 1	<u>10,928,341.14</u>		<u>10,928,341.14</u>	<u>10,928,341.14</u>	
Fund balances, June 30	<u>\$ 7,807,629.61</u>	<u>\$</u>	<u>\$ 7,807,629.61</u>	<u>\$ 12,007,838.39</u>	<u>\$ 4,200,208.78</u>

Recapitulation:

Assigned - year-end encumbrances	\$	877,931.62
Restricted - excess surplus - current year		331,574.26
Restricted - excess surplus - designated for subsequent year's expenditures		263,574.00
Restricted - capital reserve		5,298,307.18
Restricted - maintenance reserve		3,234,543.07
Restricted - emergency reserve		280,601.00
Unassigned fund balance	\$	1,721,307.26
	\$	<u>12,007,838.39</u>
Reconciliation to governmental funds statements (GAAP):		
Prior Year aid payment not recognized on GAAP basis		<u>(1,244,347.00)</u>
Fund balance per governmental funds (GAAP)	\$	<u>10,763,491.39</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Federal sources	\$ 1,210,908.00	\$ 354,789.00	\$ 1,565,697.00	\$ 1,429,177.65	(136,519.35)
State sources		1,065,463.00	1,065,463.00	551,849.90	(513,613.10)
Other sources	1,308.32	40,059.30	41,367.62	41,367.06	(0.56)
Total revenues	<u>1,212,216.32</u>	<u>1,460,311.30</u>	<u>2,672,527.62</u>	<u>2,022,394.61</u>	<u>(650,133.01)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	1,108,307.00	(485,703.00)	622,604.00	396,307.60	226,296.40
Salaries of other professional staff		215,000.00	215,000.00	210,055.50	4,944.50
Other Purchased Services	20,820.00	(7,800.00)	13,020.00	8,071.25	4,948.75
Other purchased services		30,000.00	30,000.00	29,655.62	344.38
Tuition		599,471.00	599,471.00	584,937.00	14,534.00
Supplies and materials	1,308.32	144,222.00	145,530.32	134,075.43	11,454.89
Textbooks		13,278.00	13,278.00	9,516.25	3,761.75
Miscellaneous Expenditures		1,000.00	1,000.00	414.05	585.95
Total instruction	<u>1,130,435.32</u>	<u>509,468.00</u>	<u>1,639,903.32</u>	<u>1,373,032.70</u>	<u>266,870.62</u>
Support services:					
Salaries		75,000.00	75,000.00		75,000.00
Other salaries for instruction	81,781.00	(34,004.00)	47,777.00	26,016.77	21,760.23
Personal services - employee benefits		227,887.00	227,887.00	185,326.53	42,560.47
Purchased professional - educational services		367,711.00	367,711.00	361,019.59	6,691.41
(Between Home and School) --Vendors.		100,000.00	100,000.00		100,000.00
(Other Than Between Home and School) --Vendors.		10,000.00	10,000.00		10,000.00
Other purchased services		41,785.30	41,785.30	38,696.50	3,088.80
Supplies and materials		39,464.00	39,464.00	35,363.52	4,100.48
Miscellaneous expenditures		3,000.00	3,000.00	2,939.00	61.00
Total support services	<u>81,781.00</u>	<u>830,843.30</u>	<u>912,624.30</u>	<u>649,361.91</u>	<u>263,262.39</u>
Facilities acquisition and construction services:					
Non-Instructional equipment		120,000.00	120,000.00		120,000.00
Total facilities acquisition and construction services		<u>120,000.00</u>	<u>120,000.00</u>		<u>120,000.00</u>
Total expenditures	<u>1,212,216.32</u>	<u>1,460,311.30</u>	<u>2,672,527.62</u>	<u>2,022,394.61</u>	<u>650,133.01</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$80,735,973.16	\$2,022,394.61
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Adjust for encumbrances:		
Add prior year encumbrances		78,004.46
Less current year encumbrances		(93,790.20)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(1,244,347.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,253,711.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$80,745,337.16</u>	<u>\$2,006,608.87</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	\$79,656,475.91	\$2,022,394.61
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Adjust for encumbrances:		
Add prior year encumbrances		78,004.46
Less current year encumbrances		(93,790.20)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$79,656,475.91</u>	<u>\$2,006,608.87</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

	Measurement Date Ending June 30, 2019	Measurement Date Ending June 30, 2018	Measurement Date Ending June 30, 2017	Measurement Date Ending June 30, 2016	Measurement Date Ending June 30, 2015	Measurement Date Ending June 30, 2014	Measurement Date Ending June 30, 2013
District's proportion of the net pension liability (asset)	0.0639305567%	0.0637077200%	0.0629478929%	0.0613803205%	0.0569806767%	0.0592040926%	0.0528147030%
District's proportionate share of the net pension liability (asset)	\$11,519,316	\$12,543,733	\$14,653,263	\$18,179,090	\$12,791,020	\$11,084,625	\$10,093,939
District's covered-employee payroll	4,420,303	4,474,150	4,411,152	4,286,208	4,031,866	3,900,890	3,893,593
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	260.60%	280.36%	332.19%	424.13%	317.25%	284.16%	259.24%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 PUBLIC EMPLOYEES RETIREMENT SYSTEM
 Last Ten Years

	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2017	Fiscal Year Ending June 30, 2016	Fiscal Year Ending June 30, 2015	Fiscal Year Ending June 30, 2014
Contractually required contribution	\$ 621,858	\$ 633,686	\$ 583,145	\$ 545,294	\$ 489,881	\$ 488,070	\$ 397,948
Contributions in relation to the contractually required contribution	621,858	633,686	583,145	545,294	489,881	488,070	397,948
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	4,702,003	4,420,303	4,474,150	4,411,152	4,286,208	4,031,866	3,900,890
Contributions as a percentage of covered-employee payroll	13.23%	14.34%	13.03%	12.36%	11.43%	12.11%	10.20%

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

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

	Measurement Date Ending June 30, 2019	Measurement Date Ending June 30, 2018	Measurement Date Ending June 30, 2017	Measurement Date Ending June 30, 2016	Measurement Date Ending June 30, 2015	Measurement Date Ending June 30, 2014	Measurement Date Ending June 30, 2013
District's proportion of the net pension liability (asset)	0.2791414821%	0.2743311913%	0.2679312255%	0.2652378842%	0.2669482601%	0.2588708471%	0.2643382202%
State's proportionate share of the net pension liability (asset) associated with the District	\$171,311,762	\$174,523,611	\$180,648,893	\$208,653,008	\$168,722,700	\$138,358,042	\$133,594,457
District's covered-employee payroll	29,203,700	29,057,279	28,606,062	28,154,845	26,408,945	26,871,307	25,970,782
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0%	0%	0%	0%	0%	0%	0%
State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	586.61%	600.62%	631.51%	741.09%	638.88%	514.89%	514.40%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

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

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

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

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

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

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

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

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

	Measurement Date Ended June 30,	
	<u>2019</u>	<u>2018</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District		
Balance at 6/30	\$132,559,197	\$150,536,859
Changes for the year:		
Service cost	4,609,294	5,106,758
Interest	5,240,016	5,511,325
Changes of benefit terms		
Differences between expected and actual experience	(20,808,519)	(9,961,835)
Changes in assumptions or other inputs	1,786,488	(15,211,831)
Membership Contributions	109,027	122,507
Benefit payments - Net	(3,678,039)	(3,544,586)
Net changes	<u>(12,741,733)</u>	<u>(17,977,662)</u>
Balance at 6/30	<u>\$119,817,464</u>	<u>\$132,559,197</u>
Covered Employee Payroll	33,624,003	33,531,429
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	356.35%	395.33%
		455.93%

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

MATAWAN-ABERDEEN REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Change in benefit terms: None

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

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

	TITLE I	TITLE I - REALLOCATED	TITLE IIA	TITLE III	TITLE III - IMMIGRANT	TITLE IV	IDEA PART B	IDEA PRESCHOOL
REVENUES:								
Federal sources	\$ 361,323.63	\$ 18,209.38	\$ 56,195.47	\$ 33,346.71	\$ 6,480.23	\$ 12,848.00	\$ 905,376.23	\$ 35,398.00
State sources								
Other sources								
Total revenues	\$ 361,323.63	\$ 18,209.38	\$ 56,195.47	\$ 33,346.71	\$ 6,480.23	\$ 12,848.00	\$ 905,376.23	\$ 35,398.00
EXPENDITURES:								
Instruction:								
Salaries of teachers	228,556.10			14,667.50			2,520.00	
Salaries of other professional staff								
Other salaries for instruction								
Purchased professional-technical services								
Purchased professional-educational services					6,480.23			
Other purchased services								
Tuition	16,237.17	18,161.32		16,410.37			564,937.00	
Supplies and materials							28,317.93	
Textbooks								
Miscellaneous Expenditures								
Total instruction	244,793.27	18,161.32		31,077.87	6,480.23		615,774.93	
Support services:								
Salaries of Secretarial and Clerical Assistants								
Other Salaries for instruction	6,356.77		18,940.00	720.00				
Personal services - employee benefits	97,660.34		1,338.75	1,183.84				
Purchased professional - educational services			24,554.59			8,000.00	274,183.00	35,398.00
Purchased Technical Services								
Cleaning, Repair and Maintenance Services		48.06	7,899.23					
Other purchased services	12,513.25		523.90	365.00		4,848.00	15,418.30	
Supplies and materials			2,939.00					
Miscellaneous expenditures								
Total support services	116,530.36	48.06	56,195.47	2,268.84		12,848.00	289,601.30	35,398.00
Total expenditures	\$ 361,323.63	\$ 18,209.38	\$ 56,195.47	\$ 33,346.71	\$ 6,480.23	\$ 12,848.00	\$ 905,376.23	\$ 35,398.00

(Continued on next page)

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

	RECOVERY HIGH SCHOOL GRANT	NON - PUBLIC TEXTBOOKS	NON - PUBLIC NURSING	NON - PUBLIC TECHNOLOGY	NON - PUBLIC SECURITY	OTHER LOCAL GRANTS	TOTAL
REVENUES:							
Federal sources	\$ 487,561.90	\$ 9,134.00	\$ 18,884.00	\$ 7,020.00	\$ 29,250.00	\$	1,429,177.65
State sources						41,367.06	551,849.90
Other sources							41,367.06
Total revenues	\$ 487,561.90	\$ 9,134.00	\$ 18,884.00	\$ 7,020.00	\$ 29,250.00	\$ 41,367.06	2,022,394.61
EXPENDITURES:							
Instruction:							
Salaries of teachers	150,564.00						396,307.60
Salaries of other professional staff	210,055.50						210,055.50
Other salaries for instruction	1,051.25			7,020.00			8,071.25
Purchased professional-technical services	29,655.62						29,655.62
Purchased professional-educational services	4,587.35				29,250.00	14,631.06	584,937.00
Other purchased services	382.25	9,134.00					134,075.43
Tuition	414.05						9,516.25
Supplies and materials							414.05
Textbooks							
Miscellaneous Expenditures							
Total instruction	396,710.02	9,134.00		7,020.00	29,250.00	14,631.06	1,373,032.70
Support services:							
Salaries of Secretarial and Clerical Assistants							26,016.77
Other Salaries for Instruction	85,143.60		18,884.00				185,328.53
Personal services - employee benefits							361,019.59
Purchased professional - educational services							
Purchased Technical Services							
Cleaning, Repair and Maintenance Services	4,013.21					26,736.00	38,696.50
Other purchased services	1,695.07						35,363.52
Supplies and materials							2,939.00
Miscellaneous expenditures							
Total support services	90,851.88		18,884.00			26,736.00	649,361.91
Total expenditures	\$ 487,561.90	\$ 9,134.00	\$ 18,884.00	\$ 7,020.00	\$ 29,250.00	\$ 41,367.06	2,022,394.61

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
AS OF JUNE 30, 2020

ISSUE/PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		(MEMO ONLY) UNEXPENDED PROJECT BALANCE
			PRIOR YEAR	CURRENT YEAR	
2014 Capital Improvements:					
Cambridge Park Elementary - HVAC Building Upgrades	6/13/2014	\$ 63,571.34	\$ 46,897.50	\$	16,673.84
Matawan High School - Boiler & Fire Alarm System Replacement	6/13/2014	714,435.79	698,335.79		16,100.00
Matawan Ave Middle School - Boiler & Fire Alarm System Replacement	6/13/2014	618,858.92	578,858.92		40,000.00
Cliffwood Middle School- HVAC, Fire Alarm & Fire Door Replacement	6/13/2014	1,111,897.20	1,094,110.66		17,786.54
Lloyd Road Elementary School - HVAC & Fire Alarm System Replacement	6/13/2014	1,575,162.75	1,542,262.50		32,900.25
Ravine Drive Elementary School - Fire Alarm System Replacement	6/13/2014	134,394.00	130,815.50		3,578.50
Strathmore Elementary School - Fire Alarm System Replacement	6/13/2014	116,680.00	113,101.50		3,578.50
2016 Bond Referendum:					
Various Improvements and Replacements of HVAC					
Question #1:					
Cambridge Park Elementary	3/8/2016	971,316.20	921,522.21	1,000.00	48,793.99
Matawan Regional High School	3/8/2016	2,591,380.00	2,478,029.62	113,053.78	296.60
Matawan - Aberdeen Middle School	3/8/2016	2,777,980.00	2,777,691.45	(13,000.00)	13,288.55
Cliffwood Avenue Elementary	3/8/2016	1,502,995.00	1,432,690.88		70,304.12
Lloyd Road Elementary School	3/8/2016	2,264,631.00	2,242,744.01	(60,881.11)	82,768.10
Ravine Drive Elementary School	3/8/2016	1,929,622.00	1,928,567.95	(28,460.00)	29,514.05
Strathmore Elementary School	3/8/2016	2,554,880.00	2,492,925.46	(24,000.00)	85,954.54
Question #2					
Cambridge Park Elementary	3/8/2016	658,663.80	652,625.25	1,000.00	5,058.55
Matawan Regional High School	3/8/2016	1,767,081.00	1,748,329.66	17,848.00	903.34
Matawan - Aberdeen Middle School	3/8/2016	1,175,287.00	1,162,789.45	(15,000.00)	27,497.55
Cliffwood Avenue Elementary	3/8/2016	361,544.00	361,400.33	(2,530.00)	2,673.67
Lloyd Road Elementary School	3/8/2016	653,400.00	670,402.51	(19,174.00)	2,171.49
Ravine Drive Elementary School	3/8/2016	576,080.00	567,788.10	8,000.00	291.90
Strathmore Elementary School	3/8/2016	71,120.00	67,619.77		3,500.23
2019 Monmouth County Improvement Authority Lease Financing - Equipment Purchases	10/31/2020	1,783,620.74		779,506.42	1,004,114.32
Totals		\$ 25,974,620.74	\$ 23,709,509.02	\$ 757,363.09	\$ 1,507,748.63

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

Revenues and Other Financing Sources:	
Capital Lease Proceeds	\$1,601,000.00
Premium on Capital Lease Financing	\$182,620.74
Total revenues	<u>1,783,620.74</u>
Expenditures and Other Financing Uses:	
Legal Services	
Architectual/Engineering Services	\$21,028.00
Purchased professional and technical services	40,121.78
Equipment	739,384.64
Construction services	(43,171.33)
Total expenditures	<u>\$757,363.09</u>
Excess (deficiency) of revenues over (under) expenditures	\$1,026,257.65
Net change in fund balance	1,026,257.65
Fund balance - beginning	<u>481,491.03</u>
Fund balance - ending	<u><u>\$1,507,748.68</u></u>
<u>Reconciliation to Governmental Fund Statements (GAAP):</u>	
Fund Balance - budgetary basis	\$1,507,748.68
Add: Current Year Encumbrances	906,582.05
Less: ROD Grants not recognized under GAAP	(52,905.05)
Fund Balance - GAAP basis (B-1)	<u><u>\$2,361,425.68</u></u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CAMBRIDGE PARK ELEMENTARY - HVAC BUILDING UPGRADES - CONTROLS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 27,058.54	\$	27,058.54	27,058.54
Transfer from capital reserve	36,512.80		36,512.80	36,512.80
Total revenues	<u>63,571.34</u>		<u>63,571.34</u>	<u>63,571.34</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	19,897.50		19,897.50	19,897.50
Construction services	27,000.00		27,000.00	43,673.84
Total expenditures	<u>46,897.50</u>		<u>46,897.50</u>	<u>63,571.34</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 16,673.84	\$	16,673.84	\$

Additional project information:

Project Number 3040-040-14-G2CS
 Grant Date 6/13/2014
 Original Authorized Cost \$267,500.00
 Additional Authorized Cost (\$203,928.66)
 Revised Authorized Cost \$63,571.34

Percentage Increase over Original Authorized Cost

Percentage completion

Original target completion date

Revised target completion date

-76.24%
 100.00%
 FY2016
 FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN HIGH SCHOOL - BOILER & FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 285,774.32	\$	285,774.32	285,774.32
Transfer from capital reserve	428,661.47		428,661.47	428,661.47
Total revenues	<u>714,435.79</u>		<u>714,435.79</u>	<u>714,435.79</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	23,293.93		23,293.93	23,293.93
Construction services	675,041.86		675,041.86	691,141.86
Total expenditures	<u>698,335.79</u>		<u>698,335.79</u>	<u>714,435.79</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 16,100.00</u>	<u>\$</u>	<u>16,100.00</u>	<u>\$</u>

Additional project information:

Project Number	3040-050-14-G2CT
Grant Date	6/13/2014
Original Authorized Cost	\$1,150,000.00
Additional Authorized Cost	(\$435,564.21)
Revised Authorized Cost	\$714,435.79

Percentage Increase over Original Authorized Cost

Percentage completion -37.88%

Original target completion date FY2016

Revised target completion date FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN AVE MIDDLE SCHOOL - BOILER & FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 247,543.57	\$	247,543.57	247,543.57
Transfer from capital reserve	371,315.35		371,315.35	371,315.35
Total revenues	618,858.92		618,858.92	618,858.92
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	21,033.92		21,033.92	21,033.92
Construction services	557,825.00		557,825.00	597,825.00
Total expenditures	578,858.92		578,858.92	618,858.92
Excess (deficiency) of revenues over (under) expenditures	\$ 40,000.00	\$	40,000.00	\$

Additional project information:

Project Number	3040-053-14-G2CU
Grant Date	6/13/2014
Original Authorized Cost	\$879,000.00
Additional Authorized Cost	(\$260,141.08)
Revised Authorized Cost	\$618,858.92

Percentage Increase over Original Authorized Cost	-29.60%
Percentage completion	93.54%
Original target completion date	FY2016
Revised target completion date	FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 CLIFFWOOD MIDDLE SCHOOL- HVAC VENTILATORS, FIRE ALARM & STAIR TOWER FIRE DOOR REPLACEMENT
 FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
State sources - ROD grant	\$ 292,200.00	\$	292,200.00	292,200.00
Transfer from capital reserve	819,697.20		819,697.20	819,697.20
Total revenues	<u>1,111,897.20</u>		<u>1,111,897.20</u>	<u>1,111,897.20</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	45,462.00		45,462.00	45,627.25
Construction services	1,048,648.66		1,048,648.66	1,066,269.95
Total expenditures	<u>1,094,110.66</u>		<u>1,094,110.66</u>	<u>1,111,897.20</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 17,786.54	\$	17,786.54	\$

Additional project information:

Project Number 3040-060-14-G2CV
 Grant Date 6/13/2014
 Original Authorized Cost \$730,500.00
 Additional Authorized Cost \$381,397.20
 Revised Authorized Cost \$1,111,897.20

Percentage Increase over Original Authorized Cost 52.21%
 Percentage completion 98.40%
 Original target completion date FY2016
 Revised target completion date FY2017

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LLOYD ROAD ELEMENTARY SCHOOL- HVAC VENTILATORS, FIRE ALARM & STAIR TOWER FIRE DOOR REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 406,000.00	\$	406,000.00	\$ 406,000.00
Transfer from capital reserve	1,169,162.75		1,169,162.75	1,169,162.75
Total revenues	<u>1,575,162.75</u>		<u>1,575,162.75</u>	<u>1,575,162.75</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	69,842.00		69,842.00	70,037.25
Construction services	1,472,420.50		1,472,420.50	1,505,125.50
Total expenditures	<u>1,542,262.50</u>		<u>1,542,262.50</u>	<u>1,575,162.75</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 32,900.25</u>	<u>\$</u>	<u>32,900.25</u>	<u>\$</u>

Additional project information:

Project Number 3040-065-14-G2CW
 Grant Date 6/13/2014
 Original Authorized Cost \$1,015,000.00
 Additional Authorized Cost \$560,162.75
 Revised Authorized Cost \$1,575,162.75

Percentage Increase over Original Authorized Cost 55.19%
 Percentage completion 97.91%
 Original target completion date FY2016
 Revised target completion date FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
RAVINE DRIVE ELEMENTARY SCHOOL - FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 51,200.00	\$	51,200.00	\$ 51,200.00
Transfer from capital reserve	83,194.00		83,194.00	83,194.00
Total revenues	<u>134,394.00</u>		<u>134,394.00</u>	<u>134,394.00</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	1,400.00		1,400.00	1,400.00
Construction services	129,415.50		129,415.50	132,994.00
Total expenditures	<u>130,815.50</u>		<u>130,815.50</u>	<u>134,394.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,578.50</u>	<u>\$</u>	<u>3,578.50</u>	<u>\$</u>

Additional project information:

Project Number	3040-075-14-G2CX
Grant Date	6/13/2014
Original Authorized Cost	\$128,000.00
Additional Authorized Cost	\$6,394.00
Revised Authorized Cost	\$134,394.00

Percentage Increase over Original Authorized Cost	5.00%
Percentage completion	97.34%
Original target completion date	FY2016
Revised target completion date	FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 STRATHMORE ELEMENTARY SCHOOL - FIRE ALARM SYSTEM REPLACEMENT
 FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
State sources - ROD grant	\$ 46,672.00	\$	46,672.00	\$ 46,672.00
Transfer from capital reserve	70,008.00		70,008.00	70,008.00
Total revenues	<u>116,680.00</u>		<u>116,680.00</u>	<u>116,680.00</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	1,830.00		1,830.00	1,830.00
Construction services	111,271.50		111,271.50	114,850.00
Total expenditures	<u>113,101.50</u>		<u>113,101.50</u>	<u>116,680.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 3,578.50	\$	3,578.50	\$

Additional project information:

Project Number	3040-080-14-G2CY
Grant Date	6/13/2014
Original Authorized Cost	\$165,000.00
Additional Authorized Cost	(\$48,320.00)
Revised Authorized Cost	\$116,680.00
Percentage Increase over Original Authorized Cost	-29.28%
Percentage completion	96.93%
Original target completion date	FY2016
Revised target completion date	FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 CAMBRIDGE PARK ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
 FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Bond proceeds	\$ 971,316.20	\$	971,316.20	971,316.20
Total revenues	<u>971,316.20</u>		<u>971,316.20</u>	<u>971,316.20</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	10,000.00
Architectural/Engineering Services	53,765.31	1,000.00	54,765.31	75,425.20
Construction services	862,415.26		862,415.26	885,891.00
Total expenditures	<u>921,522.21</u>	<u>1,000.00</u>	<u>922,522.21</u>	<u>971,316.20</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 49,793.99	\$ (1,000.00)	\$ 48,793.99	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$852,000.00
Bonds Issued	-0-
Original Authorized Cost	\$852,000.00
Additional Authorized Cost	\$119,316.20
Revised Authorized Cost	\$971,316.20

Percentage Increase over Original Authorized Cost	14.00%
Percentage completion	94.98%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CAMBRIDGE PARK ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 658,683.80	\$	658,683.80	658,683.80
Total revenues	658,683.80		658,683.80	658,683.80
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	10,000.00
Architectural/Engineering Services	99,625.31	1,000.00	100,625.31	136,574.80
Construction services	547,658.30		547,658.30	512,109.00
Total expenditures	652,625.25	1,000.00	653,625.25	658,683.80
Excess (deficiency) of revenues over (under) expenditures	\$ 6,058.55	\$ (1,000.00)	\$ 5,058.55	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$1,098,000.00
Bonds Issued	-0-
Original Authorized Cost	\$1,098,000.00
Additional Authorized Cost	(\$439,316.20)
Revised Authorized Cost	\$658,683.80

Percentage increase over Original Authorized Cost	-40.01%
Percentage completion	99.23%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN REGIONAL HIGH SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 2,478,380.00	\$ 113,000.00	\$ 2,591,380.00	\$ 2,591,380.00
Total revenues	<u>2,478,380.00</u>	<u>113,000.00</u>	<u>2,591,380.00</u>	<u>2,591,380.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	5,400.00
Architectural/Engineering Services	73,354.98		73,354.98	73,380.00
Construction services	2,399,333.00	113,053.78	2,512,386.78	2,512,600.00
Total expenditures	<u>2,478,029.62</u>	<u>113,053.78</u>	<u>2,591,083.40</u>	<u>2,591,380.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 350.38	\$ (53.78)	\$ 296.60	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$1,911,000.00
Bonds Issued	-0-
Original Authorized Cost	\$1,911,000.00
Additional Authorized Cost	\$680,380.00
Revised Authorized Cost	\$2,591,380.00

Percentage Increase over Original Authorized Cost	35.60%
Percentage completion	99.99%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN REGIONAL HIGH SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 1,749,081.00	\$ 18,000.00	\$ 1,767,081.00	\$ 1,767,081.00
Total revenues	<u>1,749,081.00</u>	<u>18,000.00</u>	<u>1,767,081.00</u>	<u>1,767,081.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	5,400.00
Architectural/Engineering Services	194,500.90	9,028.00	203,528.90	203,620.00
Construction services	1,548,487.12	8,820.00	1,557,307.12	1,558,061.00
Total expenditures	<u>1,748,329.66</u>	<u>17,848.00</u>	<u>1,766,177.66</u>	<u>1,767,081.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 751.34</u>	<u>\$ 152.00</u>	<u>\$ 903.34</u>	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$1,488,000.00
Bonds Issued	-0-
Original Authorized Cost	\$1,488,000.00
Additional Authorized Cost	\$261,081.00
Revised Authorized Cost	\$1,749,081.00

Percentage increase over Original Authorized Cost	17.55%
Percentage completion	100.98%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 MATAWAN-ABERDEEN MIDDLE SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
 FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 2,777,980.00	\$	2,777,980.00	2,777,980.00
Total revenues	<u>2,777,980.00</u>		<u>2,777,980.00</u>	<u>2,777,980.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	5,400.00
Architectural/Engineering Services	80,010.31		80,010.31	80,080.00
Construction services	2,692,339.50	(13,000.00)	2,679,339.50	2,692,500.00
Total expenditures	<u>2,777,691.45</u>	<u>(13,000.00)</u>	<u>2,764,691.45</u>	<u>2,777,980.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 288.55	\$ 13,000.00	\$ 13,288.55	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$2,640,000.00
Bonds Issued	-0-
Original Authorized Cost	\$2,640,000.00
Additional Authorized Cost	\$137,980.00
Revised Authorized Cost	\$2,777,980.00

Percentage Increase over Original Authorized Cost	5.23%
Percentage completion	99.52%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN-ABERDEEN MIDDLE SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 1,175,287.00	\$	1,175,287.00	1,175,287.00
Total revenues	<u>1,175,287.00</u>		<u>1,175,287.00</u>	<u>1,175,287.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	10,000.00
Architectural/Engineering Services	225,782.81		225,782.81	231,520.00
Construction services	931,665.00	(15,000.00)	916,665.00	933,767.00
Total expenditures	<u>1,162,789.45</u>	<u>(15,000.00)</u>	<u>1,147,789.45</u>	<u>1,175,287.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 12,497.55	\$ 15,000.00	\$ 27,497.55	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$1,855,000.00
Bonds Issued	-0-
Original Authorized Cost	\$1,855,000.00
Additional Authorized Cost	(\$32,733.00)
Revised Authorized Cost	\$1,822,267.00

Percentage Increase over Original Authorized Cost	-1.76%
Percentage completion	62.99%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CLIFFWOOD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 1,502,995.00	\$	1,502,995.00	1,502,995.00
Total revenues	<u>1,502,995.00</u>		<u>1,502,995.00</u>	<u>1,502,995.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	10,000.00
Architectural/Engineering Services	77,375.31		77,375.31	120,500.00
Construction services	1,349,973.93		1,349,973.93	1,372,495.00
Total expenditures	<u>1,432,690.88</u>		<u>1,432,690.88</u>	<u>1,502,995.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 70,304.12	\$	70,304.12	\$

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$1,280,000.00
Bonds Issued	-0-
Original Authorized Cost	\$1,280,000.00
Additional Authorized Cost	\$222,995.00
Revised Authorized Cost	\$1,502,995.00

Percentage increase over Original Authorized Cost	17.42%
Percentage completion	95.32%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CLIFFWOOD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Bond proceeds	\$ 361,544.00	\$	361,544.00	361,544.00
Total revenues	361,544.00		361,544.00	361,544.00
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	5,341.64
Architectural/Engineering Services	24,375.31		24,375.31	24,375.31
Construction services	331,683.38	(2,530.00)	329,153.38	331,827.05
Total expenditures	361,400.33	(2,530.00)	358,870.33	361,544.00
Excess (deficiency) of revenues over (under) expenditures	\$ 143.67	\$ 2,530.00	\$ 2,673.67	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$275,000.00
Bonds Issued	-0-
Original Authorized Cost	\$275,000.00
Additional Authorized Cost	\$86,544.00
Revised Authorized Cost	\$361,544.00

Percentage Increase over Original Authorized Cost	31.47%
Percentage completion	99.26%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LLOYD ROAD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 2,278,631.00	\$ (14,000.00)	\$ 2,264,631.00	\$ 2,264,631.00
Total revenues	<u>2,278,631.00</u>	<u>(14,000.00)</u>	<u>2,264,631.00</u>	<u>2,264,631.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	10,000.00
Architectural/Engineering Services	136,111.85	500.00	136,611.85	148,000.00
Construction services	2,101,290.52	(61,381.11)	2,039,909.41	2,106,631.00
Total expenditures	<u>2,242,744.01</u>	<u>(60,881.11)</u>	<u>2,181,862.90</u>	<u>2,264,631.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 35,886.99</u>	<u>\$ 46,881.11</u>	<u>\$ 82,768.10</u>	

Additional project information:

Project Number	3/8/2016
Bond Authorization Date	\$2,094,000.00
Bonds Authorized	-0-
Bonds Issued	\$2,094,000.00
Original Authorized Cost	\$184,631.00
Additional Authorized Cost	\$2,278,631.00
Revised Authorized Cost	

Percentage Increase over Original Authorized Cost	8.82%
Percentage completion	95.75%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LLOYD ROAD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 778,400.00	\$ (125,000.00)	\$ 653,400.00	\$ 653,400.00
Total revenues	<u>778,400.00</u>	<u>(125,000.00)</u>	<u>653,400.00</u>	<u>653,400.00</u>
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	7,000.00
Architectural/Engineering Services	73,338.87	500.00	73,838.87	73,400.00
Construction services	591,722.00	(19,674.00)	572,048.00	573,000.00
Total expenditures	<u>670,402.51</u>	<u>(19,174.00)</u>	<u>651,228.51</u>	<u>653,400.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 107,997.49</u>	<u>\$ (105,826.00)</u>	<u>\$ 2,171.49</u>	
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$653,400.00		
Bonds Issued		-0-		
Original Authorized Cost		\$653,400.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$653,400.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion		99.67%		
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 RAVINE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
 FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Bond proceeds	\$ 1,929,622.00	\$	1,929,622.00	1,929,622.00
Total revenues	1,929,622.00		1,929,622.00	1,929,622.00
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	6,000.00
Architectural/Engineering Services	133,338.81	1,000.00	134,338.81	133,520.00
Construction services	1,789,887.50	(29,460.00)	1,760,427.50	1,790,102.00
Total expenditures	1,928,567.95	(28,460.00)	1,900,107.95	1,929,622.00
Excess (deficiency) of revenues over (under) expenditures	\$ 1,054.05	\$ 28,460.00	\$ 29,514.05	

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$2,045,000.00
Bonds Issued	-0-
Original Authorized Cost	\$2,045,000.00
Additional Authorized Cost	(\$115,378.00)
Revised Authorized Cost	\$1,929,622.00

Percentage Increase over Original Authorized Cost	-5.64%
Percentage completion	98.47%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
 RAVINE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
 FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Bond proceeds	\$ 568,080.00	\$ 8,000.00	\$ 576,080.00	\$ 576,080.00
Total revenues	568,080.00	8,000.00	576,080.00	576,080.00
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	5,350.00
Architectural/Engineering Services	44,761.81	8,000.00	52,761.81	52,780.00
Construction services	517,684.65		517,684.65	517,950.00
Total expenditures	567,788.10	8,000.00	575,788.10	576,080.00
Excess (deficiency) of revenues over (under) expenditures	\$ 291.90	\$	\$ 291.90	\$

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$576,080.00
Bonds Issued	-0-
Original Authorized Cost	\$576,080.00
Additional Authorized Cost	-0-
Revised Authorized Cost	\$576,080.00

Percentage Increase over Original Authorized Cost	N/A
Percentage completion	99.95%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
STRATHMORE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 2,554,880.00	\$	2,554,880.00	2,554,880.00
Total revenues	2,554,880.00		2,554,880.00	2,554,880.00
Expenditures and other financing uses:				
Legal Services	5,341.64		5,341.64	10,000.00
Architectural/Engineering Services	147,783.82		147,783.82	229,380.00
Construction services	2,339,800.00	(24,000.00)	2,315,800.00	2,315,500.00
Total expenditures	2,492,925.46	(24,000.00)	2,468,925.46	2,554,880.00
Excess (deficiency) of revenues over (under) expenditures	\$ 61,954.54	\$ 24,000.00	\$ 85,954.54	\$

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$2,554,880.00
Bonds Issued	-0-
Original Authorized Cost	\$2,554,880.00
Additional Authorized Cost	-0-
Revised Authorized Cost	\$2,554,880.00

Percentage Increase over Original Authorized Cost
 Percentage completion
 Original target completion date
 Revised target completion date

N/A
 96.64%
 FY2020
 FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
STRATHMORE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ 71,120.00	\$	71,120.00	71,120.00
Total revenues	71,120.00		71,120.00	71,120.00
Expenditures and other financing uses:				
Legal Services	5,340.96		5,340.96	10,000.00
Architectural/Engineering Services	50,278.81		50,278.81	57,120.00
Construction services	12,000.00		12,000.00	4,000.00
Total expenditures	67,619.77		67,619.77	71,120.00
Excess (deficiency) of revenues over (under) expenditures	\$ 3,500.23	\$	3,500.23	\$

Additional project information:

Project Number	
Bond Authorization Date	3/8/2016
Bonds Authorized	\$71,120.00
Bonds Issued	-0-
Original Authorized Cost	\$71,120.00
Additional Authorized Cost	-0-
Revised Authorized Cost	\$71,120.00
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	95.08%
Original target completion date	FY2020
Revised target completion date	FY2020

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MONMOUTH COUNTY IMPROVEMENT AUTHORITY EQUIPMENT LEASE FINANCING
FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Capital Lease proceeds	\$	1,601,000.00 \$	1,601,000.00 \$	1,601,000.00
Premium		182,620.74	182,620.74	182,620.74
Total revenues		<u>1,783,620.74</u>	<u>1,783,620.74</u>	<u>1,783,620.74</u>
Expenditures and other financing uses:				
Legal Services				
Architectural/Engineering Services		40,121.78	40,121.78	41,161.74
Other Purchased Professional & Technical Services		739,384.64	739,384.64	1,742,459.00
Equipment				
Construction services		<u>779,506.42</u>	<u>779,506.42</u>	<u>1,783,620.74</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	\$	<u>1,004,114.32 \$</u>	<u>1,004,114.32 \$</u>	

Additional project information:

Project Number	10/31/2020
Bond Authorization Date	\$1,783,620.74
Bonds Authorized	-0-
Bonds Issued	\$1,783,620.74
Original Authorized Cost	-0-
Additional Authorized Cost	\$1,783,620.74
Revised Authorized Cost	\$1,783,620.74

Percentage Increase over Original Authorized Cost N/A
 Percentage completion 43.70%
 Original target completion date FY2020
 Revised target completion date FY2021

PROPRIETARY FUND DETAIL STATEMENTS

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

FOOD SERVICES FUND: This fund provides for the operation of Food services within the school district.

SUMMER THEATER FUND: This fund provides for the operation of a Summer Theater program within the school district.

**PRESCHOOL AND WRAP (PAWS)
FUND** This fund provides for the operation of a Preschool program within the school district.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>FOOD SERVICE FUND</u>	<u>SUMMER THEATER FUND</u>	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$280,772.01	\$12,838.37	\$293,610.38
Accounts receivable:			
State	421.47		421.47
Federal	40,767.16		40,767.16
Other	52,391.95		52,391.95
Inventories	28,275.82		28,275.82
Total current assets	402,628.41	12,838.37	415,466.78
Noncurrent assets:			
Furniture, machinery and equipment	288,232.24		288,232.24
Less accumulated depreciation	(259,754.72)		(259,754.72)
Total noncurrent assets	28,477.52		28,477.52
Total assets	431,105.93	12,838.37	443,944.30
LIABILITIES:			
Current liabilities:			
Interfund payables	33,170.16		33,170.16
Unearned revenue	61,222.72		61,222.72
Accounts payable	9,368.16		9,368.16
Total current liabilities	103,761.04		103,761.04
Total liabilities	103,761.04		103,761.04
NET POSITION:			
Net investment in capital assets	28,477.52		28,477.52
Unrestricted	298,867.37	12,838.37	311,705.74
Total net position	\$327,344.89	\$12,838.37	\$340,183.26

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		TOTAL
	FOOD SERVICE FUND	SUMMER THEATER FUND	
OPERATING REVENUES:			
Charges for services:			
Daily sales - reimburseable programs	\$371,495.03		\$371,495.03
Daily sales - non-reimbursable programs	228,927.00		228,927.00
Special functions	20,654.00		20,654.00
Fees - individuals		\$28,970.00	28,970.00
Total operating revenues	621,076.03	28,970.00	650,046.03
OPERATING EXPENSES:			
Cost of sales-reimbursable programs	427,662.31		427,662.31
Cost of sales-non-reimbursable programs	116,299.58		116,299.58
Salaries and benefits	407,531.00	18,252.50	425,783.50
Employee benefits	148,106.00		148,106.00
Supplies and materials	1,839.65	719.00	2,558.65
Other purchased services	8,010.00		8,010.00
Management fee	122,400.00		122,400.00
Miscellaneous	146,295.68		146,295.68
Depreciation	4,235.48		4,235.48
	1,382,379.70	18,971.50	1,401,351.20
Operating income (loss)	(761,303.67)	9,998.50	(751,305.17)
NONOPERATING REVENUES (EXPENSES):			
State sources			
State school lunch program	12,358.57		12,358.57
Federal Sources			
National school lunch program	428,961.19		428,961.19
Healthy Hunger-Free Kids Act	16,485.56		16,485.56
School breakfast program	98,018.20		98,018.20
National food distribution commodities	139,593.20		139,593.20
Interest	52.98		52.98
Total nonoperating revenues (expenses)	695,469.70		695,469.70
Income (loss) before contributions and transfers	(65,833.97)	9,998.50	(55,835.47)
Total net position - beginning	393,178.86	2,839.87	396,018.73
Total net position - ending	\$327,344.89	\$12,838.37	\$340,183.26

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS - ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND			TOTAL
	FOOD SERVICE FUND	SUMMER THEATER FUND	PAVS FUND	
Cash flows from operating activities:				
Receipts from customers	\$619,317.88	\$19,410.00		\$638,727.88
Payments to employees	(407,531.00)	(18,252.50)		(425,783.50)
Payments to employees benefits	(148,106.00)			(148,106.00)
Payments to suppliers	(681,030.94)	(719.00)		(681,749.94)
Net cash provided by (used for) operating activities	(617,350.06)	438.50		(616,911.56)
Cash flows from noncapital financing activities:				
State sources	13,192.02			13,192.02
Federal sources	548,247.92			548,247.92
Operating subsidies and transfers to other funds		5,962.64		5,962.64
Net cash provided by noncapital financing activities	561,439.94	5,962.64		567,402.58
Cash flows from investing activities:				
Interest and dividends	52.98			52.98
Net cash provided by investing activities	52.98			52.98
Net increase (decrease) in cash and cash equivalents	(55,857.14)	438.50		(49,456.00)
Cash and cash equivalents, July 1, 2019 (deficit)	336,828.15	12,399.87		343,066.38
Cash and cash equivalents, June 30, 2020	\$280,772.01	\$12,838.37		\$293,610.38
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)				
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	(\$761,303.67)	\$9,998.50		(\$751,305.17)
Federal commodities	4,235.48			4,235.48
Change in assets and liabilities:				
(Increase) decrease in other accounts receivable	(18,690.10)			(18,690.10)
Increase (decrease) in accounts payable	5,476.18			5,476.18
Increase (decrease) in unearned revenue	23,262.13	(9,560.00)		13,702.13
(Increase) decrease in inventories	(9,923.28)			(9,923.28)
	143,953.61	(9,560.00)		134,393.61
Net cash provided by (used for) operating activities	(\$617,350.06)	\$438.50		(\$616,911.56)

FIDUCIARY FUNDS DETAIL STATEMENTS

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

**Unemployment Compensation
Insurance Trust Fund:**

This expendable trust fund is used to pay unemployment compensation claims as they arise.

Private Purpose Trust

These trust funds are used to account for assets held by the district for scholarships to the students where there are no restrictions regarding the use of principal and income.

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

Student Activity Fund :

This agency fund is used to account for student funds held at the schools.

Payroll Fund:

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2020

	AGENCY FUNDS		TOTAL AGENCY	PRIVATE PURPOSE AWARD FUND SCHOLARSHIP FUND		STATE UNEMPLOYMENT TRUST FUND	TOTAL TRUST FUNDS	TOTAL
	STUDENT ACTIVITY	PAYROLL AGENCY		AWARD FUND	SCHOLARSHIP FUND			
ASSETS:								
Cash and cash equivalents	\$199,964.36	\$580,908.28	\$780,872.64	\$10,885.92	\$10,885.92	\$80,050.87	\$90,936.79	\$871,809.43
Total assets	\$199,964.36	\$580,908.28	\$780,872.64	\$10,885.92	\$10,885.92	\$80,050.87	\$90,936.79	\$871,809.43
LIABILITIES:								
Interfunds Payable	5,788.39	\$551,441.58	\$557,229.97					\$557,229.97
Payroll deductions and withholdings		29,466.70	29,466.70					29,466.70
Due to student groups	\$194,175.97		194,175.97					194,175.97
Total liabilities	199,964.36	580,908.28	780,872.64					780,872.64
NET POSITION:								
Held in trust for								
State Unemployment Insurance				\$10,885.92		\$80,050.87	\$80,050.87	\$80,050.87
Awards and other purposes							10,885.92	10,885.92
Total net position	-0-	-0-	-0-	\$10,885.92		\$80,050.87	\$90,936.79	\$90,936.79

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

	<u>PRIVATE PURPOSE AWARD FUND SCHOLARSHIP FUND</u>	<u>STATE UNEMPLOYMENT INSURANCE TRUST FUND</u>	<u>TOTAL</u>
ADDITIONS:			
Contributions:			
Other	_____	\$250,674.74	\$250,674.74
Total contributions	_____	250,674.74	250,674.74
Investment earnings:			
Interest	86.11	_____	86.11
Net investment earnings	86.11	_____	86.11
Total additions	86.11	250,674.74	250,760.85
DEDUCTIONS:			
Unemployment claims	_____	245,611.28	245,611.28
Total deductions	_____	245,611.28	245,611.28
Change in net assets	86.11	5,063.46	5,149.57
Net position beginning of year	10,799.81	74,987.41	\$85,787.22
Net position end of year	<u>\$10,885.92</u>	<u>\$80,050.87</u>	<u>\$90,936.79</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JUNE 30, 2019</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSE-</u> <u>MENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
Elementary Schools:				
Ravine	\$3,040.42	\$3,363.90	\$733.75	\$5,670.57
Cliffwood	5,541.99	2,146.41	1,061.18	6,627.22
Strathmore	4,607.40		98.50	4,508.90
Lloyd Road	7,835.31	2,965.05	1,024.57	9,775.79
Cambridge Park	1,195.49	691.64		1,887.13
Total Elementary Schools	<u>\$22,220.61</u>	<u>\$9,167.00</u>	<u>\$2,918.00</u>	<u>\$28,469.61</u>
Middle School:				
Matawan Avenue	<u>\$55,535.81</u>	<u>\$42,255.00</u>	<u>\$41,847.04</u>	<u>\$55,943.77</u>
Total Middle School	<u>\$55,535.81</u>	<u>\$42,255.00</u>	<u>\$41,847.04</u>	<u>\$55,943.77</u>
High School:				
Matawan Regional	\$95,958.37	\$72,192.87	\$77,746.40	\$90,404.84
Athletic Account		64,828.00	45,470.25	19,357.75
Total High School	<u>\$95,958.37</u>	<u>\$137,020.87</u>	<u>\$123,216.65</u>	<u>\$109,762.59</u>
Total all schools	<u>\$173,714.79</u>	<u>\$188,442.87</u>	<u>\$167,981.69</u>	<u>\$194,175.97</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
PAYROLL AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JUNE 30, 2019</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
ASSETS:				
Cash and cash equivalents	\$1,760,063.28	\$42,114,607.25	\$43,293,762.25	\$580,908.28
Total assets	<u>\$1,760,063.28</u>	<u>\$42,114,607.25</u>	<u>\$43,293,762.25</u>	<u>\$580,908.28</u>
LIABILITIES:				
Interfunds payable	\$462,574.24	\$23,278,181.14	\$23,189,313.80	\$551,441.58
Payroll deductions and withholdings	\$1,297,489.04	18,836,426.11	20,104,448.45	29,466.70
Total liabilities	<u>\$1,760,063.28</u>	<u>\$42,114,607.25</u>	<u>\$43,293,762.25</u>	<u>\$580,908.28</u>

LONG-TERM DEBT SCHEDULES

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURETIES DATE	AMOUNT	RATE OF INTEREST	BALANCE		RETIRED	BALANCE JUNE 30, 2020	
						JUNE 30, 2019	JUNE 30, 2020			
2011 Refunding Bonds	9/15/2011	\$ 20,530,000.00	9/15/2020	\$ 1,350,000.00	5.00%					
	9/15/2021		9/15/2021	1,425,000.00	4.50%					
	9/15/2022		9/15/2022	1,495,000.00	4.50%					
	9/15/2023		9/15/2023	1,575,000.00	5.00%					
	9/15/2024		9/15/2024	1,665,000.00	5.00%					
	9/15/2025		9/15/2025	1,745,000.00	4.00%					
	9/15/2026		9/15/2026	1,820,000.00	4.00%					
	9/15/2027		9/15/2027	1,905,000.00	4.24%	\$ 14,255,000.00	\$ 1,275,000.00	\$	12,980,000.00	
	2016 School Bonds	8/1/2020	\$ 19,856,000.00	8/1/2020	550,000.00	2.25%				
		8/1/2021		8/1/2021	550,000.00	2.50%				
8/1/2022			8/1/2022	550,000.00	2.50%					
8/1/2023			8/1/2023	550,000.00	2.50%					
8/1/2024			8/1/2024	550,000.00	2.50%					
8/1/2025			8/1/2025	550,000.00	2.50%					
8/1/2026			8/1/2026	550,000.00	2.50%					
8/1/2027			8/1/2027	550,000.00	2.50%					
8/1/2028			8/1/2028	1,100,000.00	2.50%					
8/1/2029			8/1/2029	1,100,000.00	2.50%					
8/1/2030			8/1/2030	1,100,000.00	2.50%					
8/1/2031			8/1/2031	1,050,000.00	2.50%					
8/1/2032			8/1/2032	1,000,000.00	2.50%					
8/1/2033			8/1/2033	1,000,000.00	2.50%					
8/1/2034		8/1/2034	1,000,000.00	2.50%						
8/1/2035		8/1/2035	1,000,000.00	3.00%						
8/1/2036		8/1/2036	1,000,000.00	3.00%						
8/1/2037		8/1/2037	1,000,000.00	3.00%						
8/1/2038		8/1/2038	1,000,000.00	3.00%						
8/1/2039		8/1/2039	1,000,000.00	3.00%						
8/1/2040		8/1/2040	1,000,000.00	3.00%						
8/1/2041		8/1/2041	1,006,000.00	3.00%						
						19,306,000.00	550,000.00		18,756,000.00	
						\$ 33,561,000.00	\$ 1,825,000.00	\$	31,736,000.00	

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2020

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>MATURITIES</u>		<u>RATE OF INTEREST</u>	<u>INCREASE</u>	<u>BALANCE JUNE 30, 2020</u>
			<u>DATE</u>	<u>AMOUNT</u>			
School Buses and Technology		\$ 1,601,000.00	10/1/2020	271,000.00	5.00%		
			10/1/2021	309,000.00	5.00%		
			10/1/2022	324,000.00	5.00%		
			10/1/2023	340,000.00	5.00%		
			10/1/2024	357,000.00	5.00%		
						\$ 1,601,000.00	\$ 1,601,000.00
						\$ 1,601,000.00	\$ 1,601,000.00

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:					
Local sources:					
Local tax levy	\$2,558,607.00		\$2,558,607.00	\$2,558,607.00	
State sources:					
Debt service aid type II	358,273.00		\$358,273.00	358,273.00	
Total revenues	<u>2,916,880.00</u>		<u>2,916,880.00</u>	<u>2,916,880.00</u>	
EXPENDITURES:					
Regular debt service:					
Interest	1,119,817.50		1,119,817.50	1,119,817.50	
Redemption of principal	1,825,000.00		1,825,000.00	1,825,000.00	
Total regular debt service-expenditures	<u>2,944,817.50</u>		<u>2,944,817.50</u>	<u>2,944,817.50</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(27,937.50)</u>		<u>(27,937.50)</u>	<u>(27,937.50)</u>	
Fund balance, July 1	<u>29,836.32</u>	<u>-</u>	<u>29,836.32</u>	<u>29,836.32</u>	<u>-</u>
Fund balance, June 30	<u>1,898.82</u>	<u>-</u>	<u>1,898.82</u>	<u>\$1,898.82</u>	

STATISTICAL SECTION - UNAUDITED

**MATAWAN ABERDEEN REGIONAL SCHOOL DISTRICT
STATISTICAL SECTION**

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

Sources

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Government Activities:										
Net Investment in capital assets	\$ 13,897,770.00	\$ 27,216,151.59	\$ 31,011,303.83	\$ 34,718,497.02	\$ 37,599,133.47	\$ 43,378,893.96	\$ 28,033,266.48	\$ 35,979,531.04	\$ 42,243,160.38	\$ 44,482,022.46
Restricted	6,131,370.00	9,626,184.43	13,792,360.48	8,668,028.44	9,991,342.03	5,361,767.11	18,386,453.46	10,774,261.40	8,552,700.08	10,863,443.96
Unrestricted (deficit)	(960,477.00)	(835,518.36)	(2,431,923.11)	1,044,727.93	(9,948,266.80)	(9,346,284.19)	(8,351,754.42)	(10,240,429.11)	(11,499,571.87)	(13,915,826.94)
Total Government Activities Net Position	\$ 19,068,663.00	\$ 36,006,817.66	\$ 42,371,741.20	\$ 44,431,253.39	\$ 37,642,208.70	\$ 39,394,376.88	\$ 38,067,955.52	\$ 36,513,363.32	\$ 39,296,288.58	\$ 41,429,639.47
Business-Type Activities:										
Net Investment in capital assets	\$ 49,040.00	\$ 41,611.43	\$ 34,289.40	\$ 34,937.88	\$ 30,369.58	\$ 24,943.67	\$ 26,790.29	\$ 37,631.82	\$ 32,713.00	\$ 28,477.52
Unrestricted	239,266.00	211,225.61	136,714.60	205,037.12	251,013.79	243,952.56	295,290.43	299,463.78	363,305.73	311,705.74
Total Business-Type Activities Net Position	\$ 288,306.00	\$ 252,837.04	\$ 171,004.00	\$ 239,975.00	\$ 281,383.37	\$ 268,896.23	\$ 322,080.72	\$ 337,095.60	\$ 396,018.73	\$ 340,183.26
District-wide:										
Net Investment in capital assets	\$ 13,946,810.00	\$ 27,257,763.02	\$ 31,045,593.23	\$ 34,753,434.90	\$ 37,629,503.05	\$ 43,403,837.63	\$ 28,060,056.77	\$ 36,017,162.86	\$ 42,275,873.38	\$ 44,510,499.98
Restricted	6,131,370.00	9,626,184.43	13,792,360.48	8,668,028.44	9,991,342.03	5,361,767.11	18,386,453.46	10,774,261.40	8,552,700.08	10,863,443.96
Unrestricted (Deficit)	(721,211.00)	(624,292.75)	(2,295,208.51)	1,249,765.05	(9,697,253.01)	(9,102,331.63)	(8,056,473.99)	(9,940,965.33)	(11,136,266.14)	(13,604,121.20)
Total District Net Position	\$ 19,356,969.00	\$ 36,299,654.70	\$ 42,542,745.20	\$ 44,671,228.39	\$ 37,923,592.07	\$ 39,663,273.11	\$ 38,390,036.24	\$ 36,850,458.92	\$ 39,692,307.31	\$ 41,769,822.73

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental Activities:										
Instruction:										
Regular	(17,468,715.00)	(17,407,671.16)	(18,210,424.22)	(26,402,937.94)	(30,576,986.32)	(32,641,015.65)	(36,006,914.33)	(36,434,721.08)	(34,037,887.18)	(33,219,545.44)
Special Education	(4,895,479.00)	(5,496,733.86)	(5,095,002.80)	(7,433,190.35)	(9,106,753.32)	(11,306,311.52)	(13,469,170.52)	(15,157,440.07)	(12,693,317.06)	(12,703,355.60)
Other Instruction	(2,372,717.00)	(2,222,970.65)	(2,285,794.42)	(3,154,911.27)	(3,737,195.65)	(3,346,289.56)	(3,556,873.31)	(4,004,548.83)	(5,241,228.01)	(4,932,204.31)
Support Services:										
Tuition	(4,396,674.00)	(3,639,959.86)	(3,029,087.85)	(2,396,195.41)	(2,489,060.76)	(2,748,344.69)	(3,245,947.40)	(3,603,617.22)	(3,660,527.99)	(3,911,823.93)
Student & instruction related services	(4,122,057.00)	(5,385,756.83)	(5,788,683.14)	(8,453,847.45)	(9,820,682.85)	(10,733,037.05)	(12,657,596.66)	(13,066,618.80)	(13,015,768.06)	(12,755,400.38)
General Administrative Services	(3,317,289.00)	(864,535.66)	(989,921.92)	(2,069,753.29)	(1,599,392.97)	(1,779,955.48)	(2,116,458.67)	(2,028,360.88)	(2,008,794.74)	(1,974,012.76)
Central Services		(2,287,673.48)	(2,239,359.00)	(2,755,320.65)	(4,019,175.77)	(4,183,783.30)	(4,716,153.73)	(5,073,995.93)	(4,964,069.77)	(5,029,674.69)
School Administrative Services	(758,311.00)	(453,032.02)	(484,258.51)	(654,533.85)	(693,080.96)	(769,419.54)	(978,616.18)	(944,264.72)	(824,214.86)	(838,162.42)
Admin. Information Technology		(235,185.19)	(152,443.59)	(150,468.43)	(206,024.95)	(245,699.00)	(273,593.34)	(390,958.13)	(266,582.97)	(288,537.58)
Plant Operations and Maintenance	(4,920,803.00)	(4,372,463.78)	(4,575,267.07)	(5,310,910.77)	(5,014,146.43)	(5,086,206.80)	(5,742,379.70)	(5,477,751.08)	(5,447,345.32)	(5,398,512.20)
Student Transportation Services	(2,728,276.00)	(2,660,672.92)	(2,749,771.83)	(3,369,277.60)	(3,434,847.16)	(3,408,230.46)	(4,082,271.75)	(4,369,482.63)	(4,169,539.02)	(4,230,319.79)
Unallocated Employee Benefits	(12,524,392.00)	(13,314,815.57)	(14,920,545.76)							
Summer School	(120,282.00)	(105,193.15)							(0.01)	
Interest on Long-Term Debt	(1,112,819.00)	(1,129,037.29)	(1,094,259.82)	(768,948.08)	(964,918.80)	(908,629.48)	(848,265.88)	(2,427,426.85)	(1,004,323.02)	(1,138,595.21)
Unallocated Depreciation and Amortization	(1,520,140.00)	(1,487,444.68)	(1,910,958.47)	(1,755,145.58)	(1,803,994.29)	(1,802,742.67)	(1,915,940.35)	(1,963,562.05)	(1,798,727.51)	(1,756,317.44)
Total Governmental Activities Expenses	(60,257,964.00)	(61,052,746.10)	(63,535,798.40)	(64,675,541.67)	(73,476,262.13)	(78,959,645.20)	(89,710,982.82)	(94,942,748.27)	(89,132,445.52)	(88,276,461.75)

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-Type Activities:										
Food Service	\$ (1,585,102.00)	\$ (1,603,886.92)	\$ (1,598,194.04)	\$ (1,522,971.29)	\$ (1,628,414.71)	\$ (1,670,171.96)	\$ (1,645,864.22)	\$ (1,659,550.66)	\$ (1,645,631.39)	\$ (1,382,379.70)
Other Activities	(37,826.00)	(36,554.04)	(35,543.52)	(36,913.92)	(37,748.86)	(33,506.43)	(68,970.33)	(37,437.54)	(38,191.64)	(18,971.50)
Total Business-Type Activities Expenses	(1,623,038.00)	(1,640,440.96)	(1,633,737.56)	(1,559,885.21)	(1,666,163.59)	(1,703,678.39)	(1,714,834.55)	(1,696,988.20)	(1,683,823.03)	(1,401,351.20)
Total District Expenses	\$ (61,861,002.00)	\$ (62,693,187.06)	\$ (65,169,535.96)	\$ (66,235,426.88)	\$ (75,142,425.72)	\$ (80,663,323.59)	\$ (91,425,817.37)	\$ (96,639,736.47)	\$ (90,816,268.55)	\$ (89,677,812.95)
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	\$ 121,211.00	\$ 105,984.46	\$ 90,686.00	\$ 105,195.20	\$ 113,801.50	\$ 115,147.50	\$ 136,681.92	\$ 220,341.10	\$ 13,100.00	\$
Pupil Transportation	1,769,865.00	99,099.47	122,583.89	106,837.10	88,230.17	78,038.67	164,091.97	106,159.10	20,415,273.84	17,380,870.31
Operating Grants and Contributions	1,890,896.00	6,255,615.07	6,861,736.97	6,237,529.41	13,127,677.98	16,286,456.28	21,687,327.92	25,404,708.94	20,415,273.84	17,380,870.31
Total Governmental Activities Program Revenues	1,890,896.00	6,460,709.00	7,095,006.86	6,449,561.71	13,329,709.65	16,491,642.45	21,988,101.81	25,731,209.14	20,428,373.84	17,380,870.31
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 994,623.00	\$ 973,945.47	\$ 896,275.13	\$ 928,747.72	\$ 947,758.19	\$ 933,213.12	\$ 951,243.28	\$ 912,102.72	\$ 957,280.00	\$ 621,076.03
Other Activities	33,869.00	38,756.00	41,433.75	33,800.00	36,452.00	32,430.45	65,895.50	42,640.00	32,553.10	28,970.00
Operating Grants and Contributions	607,815.00	716,862.52	614,195.54	658,373.49	723,361.77	725,547.68	750,880.26	751,294.63	752,911.09	695,416.72
Total Business-Type Activities Program Revenues	1,636,307.00	1,729,563.99	1,551,904.52	1,620,721.21	1,707,571.96	1,691,191.25	1,768,019.04	1,706,037.35	1,742,744.19	1,345,462.75
Total District Program Revenues	\$ 3,527,203.00	\$ 8,190,272.99	\$ 8,646,911.38	\$ 8,070,282.92	\$ 15,037,281.61	\$ 18,182,833.70	\$ 23,756,120.85	\$ 27,437,246.49	\$ 22,171,118.03	\$ 18,726,333.06
Net (Expense)/Revenue:										
Governmental Activities	\$ (58,367,068.00)	\$ (54,592,037.10)	\$ (56,440,791.54)	\$ (58,225,979.96)	\$ (60,146,552.48)	\$ (62,468,002.75)	\$ (67,722,881.01)	\$ (69,211,539.13)	\$ (68,704,071.68)	\$ (70,895,591.44)
Business-Type Activities	13,289.00	89,143.03	(61,833.04)	60,836.00	41,408.37	(12,487.14)	53,184.49	9,049.15	58,921.16	(55,888.45)
Total District-wide Net (Expense)/Revenue	\$ (58,353,799.00)	\$ (54,502,894.07)	\$ (56,522,624.58)	\$ (58,165,143.96)	\$ (60,105,144.11)	\$ (62,480,489.89)	\$ (67,669,696.52)	\$ (69,202,489.98)	\$ (68,645,150.52)	\$ (70,951,479.89)

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	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 \$	44,105,928.00	44,850,503.00	45,523,260.00	46,206,109.00	47,130,231.00	48,072,836.00	50,596,991.00	52,003,125.00	54,069,882.00	55,427,966.00
Taxes Levied for Debt Service	2,317,367.00	2,476,720.00	2,443,473.00	2,420,553.00	2,438,530.00	2,448,770.00	1,871,150.00	2,392,475.00	2,557,351.00	2,599,607.00
Unrestricted Grants and Contributions	14,772,491.00	12,092,970.61	12,527,494.95	12,457,914.69	12,695,618.18	12,782,832.47	13,075,586.39	12,965,096.53	13,663,166.92	13,652,761.02
Restricted Grants and Contributions		13,352.00	10,630.03	13,512.99	683,036.48	480,000.64	518,057.83	114,329.69	354,540.40	222,129.26
Tuition Received	121,211.00			341,192.30	438,502.41	305,979.86	284,555.51	196,963.35	884,030.87	1,219,118.18
Miscellaneous Income	55,711.00	105,755.22	525,902.15							
Investment Earnings	3,541.00	6,003.51	11,487.33	(8,135.00)	12,000.00		50,116.91	(5,962.54)	(41,974.25)	(51,639.13)
Transfers and Other Adjustments										
Total Governmental Activities	61,376,247.00	59,545,304.34	61,042,247.46	61,431,146.98	63,397,916.07	64,090,416.97	66,396,459.54	67,686,026.93	71,486,996.94	73,028,942.33
Business-Type Activities:										
Other	7,328.00			8,135.00				3.09	1.97	52.98
Transfers								5,965.73		
Total Business-Type Activities	7,328.00			8,135.00				5,965.73	1.97	52.98
Total District-wide	\$ 61,383,575.00	\$ 59,545,304.34	\$ 61,042,247.46	\$ 61,439,281.98	\$ 63,397,916.07	\$ 64,090,416.97	\$ 66,396,459.54	\$ 67,671,992.66	\$ 71,486,998.91	\$ 73,028,995.31
Changes in Net Assets:										
Governmental Activities	3,009,179.00	4,953,267.24	4,501,455.92	3,205,167.02	3,251,365.59	1,622,416.22	(1,326,421.37)	(1,545,512.20)	2,782,925.26	2,133,350.89
Business-Type Activities	20,597.00	89,143.03	(81,833.04)	68,971.00	41,408.37	(12,487.14)	53,184.49	15,014.88	58,923.13	(65,835.47)
Total District	\$ 3,029,776.00	\$ 5,042,410.27	\$ 4,519,622.88	\$ 3,274,138.02	\$ 3,292,773.96	\$ 1,609,929.08	\$ (1,273,236.88)	\$ (1,530,497.32)	\$ 2,841,848.39	\$ 2,077,515.42

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

General Fund:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Restricted	\$ 4,141,147.00	\$ 9,938,971.64	\$ 14,087,203.56	\$ 8,943,379.26	\$ 9,183,044.23	\$ 7,559,693.02	\$ 6,808,046.05	\$ 6,352,894.40	\$ 8,122,215.79	\$ 9,408,599.51
Assigned	1,990,219.00	683,066.14	285,498.06	682,422.79	1,320,811.74	493,434.52	375,705.26	694,894.88		877,931.62
Committed				2,608,195.00	0.06	2,252.78	129,646.93	117,738.44		
Unassigned	257,969.00	121,177.68	107,964.79	49,560.68	94,491.87	396,548.20	433,598.05	215,621.65	1,552,414.35	476,960.26
Total General Fund	\$ 6,389,335.00	\$ 10,743,215.46	\$ 14,480,666.41	\$ 12,284,557.93	\$ 10,598,347.90	\$ 8,451,926.52	\$ 7,746,996.29	\$ 7,421,149.37	\$ 9,674,630.14	\$ 10,763,491.39
All Other Governmental Funds:										
Committed	\$	\$ 12,187.00	\$	\$	\$ 512,077.65	\$ 2,317,275.42	\$ 4,837,094.54	\$ 3,481,233.14	\$ 2,675,678.04	\$ 906,582.05
Assigned								34,488.00	27,938.00	1,898.00
Unreserved, Reported In:										
Capital Projects Fund					1,064,367.62	(1,952,971.09)	11,776,683.94	4,994,105.26	428,585.97	1,454,843.63
Debt Service Fund	4.00	0.27	1.34	1.43	1.43	1.43	34,488.05	27,938.11	1,898.32	0.82
Total All Other Governmental Funds	\$ 4.00	\$ 12,187.27	\$ 1.34	\$ 1.43	\$ 1,576,446.70	\$ 364,305.76	\$ 16,648,266.53	\$ 8,537,764.51	\$ 3,134,100.33	\$ 2,363,324.50

MATAWAN-BERDEN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Tax Levy	46,423,293.00	\$ 47,327,223.00	\$ 47,956,733.00	\$ 48,526,662.00	\$ 49,568,761.00	\$ 50,521,606.00	\$ 52,468,141.00	\$ 54,395,600.00	\$ 56,627,233.00	\$ 57,986,573.00
Tuition Changes	121,211.00	105,994.46	90,686.00	105,195.20	113,801.50	115,147.50	136,691.92	220,341.10	13,100.00	
Transportation Fees	125,580.00	99,099.47	122,583.89	106,837.10	88,230.17	78,038.67	164,091.97	106,159.10	894,872.77	1,056,917.96
Miscellaneous	102,930.00	149,687.67	157,086.32	379,397.02	510,801.42	350,666.52	336,024.78	245,546.95	25,128,432.20	25,107,733.07
State Sources	14,803,882.00	16,231,107.43	18,161,878.33	17,332,985.40	19,017,488.29	19,890,641.44	21,178,564.14	22,532,565.91	1,351,536.06	1,518,787.00
Federal Sources	1,690,877.00	2,092,951.31	1,228,288.78	1,347,758.97	1,414,793.34	1,448,119.29	1,394,029.73	1,393,662.65		
Total Revenues	63,267,143.00	66,065,013.34	68,137,254.32	67,868,843.69	70,713,885.72	72,403,619.42	75,877,533.54	78,893,893.71	84,015,174.03	85,670,001.03
Expenditures:										
Instruction:										
Regular	17,321,662.00	17,410,361.25	18,210,424.22	18,954,329.42	19,697,500.03	19,183,784.11	19,629,851.29	19,501,968.72	19,026,673.24	19,786,047.02
Special	4,895,479.00	5,486,479.00	5,095,002.80	5,353,137.75	5,780,109.50	6,072,897.95	6,493,005.75	7,259,734.36	7,369,827.21	7,773,105.35
Other	2,372,717.00	2,222,970.65	2,285,794.42	2,223,957.66	2,268,791.17	2,489,126.45	2,629,321.24	2,954,502.79	2,876,330.68	2,882,106.39
Support Services:										
Tuition	4,396,674.00	3,639,959.86	3,023,097.85	2,396,195.41	2,489,060.76	2,748,344.69	3,245,947.40	3,603,617.22	3,660,527.99	3,911,823.83
Student & Instruction related services	4,122,057.00	5,385,755.83	5,788,693.14	6,186,651.98	6,440,672.38	6,640,007.93	7,355,577.65	7,779,386.34	8,231,013.87	8,501,550.66
General Administrative Services	758,311.00	884,535.66	995,921.92	1,372,841.74	1,339,108.35	1,428,420.10	1,483,449.93	1,414,597.64	1,521,103.01	1,505,863.50
School Administrative Services		2,257,673.48	2,239,359.00	2,342,556.71	2,351,340.43	2,347,961.67	2,418,743.75	2,585,747.41	2,633,710.04	2,868,938.36
Central Services		453,032.02	484,258.51	484,733.31	517,277.81	567,492.52	609,144.13	588,689.14	546,891.13	705,178.29
Admin. Information Technology		235,185.19	152,443.59	150,468.43	167,293.04	183,548.49	176,200.89	280,007.51	195,845.19	227,823.09
Other Administrative Services	3,317,296.00		4,575,267.07	5,023,773.22	4,761,512.64	4,797,563.78	5,258,528.06	4,958,730.49	4,980,600.65	
Plant Operations and Maintenance	4,920,803.00	2,660,672.92	2,749,771.83	2,697,326.83	2,836,086.37	2,759,658.96	3,037,783.29	3,254,050.17	3,254,050.17	3,429,310.28
Student Transportation Services	2,723,276.00	13,371,312.79	14,860,401.77	14,979,122.25	16,461,597.16	18,219,960.21	20,439,208.65	21,245,505.09	23,350,890.45	23,528,848.28
Unallocated Employee Benefits										
Summer School	120,282.00	103,193.15								
ARRA										
Debt Service:										
Principal	1,354,737.00	1,404,736.84	1,464,736.84	1,484,736.91	1,540,000.00	1,615,000.00	1,095,000.00	1,145,000.00	1,760,000.00	1,825,000.00
Interest and Other Charges	1,143,909.00	1,076,081.38	1,008,938.09	953,568.00	898,530.00	833,770.00	778,150.00	1,513,356.65	1,194,317.50	1,119,817.50
Capital Outlay	410,656.00	661,688.86	1,447,877.25	5,478,558.46	4,274,177.82	5,891,976.02	5,319,590.88	9,254,727.47	6,576,046.82	4,109,502.86
Total Expenditures	60,387,254.00	61,639,956.52	64,411,989.30	70,064,952.08	70,823,650.48	75,778,835.89	79,954,503.01	87,324,282.01	87,165,357.44	87,135,538.36
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	2,879,889.00	4,366,054.82	3,725,265.02	(2,196,108.39)	(109,764.76)	(3,375,316.46)	(4,276,969.47)	(6,430,386.30)	(3,150,183.41)	(1,465,535.33)
Other Financing Sources/(Uses):										
Transfers										
Proceeds from Bonds		20,530,000.00								
Original Issue Premium		1,901,389.25								
Bonds Retained		(21,400,000.00)								
Payment to Refunding Escrow Agent		(893,487.38)								
Cost of Issuance of Refunding Bonds		(137,931.87)								
Total Other Financing Sources/(Uses)										
Net Change in Fund Balances	\$ 2,879,889.00	\$ 4,366,054.82	\$ 3,725,265.02	\$ (2,196,108.39)	\$ (109,764.76)	\$ (3,375,316.46)	\$ (4,276,969.47)	\$ (6,430,386.30)	\$ (3,150,183.41)	\$ 318,065.41
Debt Service as a Percentage of Noncapital Expenditures	4.17%	4.07%	3.93%	3.77%	3.66%	3.50%	2.51%	3.41%	3.67%	3.55%

Source: District records
Note: Noncapital expenditures are total expenditures less Capital Outlay.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Tuition</u>	<u>Transportation</u>	<u>Interest on</u> <u>Investments</u>	<u>Accounts</u> <u>Payable</u> <u>Cancelled</u>	<u>Miscellaneous</u>	<u>Annual</u> <u>Totals</u>
2011	\$121,211.00	\$125,580.00	\$3,541.00	-	\$51,342.00	\$301,674.00
2012	105,994.46	99,099.47	7,428.13	-	104,330.60	316,852.66
2013	90,686.00	122,583.89	14,856.95	390,624.75	131,907.78	750,659.37
2014	105,195.20	106,837.10	8,156.69	-	328,289.37	548,478.36
2015	113,801.50	88,230.17	5,757.03	54,159.57	373,267.06	635,215.33
2016	115,147.50	78,038.67	4,764.52	241.50	297,348.18	495,540.37
2017	136,681.92	164,091.97		8,179.49	166,486.58	475,439.96
2018	220,341.10	106,159.10	10,017.91	1,500.00	110,345.52	448,363.63
2019	268,901.79	13,100.00	144,341.61	50,302.25	282,578.99	759,224.64
2020	564,554.60	105,928.62	139,802.87		180,065.25	990,351.34

Source: District records

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

ABERDEEN TOWNSHIP

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial
2010	\$52,040,200	\$1,743,737,100	\$1,665,800	\$59,500	\$232,811,300	\$9,695,700
2011	51,016,100	1,746,861,700	1,665,800	59,500	234,030,300	9,695,700
2012	36,662,900	1,746,720,800	1,671,200	67,800	233,402,500	9,695,700
2013	35,814,450	1,745,296,900	1,671,200	54,600	232,175,600	9,695,700
2014	42,063,400	1,668,574,650	1,622,700	54,900	231,509,900	9,710,700
2015	34,997,400	1,696,513,500	1,636,300	38,200	225,377,800	9,710,700
2016	28,970,300	1,733,589,639	1,641,600	31,500	217,896,600	9,178,200
2017	31,647,700	1,786,771,900	1,678,600	30,800	213,181,500	3,531,000
2018	48,183,400	1,825,220,190	1,646,600	28,000	223,122,100	3,563,400
2019	41,429,600	1,901,129,190	1,716,400	28,000	216,982,400	3,392,400

	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County) Equalized Value	Total Direct School Tax Rate ^b
2010	\$45,979,900	\$2,089,309,000	\$2,804,792	\$2,092,113,792	\$2,190,617,190	1.487
2011	45,979,900	2,074,200,800	2,869,478	2,077,070,278	2,159,909,536	1.508
2012	40,400,800	2,065,109,250	3,160,148	2,069,269,398	2,110,772,680	1.563
2013	40,400,800	1,993,937,050	-0-	1,993,937,050	2,028,395,295	1.588
2014	37,372,000	2,005,645,900	-0-	2,005,645,900	1,999,678,536	1.691
2015	37,386,000	2,028,693,839	-0-	2,028,693,839	2,076,708,282	1.714
2016	37,978,000	2,074,819,500	-0-	2,074,819,500	2,089,869,431	1.723
2017	40,246,700	2,077,088,200	-0-	2,077,088,200	2,228,103,108	1.722
2018	54,146,600	2,155,910,290	-0-	2,155,910,290	2,339,312,381	1.733
2019	67,800,800	2,232,478,790	-0-	2,232,478,790	2,399,740,718	1.697

Source: Abstract of Ratables

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

- * Revaluation
- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
MATAWAN BOROUGH
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment
2010	13,112,200	811,496,200	133,623,900	9,729,100	77,906,400
2011	8,561,900	821,454,800	136,553,300	8,854,000	76,764,800
2012	6,565,100	821,597,000	133,891,900	8,854,000	71,323,100
2013	5,166,300	822,359,100	133,916,700	8,854,000	69,394,100
2014	4,492,700	733,473,400	131,837,800	8,854,000	67,274,700
2015	10,110,500	737,787,300	136,005,600	5,144,200	76,687,800
2016	9,484,000	775,634,000	139,778,700	5,173,300	81,780,900
2017	10,937,400	788,783,600	140,489,700	3,512,100	84,833,400
2018	5,363,700	813,226,800	144,389,200	3,534,600	118,917,200
2019	5,404,600	846,425,900	141,965,700	3,529,600	118,917,200

	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2010	1,045,867,800	1,785,231	1,047,653,031	1,082,020,202	1.453
2011	1,052,188,800	1,978,012	1,054,166,812	1,006,262,445	1.463
2012	1,042,231,100	2,047,771	1,044,278,871	975,095,199	1.472
2013	1,039,690,200	-	1,039,690,200	923,922,687	1.632
2014	945,932,600	-	945,932,600	911,390,885	1.622
2015	965,735,400	-	965,735,400	1,016,280,693	1.634
2016	1,011,850,900	-	1,011,850,900	1,020,927,120	1.718
2017	1,028,556,200	-	1,028,556,200	1,056,101,333	1.673
2018	1,085,431,500	-	1,085,431,500	1,118,886,197	1.661
2019	1,116,243,000	-	1,116,243,000	1,178,466,005	1.646

Source: Abstract of Ratables

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when 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
- b Tax rates are per \$100

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)
(UNAUDITED)

Fiscal Year Ending June 30	Matawan-Aberdeen Regional School District Direct Rate										Overlapping Rates						Total Direct and Overlapping Tax Rate		
	General Obligation					School Tax Rate					Municipality of			Monmouth County			Municipality of		
	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	0.073	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	0.440	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	0.267	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough
2011	1.433	1.380	0.075	0.073	1.508	1.453	1.453	1.453	0.440	0.707	0.281	0.281	0.281	0.267	2.229	2.427	2.229	2.427	2.427
2012	1.481	1.386	0.082	0.077	1.563	1.463	1.463	1.463	0.487	0.742	0.288	0.288	0.288	0.263	2.338	2.468	2.338	2.468	2.468
2013	1.517	1.397	0.081	0.075	1.598	1.472	1.472	1.472	0.505	0.752	0.297	0.297	0.297	0.272	2.400	2.496	2.400	2.496	2.496
2014	1.607	1.551	0.084	0.081	1.691	1.632	1.632	1.632	0.533	0.832	0.290	0.290	0.290	0.261	2.514	2.725	2.514	2.725	2.725
2015	1.630	1.542	0.084	0.080	1.714	1.622	1.622	1.622	0.550	0.836	0.296	0.296	0.296	0.277	2.560	2.735	2.560	2.735	2.735
2016	1.639	1.555	0.084	0.079	1.723	1.634	1.634	1.634	0.536	0.838	0.290	0.290	0.290	0.284	2.549	2.756	2.549	2.756	2.756
2017	1.661	1.657	0.061	0.061	1.722	1.718	1.718	1.718	0.568	0.819	0.275	0.275	0.275	0.278	2.565	2.815	2.565	2.815	2.815
2018	1.657	1.599	0.076	0.074	1.733	1.673	1.673	1.673	0.582	0.820	0.292	0.292	0.292	0.282	2.607	2.775	2.607	2.775	2.775
2019	1.665	1.586	0.079	0.075	1.744	1.661	1.661	1.661	0.547	0.797	0.321	0.321	0.321	0.272	2.612	2.730	2.612	2.730	2.730
2020	1.622	1.573	0.075	0.073	1.697	1.646	1.646	1.646	0.560	0.818	0.279	0.279	0.279	0.272	2.536	2.736	2.536	2.736	2.736

Source: Abstract of Ratables

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.
- b Rates for debt service are based on each year's requirements.
- * The Borough of Matawan underwent a revaluation during 2008.
- ** The Township of Aberdeen underwent a revaluation during 2009.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

ABERDEEN TOWNSHIP

	2020			2011		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1	\$ 32,234,000	1	1.50%	\$ N/A	1	0%
Taxpayer 2	21,916,000	2	1.02%	N/A	2	0%
Taxpayer 3	20,178,800	3	0.94%	N/A	3	0%
Taxpayer 4	13,351,600	4	0.62%	N/A	4	0%
Taxpayer 5	12,700,000	5	0.59%	N/A	5	0%
Taxpayer 6	11,688,800	6	0.54%	N/A	6	0%
Taxpayer 7	9,588,300	7	0.44%	N/A	7	0%
Taxpayer 8	9,119,300	8	0.42%	N/A	8	0%
Taxpayer 9	8,510,300	9	0.39%	N/A	9	0%
Taxpayer 10	6,702,500	10	0.31%	N/A	10	0%
Total	\$ 145,989,600		6.77%	\$ N/A		0%

MATAWAN BOROUGH

	2020			2011		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1	\$ 30,200,000	1	2.78%	\$ N/A	1	0%
Taxpayer 2	25,924,500	2	2.39%	N/A	2	0%
Taxpayer 3	17,500,000	3	1.61%	N/A	3	0%
Taxpayer 4	12,316,000	4	1.13%	N/A	4	0%
Taxpayer 5	10,850,000	5	1.00%	N/A	5	0%
Taxpayer 6	10,023,000	6	0.92%	N/A	6	0%
Taxpayer 7	9,794,000	7	0.90%	N/A	7	0%
Taxpayer 8	8,520,000	8	0.78%	N/A	8	0%
Taxpayer 9	6,301,400	9	0.58%	N/A	9	0%
Taxpayer 10	5,472,000	10	0.50%	N/A	10	0%
Total	\$ 136,900,900		12.61%	\$ N/A		0%

N/A Not Available

Source: Municipal Tax Assessor

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		<u>Amount</u>	<u>Percentage of Levy</u>	
2011	46,423,293	46,423,293	100.00%	-
2012	47,327,223	47,327,223	100.00%	-
2013	47,966,733	47,966,733	100.00%	-
2014	48,571,807	48,516,952	99.00%	\$54,855
2015	49,568,761	49,568,761	100.00%	-
2016	50,521,606	50,521,606	100.00%	-
2017	52,468,141	52,468,141	100.00%	-
2018	54,395,600	52,468,141	100.00%	-
2019	56,627,233	56,627,233	100.00%	-
2020	57,986,573	57,986,573	100.00%	-

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

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases			
2011	26,084,210.00	-	27,506,177.65	1.68%	1,019.05
2012	23,809,473.68	-	26,084,210.00	1.53%	963.41
2013	22,344,736.88	-	23,809,473.68	1.38%	876.99
2014	20,860,000.00	-	22,344,736.88	3.11%	2,087.71
2015	19,320,000.00	-	20,860,000.00	1.10%	772.34
2016	17,705,000.00	101,104.44	19,320,000.00	0.99%	716.25
2017	36,466,000.00	51,281.91	36,517,281.91	1.79%	1,352.34
2018	35,321,000.00	25,944.37	35,346,944.37	1.63%	1,307.40
2019	33,561,000.00	-	33,561,000.00	N/A	1,199.81
2020	31,736,000.00	1,601,000.00	33,337,000.00	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

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

N/A Not available at the time of audit

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	23,809,473.68	2,580,000.00	21,229,473.68	0.68%	786.51
2012	23,809,473.68	2,115,000.00	21,694,473.68	0.70%	801.27
2013	22,344,736.88	1,625,000.00	20,719,736.88	0.67%	763.19
2014	20,860,000.00	1,110,000.00	19,750,000.00	0.67%	1,845.28
2015	19,320,000.00	570,000.00	18,750,000.00	0.63%	694.21
2016	17,705,000.00	-0-	17,705,000.00	0.58%	656.37
2017	36,466,000.00	-0-	36,466,000.00	1.17%	1,350.44
2018	35,321,000.00	-0-	35,321,000.00	1.09%	1,306.44
2019	33,561,000.00	-0-	33,561,000.00	1.00%	1,199.81
2020	31,736,000.00	-0-	31,736,000.00	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

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

N/A Not available at the time of audit.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2019
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable</u>	<u>Estimated</u> <u>Share of</u> <u>Overlapping</u> <u>Debt</u>
Gross Debt Repaid with Property Taxes:			
Aberdeen Township	\$ 93,013,329	100.00%	\$ 93,013,329
Matawan Borough	43,713,632	100.00%	43,713,632
Monmouth County General Obligation Debt -Aberdeen Township	1,251,065,000	1.842%	23,050,312
Monmouth County General Obligation Debt -Matawan Borough	1,251,065,000	0.875%	10,950,670
Subtotal, Overlapping Debt			<u>170,727,943</u>
Matawan-Aberdeen Regional School District Direct Debt			<u>31,736,000</u>
Total Direct and Overlapping Debt			<u>\$ 202,463,943</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.
Debt Outstanding data provided by each governmental unit.
Overlapping County Debt provided by the County Finance Department.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Aberdeen Township and Matawan Borough. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2019:

Equalized Valuation Basis	2019	2018	2017
(A)	\$ 3,578,206,705	3,458,198,578	3,284,204,441
(A/3)	\$ 1,192,738,902	1,152,729,526	1,094,681,480
(B)	137,608,130		
(C)	33,561,000		
(B-C)	\$ 104,047,130		

	Fiscal Year			
	2010	2011	2012	2013
Debt Limit	\$ 130,943,029	\$ 127,795,314	\$ 125,553,347	\$ 122,590,699
Total Net Debt Applicable To Limit	27,438,947	23,504,210	20,719,737	19,750,000
Legal Debt Margin	\$ 103,504,082	\$ 104,291,104	\$ 104,833,610	\$ 102,840,699
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.95%	18.39%	16.50%	16.11%
	2015	2016	2017	2018
Debt Limit	\$ 119,418,352	\$ 119,644,136	\$ 126,494,882	\$ 131,364,344
Total Net Debt Applicable To Limit	36,466,000	36,466,000	35,321,000	33,561,000
Legal Debt Margin	\$ 82,952,352	\$ 83,178,136	\$ 91,173,882	\$ 97,803,344
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.39%	16.50%	30.54%	46.64%
				2019
Debt Limit				\$ 137,608,130
Total Net Debt Applicable To Limit				33,561,000
Legal Debt Margin				\$ 104,047,130
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit				24.39%

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.

b Equalized valuations utilized are from the annual debt statements as of December 31, 2015

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population^a</u>	<u>Personal Income^b</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate^d</u>	
				<u>Matawan</u>	<u>Aberdeen</u>
2010	27,372	1,573,588,908	57,489	8.80%	6.70%
2011	26,992	1,634,176,656	60,543	8.90%	6.80%
2012	27,075	1,704,885,675	62,969	9.20%	7.10%
2013	27,149	1,728,359,638	63,662	8.40%	8.30%
2014	10,703	717,839,507	67,069	6.60%	6.20%
2015	27,009	1,896,869,079	70,231	5.40%	5.00%
2016	26,974	1,948,817,552	72,248	4.80%	4.60%
2017	27,003	2,035,891,185	75,395	4.10%	4.30%
2018	27,036	2,162,285,208	79,978	3.60%	3.70%
2019	27,972	N/A	N/A	3.50%	3.40%

Source:

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

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

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis and includes both the Borough of Matawan And Township of Aberdeen

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

N/A - Not Available

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)

ABERDEEN TOWNSHIP

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
UNAVAILABLE		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
Total						

MATAWAN BOROUGH

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
UNAVAILABLE		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
Total						

Information not available at time of CAFR preparation

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Instruction:										
Regular	316	300	310	306	309	306	310	305	236	236
Special Education	60	57	62	64	67	81	77	85	105	105
Other Instruction										
Support Services:										
Student and Instruction Related Services	59	58	58	65	63	73	73	75	132	132
General Administration	18	20	19	21	21	19	19	16	12	12
School Administrative Services	28	34	33	34	38	39	37	37	33	33
Central Services	2	2	2	2	2	2	2	2	6	6
Administrative Information Technology	2	4	3	3	3	7	7	4	3	3
Plant Operations and Maintenance	6	6	7	7	7	4	4	9	7	7
Pupil Transportation	29	34	28	33	27	30	30	27	36	36
Total	520	515	522	535	537	561	559	560	570	570

Source: District Personnel Records

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^d	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2011	3,871.5	57,477,952	14,846	-7.62%	376	1:10	1:11	1:10	3,783.0	3,625.6	-0.50%	95.84%
2012	3,839.5	58,495,451	15,235	2.62%	357	1:9	1:10	1:9	3,863.2	3,598.4	2.12%	93.15%
2013	3,841.5	60,490,436	15,747	3.36%	372	1:11	1:10	1:10	3,770.0	3,689.5	-2.41%	97.86%
2014	3,783.0	62,167,089	16,433	4.36%	370	1:11	1:9	1:9	3,803.6	3,595.8	0.89%	94.54%
2015	3,824.0	64,110,350	16,765	2.02%	376	1:11	1:10	1:9	3,846.9	3,631.4	1.14%	94.40%
2016	3,767.5	67,438,190	17,900	6.77%	387	1:10	1:10	1:10	3,770.3	3,597.5	-1.99%	95.42%
2017	3,712.0	72,766,772	19,603	9.51%	387	1:10	1:10	1:10	3,716.1	3,533.5	-1.44%	95.09%
2018	3,720.0	75,411,198	20,272	3.41%	390	1:10	1:10	1:10	3,702.6	3,514.6	-0.36%	94.92%
2019	3,704.0	77,634,993	20,960	6.92%	341	1:11	1:11	1:11	3,725.1	3,541.1	0.24%	95.06%
2020	3,773.0	80,081,216	21,225	4.70%	341	1:11	1:11	1:11	3,773.0	3,655.5	1.90%	96.89%

Source: District records

Note: Enrollment based on annual October District count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS
(UNAUDITED)

District/Building	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Elementary:										
Cambridge Park Elementary										
Square Feet	21,800	21,800	21,800	21,800	21,800	21,800	21,800	21,800	21,800	21,800
Capacity (Students)	86	120	120	120	120	120	120	120	120	120
Enrollment	86	118	80	82	79	80	80	80	116	140
Cliffwood Elementary School										
Square Feet	66,376	66,376	66,376	66,376	66,376	67,300	67,300	67,300	67,300	67,300
Capacity (Students)	342	342	342	342	342	342	342	342	342	342
Enrollment	340	337	325	318	364	353	353	353	333	306
Lloyd Road School										
Square Feet	70,581	70,581	70,581	70,581	70,581	102,300	102,300	102,300	102,300	102,300
Capacity (Students)	621	621	621	621	621	621	621	621	621	621
Enrollment	556	592	586	596	563	593	593	593	592	587
Ravine Drive School										
Square Feet	46,879	46,879	46,879	46,879	46,879	48,600	48,600	48,600	48,600	48,600
Capacity (Students)	355	400	400	400	400	400	400	400	400	400
Enrollment	352	390	390	398	408	377	377	377	341	338
Strathmore Elementary School										
Square Feet	58,513	58,513	58,513	58,513	58,513	63,000	63,000	63,000	63,000	63,000
Capacity (Students)	463	463	463	463	463	463	463	463	463	463
Enrollment	470	516	504	502	516	464	464	464	411	409
Middle School:										
Matawan Avenue Middle School										
Square Feet	136,032	136,032	136,032	136,032	136,032	136,000	136,000	136,000	136,000	136,000
Capacity (Students)	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225
Enrollment	903	847	870	866	898	888	888	888	905	907
High School:										
Matawan Regional High School										
Square Feet	161,388	161,388	161,388	161,388	161,388	153,900	153,900	153,900	153,900	153,900
Capacity (Students)	1,509	1,509	1,509	1,509	1,509	1,509	1,509	1,509	1,509	1,509
Enrollment	1,153	1,047	1,073	1,040	1,034	1,030	1,030	1,030	1,249	1,086

Number of Schools at June 30, 2020

Elementary = 5

Middle School = 1

Senior High School = 1

Source: District Facilities Office

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

SCHEDULE OF REQUIRED MAINTENANCE

LAST TEN FISCAL YEARS
(UNAUDITED)

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

Project # (s)	Cliffwood Elementary	Lloyd Road Elementary	Ravine Drive Elementary	Strathmore Elementary	Matawan Avenue Middle School	Matawan Regional High School	Other Facilities	Total
2011	83,739.00	88,881.00	58,765.00	73,456.00	171,151.00	203,472.00	55,091.00	734,555.00
2012	68,347.00	72,544.00	47,962.00	59,953.00	139,691.00	166,071.00	44,965.00	599,533.00
2013	111,099.00	117,921.00	77,964.00	97,455.00	227,070.00	269,951.00	73,091.00	974,551.00
2014	111,495.00	118,341.00	78,242.00	97,803.00	227,880.00	270,913.00	73,352.00	978,026.00
2015	96,823.00	102,769.00	67,946.00	84,933.00	197,893.00	235,263.00	63,699.00	849,326.00
2016	104,430.00	159,040.00	75,688.00	97,723.00	210,777.00	238,561.00	71,856.00	958,075.00
2017	137,813.00	209,484.00	99,520.00	129,008.00	278,493.00	315,148.00	95,220.00	1,264,686.00
2018	110,864.00	168,520.00	80,059.00	103,781.00	224,035.00	253,521.00	76,600.00	1,017,380.00
2019	115,667.00	145,740.00	91,833.00	97,309.00	208,378.00	288,757.00	80,524.95	1,028,208.95
2020	120,865.77	183,723.16	87,281.97	113,143.29	244,245.84	276,392.91	39,151.17	1,064,804.12

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

Source: District records

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

INSURANCE SCHEDULE

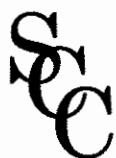
JUNE 30, 2020
(UNAUDITED)

	<u>Carrier</u>	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:			
Property - Blanket Building and Contents	(1)	\$ 181,528,390	\$ 5,000
EDP Hardware/Software	(1)	2,300,000	5,000
Extra Expense	(1)	50,000,000	5,000
Valuable Papers and Records	(1)	10,000,000	5,000
Flood Zones A&V	(1)	25,000,000	500,000
Flood Zone B	(1)	75,000,000	10,000
Earthquake	(1)	50,000,000	5,000
Crime - Money Orders & Counterfeit	(1)	50,000	500
Loss of Money & Securities	(1)	50,000	500
Public Employee Dishonesty	(1)	1,000,000	1,000
Forgery or Alteration	(1)	1,000,000	1,000
Computer Fraud	(1)	1,000,000	1,000
General Liability - Each Occurrence	(1)	31,000,000	
Sexual Abuse Each Occurrence	(1)	31,000,000	
Sexual Abuse Aggregate	(1)	17,000,000	
Products/Completed Operations	(1)	31,000,000	
Personal & Advertising Injury	(1)	31,000,000	
Employee Benefits	(1)	31,000,000	1,000
Medical Payments	(1)	10,000	
Terrorism	(1)	1,000,000	
Boiler & Machinery - Energy Systems	(1)	100,000,000	5,000
Automobile Policy - Auto Liability - General Security	(1)	31,000,000	
Garage Liability	(1)	Included	
Collision & Comprehensive	(1)		1,000
Uninsured/Underinsured	(1)	1,000,000	
Personal Injury Protection	(1)	250,000	
Medical Payments	(1)	10,000	
Hired Car Physical Damage	(1)	110,000	
Hired & Non-Owned Auto Liability	(1)	1,000,000	
School Board Legal Liability (E&O)	(1)	31,000,000	10,000
Extended Reporting Option	(1)		
Workers' Compensation - ERIC/NJSBAIG	(1)	Statutory	
Bodily Injury By Accident	(1)	3,000,000	
Bodily Injury By Disease	(1)	3,000,000	
Supplemental Workers' Compensation Policy	(1)	52 weeks	7 days
CAP Program	(3)	50,000,000	
Environmental	(8)	1,000,000	10,000
Environmental - Aggregate	(5)	31,000,000	25,000
Environmental - Microbial	(8)	1,000,000	25,000-250,000
Student Accident	(7)	500,000	500
Student Accident - Supplemental	(6)	5,000,000	25,000
Surety Bonds:			
Treasurer	(1)	350,000	
Board Secretary/Business Administrator	(1)	150,000	
List Insurance Company:			
(1) NJSIG	(5)	Zurich	
(2) Bollinger Insurance Co.	(6)	United State Fire Ins.	
(3) Fireman's Fund	(7)	Catlin	
(4) Selective	(8)	Lloyds	

Source: District records

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SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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

Honorable President and Members
of the Board of Education
Matawan-Aberdeen Regional School District
County of Monmouth
Aberdeen, New Jersey 07747

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and incompliance with 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 Matawan-Aberdeen Regional School District (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 1, 2020

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency 2020-001 described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency.

SUPLEE, CLOONEY & COMPANY

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

Compliance and Other Matters

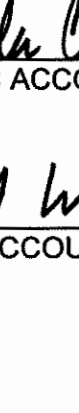
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. However, we noted instances of noncompliance that we have reported to the Board of Education of the Matawan-Aberdeen Regional School District in a separate Auditor's Management Report on Administrative Finding – Finance and Compliance dated February 1, 2020.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

February 1, 2020



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members
of the Board of Education
Matawan-Aberdeen Regional School District
County of Monmouth
Aberdeen, New Jersey 07747

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

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

SUPLEE, CLOONEY & COMPANY

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 Matawan-Aberdeen Regional School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Matawan-Aberdeen Regional School District, County of Monmouth, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

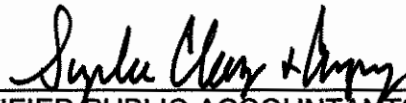
Management of the Matawan-Aberdeen Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Matawan-Aberdeen Regional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

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


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

SUPLEE, CLOONEY & COMPANY

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



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

February 1, 2020

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

FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD FROM TO	AWARD AMOUNT	BALANCE AT JUNE 30, 2019	PRIOR YEAR ADJUSTMENT	ADJUSTED BALANCE AT JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED-THROUGH TO SUBRECIPIENTS	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2020 UNEARNED REVENUE	DUE GRANTOR
93.778	1605NA5MAP	N/A	7/1/2019 6/30/2020	78,191.02	\$	\$	78,191.02	78,191.02	(78,191.02)	\$	\$	\$	\$
84.010	S010A150030	NCLB304016	9/1/16 8/31/17	422,495.00	1,948.60		1,948.60						1,948.60
84.010	S010A150030	NCLB304016	9/1/17 8/31/18	415,003.00	12,001.80		12,001.80						12,001.80
84.010	S010A150030	NCLB304016	9/1/18 8/31/19	420,086.00	(266,946.00)		(266,946.00)	266,946.00					
84.010	S010A150030	NCLB304016	9/1/19 8/31/20	423,107.00				357,593.00	(361,323.83)		(3,730.63)		
84.010	S010A150030	NCLB304016	9/1/19 8/31/20	18,223.00					(18,209.38)		(18,209.38)		
84.367	S367A150029	NCLB304016	9/1/14 8/31/15	128,373.00	1,397.00		1,397.00						1,397.00
84.367	S367A150029	NCLB304016	9/1/14 8/31/15	56,213.00	(56,145.00)		(56,145.00)	56,145.00					
84.367	S367A150029	NCLB304016	9/1/19 8/31/20	90,245.00				38,643.00	(56,195.47)		(17,552.47)		
84.365	S365A150030	NCLB304016	9/1/14 8/31/15	31,502.29	582.00		582.00						582.00
84.365	S365A150030	NCLB304016	9/1/17 8/31/18	31,480.00	697.41		697.41						697.41
84.365	S365A150030	NCLB304016	9/1/18 8/31/19	23,704.00	(12,212.00)		(12,212.00)	12,212.00					
84.365	S365A150030	NCLB304016	9/1/19 8/31/20	43,366.00				23,909.00	(33,346.71)		(9,437.71)		
84.365	S365A150030	NCLB304016	9/1/18 8/31/19	5,846.00	(3,026.00)		(3,026.00)	3,026.00					
84.365	S365A150030	NCLB304016	9/1/19 8/31/20	6,626.00	(12,195.00)		(12,195.00)	12,195.00	(6,480.23)		(6,480.23)		
84.424a	S424A170026	NCLB304016	9/1/18 8/31/19	24,494.00				10,927.00	(12,648.00)		(1,921.00)		
84.424a	S424A170026	NCLB304016	9/1/19 8/31/20	15,073.00									
84.027	S027A151100	IDEA304016	9/1/17 8/31/18	823,661.00	6,004.91		6,004.91						6,004.91
84.027	S027A151100	IDEA304016	9/1/18 8/31/19	836,055.26	(418,694.00)		(402,061.25)	418,694.00					16,612.75
84.027	S027A151100	IDEA304016	9/1/19 8/31/20	933,469.00				922,000.00	(905,376.23)		(282,476.23)		
84.173	S173A150114	IDEA304016	9/1/17 8/31/18	20,918.00	1,562.93		1,562.93						1,562.93
84.173	S173A150114	IDEA304016	9/1/19 8/31/20	35,398.00	(411,126.16)		(394,513.41)	1,041,594.00	(940,774.23)		(35,398.00)		
					(745,021.35)		(745,021.35)	1,823,188.00	(1,428,177.65)		(375,203.65)		
								1,823,188.00	(1,428,177.65)		(375,203.65)		
													24,194.65
													24,194.65
10.555	16161N304N1099	N/A	7/1/19 6/30/20	146,136.14				146,136.14	(129,282.06)				16,874.06
10.555	16161N304N1099	N/A	7/1/18 6/30/19	146,351.89	10,331.12		10,331.12						
10.555	16161N304N1099	N/A	3/1/20 6/30/20	55,032.88				40,933.06	(55,032.98)		(14,099.92)		
10.553	16161N304N1099	N/A	7/1/19 6/30/20	46,985.22				42,985.22	(40,985.22)				
10.555	16161N304N1099	N/A	7/1/18 6/30/19	88,368.65	(6,423.68)		(6,423.68)	6,423.68					
10.555	16161N304N1099	N/A	3/1/20 6/30/20	120,121.46				93,990.63	(120,121.46)		(26,130.83)		
10.555	16161N304N1099	N/A	7/1/19 6/30/20	308,839.73	(37,682.55)		(37,682.55)	308,839.73	(308,839.73)				
10.555	16161N304N1099	N/A	7/1/19 6/30/20	485,600.72	(33,775.11)		(33,775.11)	676,991.01	(666,572.53)		(40,230.75)		
10.592	16161N304N1099	N/A	7/1/18 6/30/19	32,827.20	(1,443.90)		(1,443.90)	1,443.90					
10.592	16161N304N1099	N/A	7/1/19 6/30/20	3,077.06				2,540.65	(3,077.06)		(536.41)		
10.592	16161N304N1099	N/A	7/1/19 6/30/20	13,408.50				13,408.50	(13,408.50)				
					(33,775.11)		(33,775.11)	684,384.06	(683,058.15)		(40,767.16)		
								2,585,783.08	(2,190,426.82)		(415,972.81)		
					(778,736.46)		(778,736.46)	2,585,783.08	(2,190,426.82)		(415,972.81)		
													34,886.81
													24,194.65

See accompanying notes to schedules of financial assistance.

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

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE JUNE 30, 2019		BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2020		BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
				DUE STATE/ACCTS BEGIN/UNEARND REV	CASH RECEIVED				UNEARNED REVENUE	DUE GRANTOR		
State Department of Education												
General Funds:												
State Aid Public - Cluster												
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	\$ 9,386,075.00	\$	\$ 926,084.00	\$	\$ (926,084.00)	\$	\$	\$	\$	\$ 9,386,075.00
Categorical Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	2,165,596.00		226,702.00		(226,702.00)					2,165,596.00
Categorical Security Aid	19-495-034-5120-084	7/1/18-6/30/19	173,621.00		17,131.00		(17,131.00)					173,621.00
Equalization Aid	20-495-034-5120-078	7/1/19-6/30/20	9,323,608.00		8,406,047.00		(9,323,608.00)				917,561.00	9,323,608.00
Categorical Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	2,287,673.00		2,071,553.00		(2,287,673.00)				226,120.00	2,287,673.00
Categorical Security Aid	20-495-034-5120-084	7/1/19-6/30/20	173,621.00		156,535.00		(173,621.00)				17,086.00	173,621.00
Total State Aid - Public Cluster												23,520,194.00
Categorical Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	849,277.00		83,784.00		(83,784.00)				83,590.00	849,277.00
Categorical Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	849,277.00		765,697.00		(849,277.00)				83,590.00	849,277.00
Extraordinary Aid	19-100-034-5120-473	7/1/18-6/30/19	943,961.00		943,961.00			(921,027.00)			921,027.00	943,961.00
Non-Public Transportation Aid	20-100-034-5120-473	7/1/19-6/30/20	580.00		(580.00)							580.00
Reimbursed TPAF Social Security Contributions	19-495-034-5084-003	7/1/18-6/30/19	2,171,706.07		841,035.63		(841,035.63)				109,339.66	2,171,706.07
Reimbursed TPAF Social Security Contributions	20-495-034-5084-003	7/1/19-6/30/20	2,104,556.04		2,104,556.04			(109,339.66)			109,339.66	2,104,556.04
On-behalf TPAF Non-Contributory Insurance (non-budgeted)	20-495-034-5084-004	7/1/19-6/30/20	108,010.00		108,010.00							108,010.00
On-behalf TPAF Long-Term Disability (non-budgeted)	20-495-034-5084-002	7/1/19-6/30/20	6,026,048.00		6,026,048.00							6,026,048.00
On-behalf TPAF Post Retirement Contributions (non-budgeted)	20-495-034-5084-001	7/1/19-6/30/20	2,275,623.00		2,275,623.00							2,275,623.00
Total General Funds			4,536.00		4,536.00			(4,536.00)				4,536.00
Special Revenue Fund:												
Non-Public Textbooks	19-100-034-5120-064	7/1/18-6/30/19	9,078.00		1,210.00		(1,210.00)					7,868.00
Non-Public Textbooks	20-100-034-5120-064	7/1/19-6/30/20	10,278.00		10,278.00				1,144.00			10,278.00
Non-Public Connective Speech	19-100-034-5120-086	7/1/18-6/30/19	893.00		893.00							893.00
Non-Public Nursing	20-100-034-5120-070	7/1/19-6/30/20	18,915.00		18,915.00							18,915.00
Non-Public Technology	20-100-034-5120-373	7/1/19-6/30/20	7,320.00		7,320.00							7,320.00
Recovery High Schools Grant	20-100-034-5120-509	7/1/19-6/30/20	29,250.00		29,250.00							29,250.00
Recovery High Schools Grant	20-100-034-5120-107	7/1/19-6/30/20	1,000,000.00		1,000,000.00							1,000,000.00
Recovery High Schools Grant	19-100-034-5120-107	7/1/18-6/30/19	1,000,000.00		229,278.87			(4,747.93)			4,747.93	770,921.13
Total Special Revenue Fund	18-100-034-5120-107	7/1/17-6/30/18	440,790.88		229,278.87			(4,747.93)			4,747.93	440,790.88
Capital Projects Funds												
State of New Jersey School Development Authority												
Cambridge Park Elementary - HVAC Building Upgrades	3040-040-14-G2CS	7/1/14-6/30/16	107,000.00		672.00							46,897.50
Matawan High School - Boiler & Fire Alarm System Replacement	3040-053-14-G2CU	7/1/14-6/30/16	460,000.00		32,039.60							698,335.79
Matawan Ave Middle School - Boiler & Fire Alarm System Replacement	3040-053-14-G2CU	7/1/14-6/30/16	351,600.00		31,274.00							86,782.43
Cleffwood Middle School - HVAC, Fire Alarm & Fire Door Replacement	3040-065-14-G2CV	7/1/14-6/30/16	282,200.00		(159,728.26)			(159,728.26)				578,858.92
Lloyd Road Elementary School - HVAC & Fire Alarm System Replacement	3040-065-14-G2CV	7/1/14-6/30/16	406,000.00		(230,873.00)			(230,873.00)				1,093,285.66
Rainne Drive Elementary School - Fire Alarm System Replacement	3040-075-14-G2CX	7/1/14-6/30/16	51,200.00		(1,126.20)			(1,126.20)				1,541,432.50
Strathmoor Elementary School - Fire Alarm System Replacement	3040-080-14-G2CY	7/1/14-6/30/16	66,000.00		5,890.10							130,815.50
Total Capital Projects Fund												113,101.50
Debt Service Fund:												
Debt Service Aid Type II	20-100-034-5120-125	7/1/19-6/30/20	\$395,273.00		\$38,273.00							\$356,273.00
Total Debt Service Fund												\$356,273.00
Enterprise Fund:												
National School Lunch Program (State Share)	19-100-034-5120-122	7/1/18-6/30/19	16,763.87		1,254.92							16,763.87
National School Lunch Program (State Share)	20-100-034-5120-122	7/1/19-6/30/20	12,358.57		11,937.10			(421.47)			421.47	16,593.16
Total Enterprise Fund												33,357.13
Total State Financial Assistance												
			\$		\$							\$
			\$ (1,881,579.36)		\$ 28,419,820.69							\$ 2,544,330.21
												\$ 837,062.68
												\$ 1,175.00
												\$ 2,544,330.21
												\$ 35,622,954.28

See accompanying notes to schedules of financial assistance.

Less: On-Behalf amounts not utilized for determination of Major Programs:
 On-behalf TPAF Non-Contributory Insurance (non-budgeted) \$ (108,010.00)
 On-behalf TPAF Pension (non-budgeted) (6,026,048.00)
 On-behalf TPAF Long-Term Disability (non-budgeted) (4,536.00)
 On-behalf TPAF Post Retirement Contributions (non-budgeted) (2,275,623.00)
 Total State Financial Assistance Subject to Single Audit \$ 18,005,603.69

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

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Matawan-Aberdeen Regional School District ("the District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The General fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP accounting purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the 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 revenue, whereas GAAP basis does not.

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

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$9,364.00 for the general fund. The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$5,160.80 for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$78,191.02	\$24,202,682.70	\$24,280,873.72
Special Revenue Fund	1,440,595.98	545,592.37	1,986,188.35
Debt Service Fund		358,273.00	358,273.00
Food Service Fund	683,058.15	12,358.57	695,416.72
	<u>\$2,201,845.15</u>	<u>\$25,118,906.64</u>	<u>\$27,320,751.79</u>
GAAP Adjustment:			
Related to:			
Last State Aid Payment		(9,364.00)	(9,364.00)
Encumbrances	(11,418.33)	6,257.53	(5,160.80)
Total Awards & Financial Assistance	<u>\$2,190,426.82</u>	<u>\$25,115,800.17</u>	<u>\$27,320,751.79</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

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

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditor’s Results

Financial Statements

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

Federal Program(s)

- | | | |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weaknesses identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.510(a) of the Uniform Guidance? | No |

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

<u>Program</u>	<u>CFDA</u>
National School Lunch Program	10.555
School Breakfast Program	10.553

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

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

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

State Program(s)

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor's Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No
- (4) Identification of Major State Program(s):
- | <u>Program Title</u> | <u>Project Number</u> |
|--|-----------------------|
| Equalization Aid | 20-495-034-5120-078 |
| Categorical Special Education Aid | 20-495-034-5120-089 |
| Categorical Security Aid | 20-495-034-5120-084 |
| Reimbursed. TPAF Social security Contributions | 20-100-034-5120-125 |
- (5) Program Threshold Determination:
Type A State Program Threshold > \$750,000.00
Type B State Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

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

Internal Control Findings

Finding 2020-001

Criteria: Timely and accurate financial reporting is an important element of the District's control environment. Financial reporting provides the foundation for financial analysis, a critical component needed to be able to respond timely to financial related issues.

Condition: The District did not maintain an accurate or timely general ledger. Balances in the general ledger were not examined or reconciled to detailed analysis on an ongoing basis. As a result the preparation of the financial statements was delayed.

Context: Management's preparation and review of the financial statements and related supporting schedules regarding Cash, Accounts Receivable, Payroll Deductions Payable and Interfunds were not performed timely and consistently.

Effect: A large number of adjusting journal entries were needed to ensure the completeness and accuracy of the financial statements at year end.

Cause: This condition is carried over from the previous audit. The District was unable implement corrective action in part due to issues related to the impacts of the Coronavirus pandemic.

Recommendation: That the District implement controls to insure accurate and timely posting of the financial records. These controls should include:

- Developing and implementing a plan and schedule of interim financial reports and detailed analysis of all general ledger accounts that are prepared and reviewed so that actions can be taken and informed decisions can be made in a timely manner.
- Implementing a series of milestones in the reporting process to ensure that deadlines are met and information is reviewed by an individual at a management level independent from the preparer for accuracy and completeness prior to closing.

View of Responsible Officials and Planned Corrective Action: The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Compliance Findings – None Reported

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

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

Federal Programs – None Reported

State Programs – None Reported

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Prior Year Audit Findings

Finding 2019-001

Condition: The District did not maintain an accurate or timely general ledger. Balances in the general ledger were not examined or reconciled to detailed analysis on an ongoing basis. As a result, the preparation of the financial statements was delayed.

Current Status: This condition has not been corrected. See Finding 2020-001.

