

River Dell Regional School District

**River Dell Regional School District
Board of Education
River Edge, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

Comprehensive Annual

Financial Report

of the

**River Dell Regional School District
Board of Education**

River Edge, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

**River Dell Regional School District
Board of Education
Business Department**

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INTRODUCTORY SECTION



230 Woodland Ave, River Edge, NJ 07661

www.riverdell.org

Thomas L. Bonfiglio
Business Administrator / Board Secretary

201-599-7201
Fax 201-261-3809
thomas.bonfiglio@riverdell.org

February 2, 2021

Honorable President and Members
of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

Dear Board Members:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the River Dell Regional School District (the "District") for the fiscal year ended June 30, 2020. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the River Dell Regional School District with comprehensive financial data in a format enabling them to gain an understanding of the District's financial affairs.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Organizational Chart, a List of Principal Officials of the District, and a list of consultants and advisors to the District;
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the District, generally presented on a multi-year basis;
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, is included in the single audit section of this report.

School District Organization

The District provides education to 1,629 students (as of June 30, 2020) in grades seven through twelve. Geographically, the District is comprised of the Boroughs of River Edge and Oradell.

An elected nine-member Board of Education serves as the policy maker for the District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of District tax money.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Business Administrator/Board Secretary is the chief financial officer of the District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the District, acting as custodian of all District funds, and investing funds as permitted by New Jersey law.

Reporting Entity

The River Dell Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board's (GASB). All funds of the District are included in this report. The River Dell Regional School District Board of Education and its two schools constitute the District's reporting entity.

Economic Condition and Outlook

All new construction is closely monitored. The constituent communities continue to have small population growth. The two communities within the District have worked to build additional school facilities and have completed their respective referendums.

The District completed the 2019-2020 fiscal year with an enrollment of 1,629 students, which is 7 students greater than the previous year's enrollment. The following details the changes in the student average daily enrollment of the District over the last five years.

AVERAGE DAILY ENROLLMENT

Fiscal Year	Student Enrollment	Percent change
2019 - 20	1,602.5	.70%
2018 - 19	1,591.3	-1.85%
2017 - 18	1,621.3	.26%
2016 - 17	1,617.1	-1.64%
2015 - 16	1,644.0	-1.49%

The District, along with many other public school systems in the State, still faces some difficult economic situations in the future since the primary funding source is property tax revenue. The Board voted to approve a 2% tax levy cap, which eliminated the vote on the 2020-21 budget. Overall, total revenue for 2020-21 increased by 2.39%, while the expenditures increased by .54%. The District's administration is closely monitoring the cost of operations and continues to look for new funding sources in order to maintain the quality educational services that the District has been accustomed to providing.

The District's primary funding source is property tax revenue. The amount to be raised in taxes is determined by the School Board through the District's normal budgeting process. This process has always left the passage of adequate funding for the budget in doubt. On January 17, 2012, Governor Chris Christie signed into law A-4394/S-3148 (P.L. 2011, c.202), which gives local Boards of Education the option of changing the election date of school board members from April to November. As an incentive for Boards of Education to approve this money-saving idea, Districts do not have to put their budgets up for a vote by the electorate as long as it does not exceed the State mandated 2% Cap on property tax increases. The River Dell Board of Education adopted this change on January 23, 2012, and as result, the District's 2020-21 budget was adopted without voter approval.

The District attributes much of its past education success to the community's demand for, and support of, both a traditional and quality school system. The District will remain accountable to the residents and taxpayers who make the District their school system of choice.

Educational Program

The Mission Statement of the River Dell Regional School District is stated as follows:

1. To provide a safe, student-centered environment in which each student is valued and respected;
2. To challenge each student to reach his/her potential;
3. To nurture every student's intellectual, social, physical and emotional growth;
4. To promote a healthy work ethic, a passion for learning and a respect for one's self and others;
5. To develop responsible citizens for our diverse community and an ever-changing world;
6. To continue to involve our community in an active partnership;
7. To provide all students the opportunity to achieve and exceed the New Jersey Core Curriculum Content Standards.

The River Dell Regional School District offers College Preparatory, Honors and Advanced Placement courses. These include regular, gifted and talented, as well as special education for disabled students. Students are offered an extensive extracurricular and athletic program including opportunities for students to participate in student government, academic, service, National Honor Society, foreign language honor societies, drama, musical performances and female/male sport's teams.

Of the Class of 2020 student body, 84% are attending four-year colleges and 10% are attending two-year colleges, among them the most prestigious in the nation. The Middle States Association of College and Secondary Schools and the New Jersey Department of Education accredit River Dell. Parents, students, staff and administration all have a strong commitment to maintain high academic and ethical standards. River Dell has won several Best Practices awards from the New Jersey Department of Education, for our innovative programs including Gifted and Talented, Self Advocacy for Special Students, Sweet Tooth Enterprises (Business), Junior MBA and Production Design. We are also a United States Department of Education Blue Ribbon School of Excellence.

River Dell offers its students a variety of rigorous academic courses, which stress writing, computer and research skills in all disciplines. Most of our students far exceed minimum graduation requirements. As previously noted, 94% of the Class of 2020 pursued higher education, with 84% of students attending a four-year college/university. Noteworthy programs/requirements include:

All students are required to take four years of English, which includes a choice of senior Language Arts courses. In addition, approximately 25% of seniors also take AP English or Syracuse University Project Advance English. Electives include Media/TV Production, which links English and Technology. In addition to required World Cultures and US History, social studies electives include Psychology, Sociology and European History. Our laboratory-based Chemistry, Physics and Biology are offered at levels ranging from College Prep to AP. Science electives include Forensic Science and Human Physiology. Mathematics courses range from Algebra I to AP Calculus. World languages are offered at various levels. Languages include Mandarin Chinese, Italian and Spanish. Each year students participate in a statewide Foreign Language Competition, sponsored by Rider University. The Related Arts Department has a wide selection of electives culminating in AP Studio Art, which requires a professional portfolio.

The District has highly competent teaching, supervisory and administrative staff with approximately 48% of our 174 certified staff (80% hold Masters Degrees) engaging in postgraduate studies beyond the masters level, while 3% hold earned doctoral degrees. This staff continues to refine its expertise and competency through ongoing staff development at local seminars, conferences and educational institutions.

Financial Information

Internal Accounting and Budgetary Control - Management of the District is responsible for establishing and maintaining an internal control system 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 accounting principles generally accepted in the United States of America (GAAP). The internal control system 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 controls 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is also subject to periodic evaluation by the District's management.

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

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. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for 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 either are cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as committed or assigned fund balance at fiscal year-end.

Cash Management

The investment policy of the District is guided in large part by state statute as detailed in “Notes to Financial Statements”. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from 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.

Risk Management

The District carries various forms of insurance, including but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The audit firm of Smolin, Lupin & Co., P.A. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Uniform Guidance and New Jersey OMB’s Circular 15-08, as required. The auditor’s report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

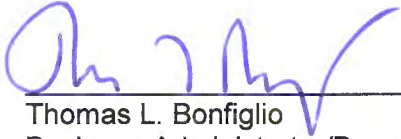
Acknowledgements

We would like to express our appreciation to the members of the River Dell Regional School District Board for their concern in providing fiscal accountability to the citizens and taxpayers of the 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,



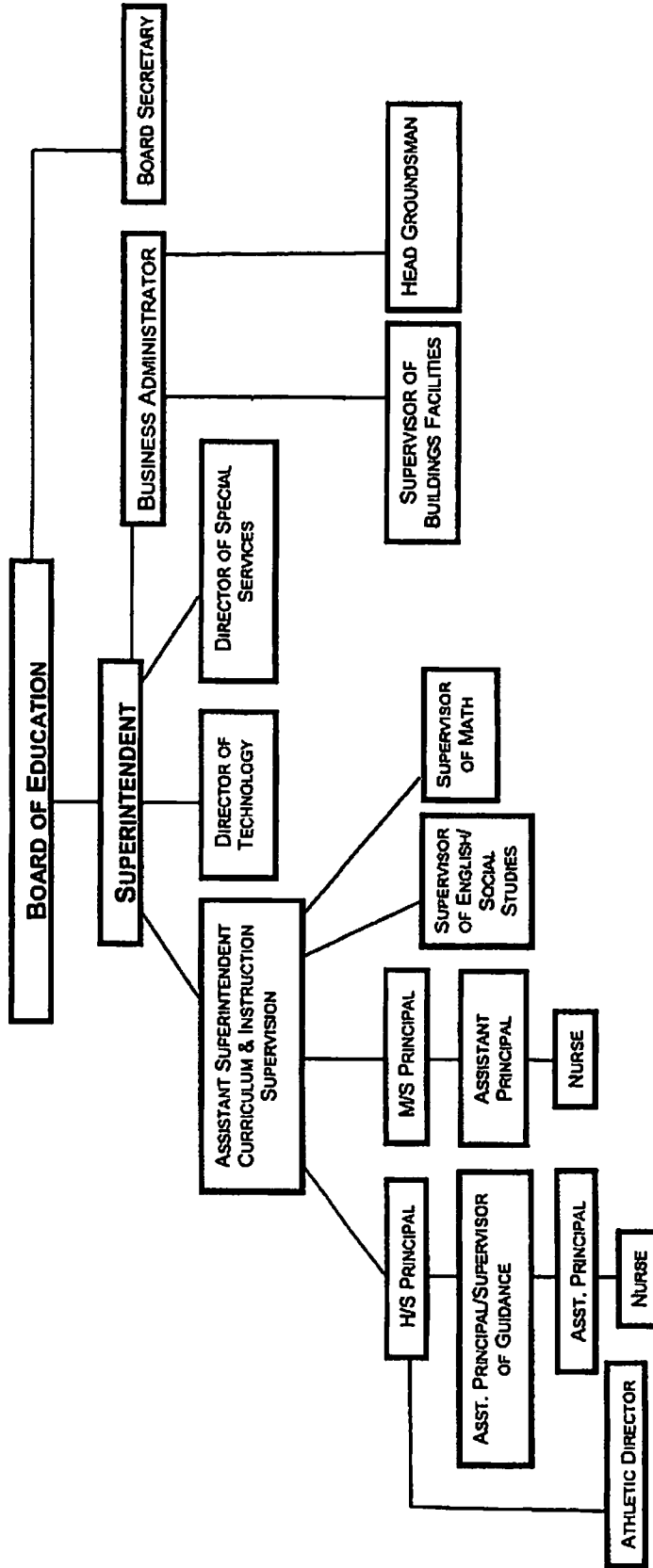
Patrick J. Fletcher
Superintendent of Schools



Thomas L. Bonfiglio
Business Administrator/Board Secretary

RIVER DELL REGIONAL BOARD OF EDUCATION
 River Edge, NJ 07661

LINE OF RESPONSIBILITY



RIVER DELL REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2020

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Albert Graef, President (Oradell)	December 31, 2020
Joseph P. Manzelli, Jr., Vice President (River Edge)	December 31, 2021
Douglas Kupfer (River Edge)	December 31, 2020
Tracey-Ellen Ehalt (River Edge)	December 31, 2020
Claudia O'Neill (River Edge)	December 31, 2021
John Samuel (Oradell)	December 31, 2021
Alan Feigenson (Oradell)	December 31, 2022
Barbara Kuchar (Oradell)	December 31, 2022
Stephanie Hartman (River Edge)	December 31, 2022

OTHER OFFICIALS

Patrick J. Fletcher, Superintendent of Schools

Thomas L. Bonfiglio, Business Administrator/Board Secretary

Irwin S. Cohen, Treasurer of School Moneys

Rodney T. Hara, Esq., Legal Counsel

RIVER DELL REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Smolin, Lupin & Co., P.A.
165 Passaic Avenue
Fairfield, New Jersey 07004

Attorney

Fogarty & Hara
21-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

TD Bank
126 North Washington Avenue
Bergenfield, New Jersey 07621

FINANCIAL SECTION

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise River Dell Regional School District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, long-term debt schedules, statistical section, schedule of expenditures of federal awards, and schedule of expenditures of state financial assistance as required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

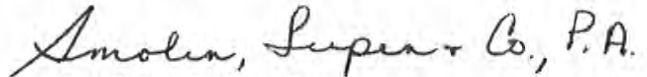
The combining and individual fund financial statements and schedules, long-term debt schedules, schedule of expenditures of federal awards, and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual fund financial statements and schedules, long-term debt schedules, schedule of expenditures of federal awards, and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

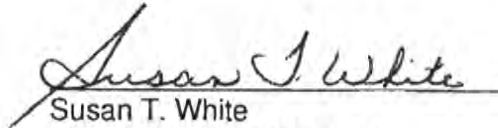
The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2021, on our consideration of River Dell 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 solely 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 the effectiveness of River Dell 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 River Dell Regional School District's internal control over financial reporting and compliance.



Smolin, Lupin & Co., P.A.
Certified Public Accountants



Susan T. White
Public School Accountant
License #20CS00119300

Fairfield, New Jersey
February 2, 2021

REQUIRED SUPPLEMENTARY INFORMATION - PART I

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED**

The discussion and analysis of River Dell Regional School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2020 are as follows:

- In total, net position increased by \$1,041,093, which represents a 6.21% increase from fiscal year 2019.
- General revenues accounted for \$33,831,458 of revenue or 78.95% of the total revenue.
- Program specific revenues in the form of charges for services, capital grants and operating grants and contributions accounted for \$9,022,788 or 21.05% of total revenues of \$42,854,246.
- Total assets of governmental activities decreased by \$1,369,221 as cash decreased by \$1,314,420, receivables increased by \$260,162, and capital assets decreased by \$314,963.
- The District had \$41,813,153 in expenses; only \$9,022,788 of these expenses was offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$33,831,458 were adequate to provide for these programs.
- Among governmental funds, the general fund had \$38,311,142 in revenues and \$38,215,589 in expenditures. The general fund's fund balance increased by \$70,553 over fiscal year 2019, now totaling \$2,934,791.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the River Dell Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at all the District's funds. In the case of River Dell Regional School District, the general fund is by far the most significant fund.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2019-2020?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows and liabilities and deferred inflows using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors; some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the District is divided into two distinct kinds of activities:

- Governmental Activities - All of the District's programs and services are reported here including instruction, support services, operation, and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- Business-Type Activities - These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The food services enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the general fund, special revenue fund, capital projects fund, and debt service fund.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future years. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental funds information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

The District maintains an enterprise fund, which is used to report the activity of the food service. The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the District's net position at June 30.

	Governmental Activities		Business-type Activities		Total		Amount Change	% Change
	2020	2019	2020	2019	2020	2019		
Assets:								
Current and								
Other Assets	\$ 3,378,895	\$ 4,649,673	\$ 151,969	\$ 169,844	\$ 3,530,864	\$ 4,819,517	\$ (1,288,653)	-26.74%
Capital Assets	28,923,094	29,021,537	17,763	20,570	28,940,857	29,042,107	(101,250)	-0.35%
Total Assets	32,301,989	33,671,210	169,732	190,414	32,471,721	33,861,624	(1,389,903)	-4.10%
Deferred Outflows	1,439,010	1,937,480			1,439,010	1,937,480	(498,470)	-25.73%
Liabilities:								
Long-term								
Liabilities	12,489,193	14,229,203			12,489,193	14,229,203	(1,740,010)	-12.23%
Other Liabilities	941,479	2,033,236			941,479	2,033,236	(1,091,757)	-53.70%
Total Liabilities	13,430,672	16,262,439			13,430,672	16,262,439	(2,831,767)	-17.41%
Deferred Inflows	2,662,995	2,760,694			2,662,995	2,760,694	(97,699)	-3.54%
Net Position:								
Net Investment in								
Capital Assets	23,999,813	22,942,257	17,763	20,570	24,017,576	22,962,827	1,054,749	4.59%
Restricted	2,352,626	2,277,972			2,352,626	2,277,972	74,654	3.28%
Unrestricted (deficit)	(8,705,107)	(8,634,672)	151,969	169,844	(8,553,138)	(8,464,828)	(88,310)	1.04%
Total Net Position	\$ 17,647,332	\$ 16,585,557	\$ 169,732	\$ 190,414	\$ 17,817,064	\$ 16,775,971	\$ 1,041,093	6.21%

The District's combined net position of \$17,817,064 on June 30, 2020, results in an increase of 6.21% from the prior year.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

The School District as a Whole (Continued)

Table 2 shows changes in net position for fiscal years 2020 and 2019.

**Table 2
Changes in Net Position**

	<u>2020</u>	<u>2019</u>	<u>Amount Change</u>	<u>% Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 214,749	\$ 293,253	\$ (78,504)	-26.77%
Operating Grants and Contributions	8,808,039	9,917,850	(1,109,811)	-11.19%
General Revenues:				
Property Taxes	32,479,285	31,920,856	558,429	1.75%
Grants and Entitlements	771,142	677,843	93,299	13.76%
Other	581,031	524,039	56,992	10.88%
Total Revenues	<u>42,854,246</u>	<u>43,333,841</u>	<u>(479,595)</u>	-1.11%
Program Expenses:				
Instruction	24,017,188	24,614,713	(597,525)	-2.43%
Support Services:				
Tuition	2,408,113	2,369,872	38,241	1.61%
Students and Instructional Staff	5,649,027	5,806,988	(157,961)	-2.72%
General Administration, School Administration, Central Services, Information Technology and Maintenance of Facilities	7,226,026	7,218,901	7,125	0.10%
Pupil Transportation	728,513	763,255	(34,742)	-4.55%
Charter Schools	30,633	14,948	15,685	104.93%
Interest on Debt	91,238	140,637	(49,399)	-35.13%
Unallocated Depreciation and Enterprise Fund	1,401,641	1,400,491	1,150	0.08%
	260,774	298,939	(38,165)	-12.77%
Total Expenses	<u>41,813,153</u>	<u>42,628,744</u>	<u>(815,591)</u>	-1.91%
Increase (Decrease) in Net Position	<u>\$ 1,041,093</u>	<u>\$ 705,097</u>	<u>\$ 335,996</u>	47.65%

Governmental Activities

The District's total governmental activities revenues were \$42,614,154 for the year ended June 30, 2020. Property taxes made up 76.22% of revenues for governmental activities for the River Dell Regional School District for fiscal year 2020. Federal and state grants accounted for another 22.48% of governmental activities revenues.

The total cost of all governmental activities programs and services was \$41,552,379. Instruction comprises 57.80% of District expenses.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services.

- Food service operations had been impacted by COVID-19 for the fiscal year ended June 30, 2020, as remote learning led to a decrease in sales.
- Food service had an operating loss of \$46,025, which includes a loss reported by the management company, plus year-end depreciation, inventory, and other adjustments.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services 2020	Net Cost of Services 2020	Total Cost of Services 2019	Net Cost of Services 2019	Amount Change Total Cost of Services	Amount Change Net Cost of Services
Instruction	\$ 24,017,188	\$ 17,940,281	\$ 24,614,713	\$ 17,773,697	\$ (597,525)	\$ 166,584
Support Services:						
Tuition	2,408,113	2,351,514	2,369,872	2,293,072	38,241	58,442
Student and Instructional Staff	5,649,027	3,995,054	5,806,988	3,981,832	(157,961)	13,222
General Administration, School Administration, Central Services, Administrative Information Technology and Maintenance of Facilities	7,226,026	6,408,400	7,218,901	6,253,121	7,125	155,279
Pupil Transportation	728,513	525,579	763,255	554,157	(34,742)	(28,578)
Charter Schools	30,633	30,633	14,948	14,948	15,685	15,685
Interest on Debt	91,238	91,238	140,637	140,637	(49,399)	(49,399)
Unallocated Depreciation and Loss on Disposal of Equipment	1,401,641	1,401,641	1,400,491	1,400,491	1,150	1,150
Total Expenses	<u>\$ 41,552,379</u>	<u>\$ 32,744,340</u>	<u>\$ 42,329,805</u>	<u>\$ 32,411,955</u>	<u>\$ (777,426)</u>	<u>\$ 332,385</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Student and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and Central Services and Administrative Information Technology include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings and equipment in an effective working condition.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Governmental Activities (Continued)

Pupil transportation includes activities involved with the conveyance of students to and from school as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges on debt of the District.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$40,689,798 and expenditures were \$40,594,245. The net increase in fund balance for the year, \$70,553, was all in the general fund.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following table presents a summary of the revenues of the governmental funds for the general fund, special revenue fund and debt service fund for the fiscal year ended June 30, 2020, and the amount and percentage of increases and decreases in relation to prior year revenues. There was no capital projects fund in the current or prior year.

<u>Revenue</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 2018-19</u>	<u>Percent Of Increase (Decrease)</u>
Local Sources	\$ 33,059,973	81.25%	\$ 614,326	1.89%
State Sources	7,186,616	17.66%	349,445	5.11%
Federal Sources	<u>443,209</u>	<u>1.09%</u>	<u>(35,645)</u>	-7.44%
Total	<u>\$ 40,689,798</u>	<u>100.00%</u>	<u>\$ 928,126</u>	2.33%

The increase in revenue from local sources of \$614,326 is primarily due to an increase in local tax levy. The increase in local revenue was needed to fund the additional expenditures associated with higher operating costs and the slight increases in state aid without state aid on-behalf payments.

Revenues from state sources increased by \$349,445. On-Behalf TPAF pension contributions, post-retirement medical, long-term disability insurance, and reimbursed TPAF social security contributions increased by a total amount of \$174,322 (which is off-set by an equal increase in expenditures). The other state aid recorded in the general fund and special revenue fund increased by \$175,123, primarily from Extraordinary Aid and Special Education Categorical Aid.

Federal revenues decreased by \$35,645.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

The School District's Funds (Continued)

The following table presents a summary of the general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2020, and the amount of increases and decreases in relation to prior year expenditures.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2018-19</u>	<u>Percent of Increase (Decrease)</u>
Current Expense:				
Instruction	\$ 14,899,037	36.70%	\$ 194,095	1.32%
Undistributed Expenditures	22,199,241	54.69%	441,286	2.03%
Capital Outlay	1,086,678	2.68%	491,530	82.59%
Charter Schools	30,633	0.08%	15,685	104.93%
Special Revenue	898,656	2.21%	(3,047)	-0.34%
Debt Service	1,480,000	3.65%	(49,400)	-3.23%
Total	<u>\$ 40,594,245</u>	<u>100.00%</u>	<u>\$ 1,090,149</u>	2.76%

Changes in expenditures were the results of varying factors. The net increase in instruction and undistributed expenditures of \$635,381 is primarily the result of increases in supplies, tuition, special education costs and repairs. Additionally, on-behalf TPAF pension contributions, post-retirement medical, long-term disability insurance, and reimbursed TPAF social security contributions increased by a total amount of \$174,322, (which is off-set by an equal increase in revenues). Capital outlay increased \$491,530 in the current year as a result of projects completed in the current year. Debt service decreased \$49,400 due to the change in current year principal and interest charges.

The \$3,047 decrease in special revenue fund expenditures is primarily due to increased state funding of Nonpublic Services in the amount of \$33,598, increase in Federal funding for E.S.E.A. in the amount of \$4,720, decrease in Federal funding for I.D.E.A. in the amount of \$40,365, and a decrease in other local grants of \$1,000.

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

The District had numerous budget transfers during the 2019-2020 school year. Key highlights include:

- Learning and/or Language Disabilities - Other Salaries for Instruction - decreased \$150,490 as fewer aides were needed.
- Resource Room/Resource Center - Salaries of Teachers - increased \$145,207 as more students were classified as in need of resource room services.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

General Fund Budgeting Highlights (Continued)

- Tuition to County Special Services School Districts and Regional Day Schools - increased \$92,041 as more students were classified and students moving into the District being classified.
- Tuition to Private Schools for the Disabled within the State - increased \$273,788 due to classified students moving into the District.
- Required Maintenance for School Facilities - Cleaning, Repair and Maintenance Services - increased \$195,279 as additional repairs were needed to ensure the safety of students at the middle school and high school.
- Custodial Services - General Supplies - decreased \$89,350 as fewer supplies were needed due to the schools being closed in addition to savings through co-op purchasing.
- Custodial Services - Energy (Natural Gas) - decreased \$154,394 due to a warmer winter than was anticipated and schools closing in March.
- Student Transportation Services - Contracted Services (Special Education Students) - Vendors - increased \$145,640 due to more outgoing special education students and transportation routes that were not shared with other districts.
- Unallocated Employee Benefits - Health Benefits - decreased \$853,271 due to breakage from staff who opted out of taking benefits and received the state mandated payout. Funds were used for outgoing special education costs and PA/phone system.
- Capital Outlay - Equipment - Required Maintenance for School Facilities - increased \$243,729 from funds from health benefits for upgrading the PA and phone system.

Capital Assets

At June 30, 2020, the District had \$28,940,857 invested in land, building, improvements, and machinery and equipment. Table 4 shows fiscal year 2020 balances compared to 2019.

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

	2020	2019
Land	\$ 216,520	\$ 216,520
Site Improvements	3,685,461	3,343,389
Building and Improvements	23,871,213	24,551,499
Machinery and Equipment	1,167,663	1,147,219
Total	\$ 28,940,857	\$ 29,258,627

Overall, net capital assets decreased \$317,770 from fiscal year 2019 to fiscal year 2020. The decrease in capital assets is due primarily to depreciation greater than current year additions.

**RIVER DELL REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Debt Administration

At June 30, 2020, the District had \$12,489,193 of outstanding debt. Of this amount, \$490,351 is for compensated absences; \$4,890,000 is serial bonds for school construction projects; and \$7,108,842 is the net pension liability for PERS.

**Table 5
Outstanding Serial Bonds at June 30,**

	2020	2019
2004 General Obligation Refunded Bonds	\$ 4,890,000	\$ 6,125,000

At June 30, 2020, the District's available borrowing margin was \$123,313,080.

For the Future

The River Dell Regional School District is in good financial condition presently. The District is proud of its community support of the public schools. A concern is the student enrollment. Over the past several years, the student population has been decreasing, and this trend is projected to continue for several more years.

The River Dell Regional School District's budget for 2020-2021 was approved by the County Superintendent.

In conclusion, the River Dell Regional School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

The financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District's Business Administrator, Mr. Thomas L. Bonfiglio, at 230 Woodland Avenue, River Edge, NJ 07661.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 1,260,028	\$ 125,227	\$ 1,385,255
Receivables, net	471,480	17,540	489,020
Inventories		9,202	9,202
Restricted assets:			
Capital reserve account - cash	1,647,387		1,647,387
Capital assets, net			
Not being depreciated	216,520		216,520
Being depreciated	<u>28,706,574</u>	<u>17,763</u>	<u>28,724,337</u>
Total assets	<u>32,301,989</u>	<u>169,732</u>	<u>32,471,721</u>
Deferred outflows of resources:			
Deferred outflows related to pensions	<u>1,439,010</u>		<u>1,439,010</u>
Total deferred outflows of resources	<u>1,439,010</u>		<u>1,439,010</u>
LIABILITIES			
Accounts payable	830,765		830,765
Payable to state government	46,400		46,400
Accrued interest	64,314		64,314
Noncurrent liabilities:			
Due within one year	1,599,000		1,599,000
Due beyond one year	3,781,351		3,781,351
Net pension liability	<u>7,108,842</u>		<u>7,108,842</u>
Total liabilities	<u>13,430,672</u>		<u>13,430,672</u>
Deferred inflows of resources:			
Deferred inflows related to refunding of debt	33,281		33,281
Deferred inflows related to pensions	<u>2,629,714</u>		<u>2,629,714</u>
Total deferred inflows of resources	<u>2,662,995</u>		<u>2,662,995</u>
NET POSITION			
Net investment in capital assets	23,999,813	17,763	24,017,576
Restricted for:			
Capital reserve	1,647,387		1,647,387
Other purposes	705,239		705,239
Unrestricted (deficit)	<u>(8,705,107)</u>	<u>151,969</u>	<u>(8,553,138)</u>
Total net position	<u>\$ 17,647,332</u>	<u>\$ 169,732</u>	<u>\$ 17,817,064</u>

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2020

<u>Function/Programs</u>	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Program Charge for Services</u>
Governmental activities:			
Instruction:			
Regular	\$ 11,396,190	\$ 6,740,708	\$ -
Special education	2,442,593	1,604,993	
Other special instruction	124,700	81,068	
Other instruction	1,252,107	374,829	
Support services:			
Tuition	2,408,113		
Student and instruction related services	3,787,001	1,862,026	
School administrative services	1,400,750	832,398	
General administration services	513,715	197,611	
Central services	550,677	230,841	
Administrative information technology services	405,861	183,412	
Plant operations and maintenance	2,441,285	469,476	
Pupil transportation	725,241	3,272	
Charter schools	30,633		
Interest on long-term debt	91,238		
Unallocated depreciation	1,401,641		
Total governmental activities	<u>28,971,745</u>	<u>12,580,634</u>	
Business-type activities:			
Food services	<u>260,774</u>		<u>214,749</u>
Total business-type activities	<u>260,774</u>		<u>214,749</u>
Total primary government	<u>\$ 29,232,519</u>		<u>\$ 214,749</u>

Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ 4,822,244	\$ -	\$ (13,314,654)	\$ -	\$ (13,314,654)
1,204,284		(2,843,302)		(2,843,302)
54,538		(151,230)		(151,230)
(4,159)		(1,631,095)		(1,631,095)
56,599		(2,351,514)		(2,351,514)
1,653,973		(3,995,054)		(3,995,054)
478,520		(1,754,628)		(1,754,628)
93,220		(618,106)		(618,106)
84,550		(696,968)		(696,968)
41,438		(547,835)		(547,835)
119,898		(2,790,863)		(2,790,863)
202,934		(525,579)		(525,579)
		(30,633)		(30,633)
		(91,238)		(91,238)
		(1,401,641)		(1,401,641)
<u>8,808,039</u>		<u>(32,744,340)</u>		<u>(32,744,340)</u>
			(46,025)	(46,025)
			(46,025)	(46,025)
<u>\$ 8,808,039</u>	<u>\$ -</u>	<u>(32,744,340)</u>	<u>(46,025)</u>	<u>(32,790,365)</u>
General revenues:				
Property taxes levied for:				
General purposes		30,999,285		30,999,285
Debt service		1,480,000		1,480,000
Federal and State aid not restricted		771,142		771,142
Tuition received		390,957		390,957
Interest - capital reserve funds		9,043		9,043
Investment earnings		20,824	343	21,167
Miscellaneous income		159,864		159,864
Transfers		(25,000)	25,000	
Total general revenues		<u>33,806,115</u>	<u>25,343</u>	<u>33,831,458</u>
Change in net position		1,061,775	(20,682)	1,041,093
Net position - beginning		<u>16,585,557</u>	<u>190,414</u>	<u>16,775,971</u>
Net position - ending		<u>\$ 17,647,332</u>	<u>\$ 169,732</u>	<u>\$ 17,817,064</u>

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

FUND FINANCIAL STATEMENTS

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2020

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash	\$ 1,260,028	\$ -	\$ -	\$ 1,260,028
Cash - capital reserve	1,647,387			1,647,387
Accounts receivable:				
State	225,111	37,602		262,713
Federal		121,777		121,777
Interfund	67,126			67,126
Other	84,599			84,599
Total assets	\$ 3,284,251	\$ 159,379	\$ -	\$ 3,443,630
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 331,920	\$ 48,244	\$ -	\$ 380,164
Intergovernmental payable:				
State		46,400		46,400
Interfund payables	17,540	64,735		82,275
Total liabilities	349,460	159,379		508,839
Fund balances:				
Restricted for:				
Capital reserve	1,647,387			1,647,387
Reserved for excess surplus	325,000			325,000
Reserved excess surplus - designated for subsequent year's expenditures	275,000			275,000
Committed:				
Year-end encumbrances	58,000			58,000
Assigned:				
Year-end encumbrances	47,239			47,239
Unassigned	582,165			582,165
Total fund balances	2,934,791			2,934,791
Total liabilities and fund balances	\$ 3,284,251	\$ 159,379	\$ -	

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The costs of the assets are \$49,356,734 and the accumulated depreciation is \$20,433,640	28,923,094
Accrued interest is not due and payable in the current period, and therefore, is not reported as a liability in the funds.	(64,314)
Deferred outflows related to pensions.	1,439,010
Accounts payable related to the April 1, 2021 required PERS pension contribution that is not liquidated with current financial resources.	(433,061)
Bond issuance premium is recorded as revenue in the Governmental Funds in the year of receipt. The original premium is \$1,512,718 and accumulated amortization of \$1,479,437.	(33,281)
Deferred inflows related to pensions.	(2,629,714)
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. (See Note 8)	(5,380,351)
Net pension liability.	(7,108,842)
Net position of governmental activities	\$ 17,647,332

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES:				
Local sources:				
Local tax levy	\$ 30,999,285	\$ -	\$ 1,480,000	\$ 32,479,285
Tuition	390,957			390,957
Interest - capital reserve funds	9,043			9,043
Interest earned on investments	20,824			20,824
Miscellaneous	<u>159,864</u>			<u>159,864</u>
Total revenues - local sources	31,579,973		1,480,000	33,059,973
State sources	6,731,169	455,447		7,186,616
Federal sources		<u>443,209</u>		<u>443,209</u>
Total revenues	<u>38,311,142</u>	<u>898,656</u>	<u>1,480,000</u>	<u>40,689,798</u>
EXPENDITURES:				
Current expense:				
Regular instruction	11,079,637	316,553		11,396,190
Special education instruction	2,442,593			2,442,593
Other special instruction	124,700			124,700
Other instruction	1,252,107			1,252,107
Support services and undistributed costs:				
Tuition	2,351,514	56,599		2,408,113
Student and instruction related services	3,274,593	512,408		3,787,001
School administration services	1,400,750			1,400,750
General administration services	513,715			513,715
Central services	550,677			550,677
Administrative information technology services	405,861			405,861
Plant operations and maintenance	2,441,285			2,441,285
Pupil transportation	725,241			725,241
Employee benefits	10,535,605	13,096		10,548,701
Capital outlay	1,086,678			1,086,678
Transfer of funds to charter schools	30,633			30,633
Debt service:				
Principal			1,235,000	1,235,000
Interest			<u>245,000</u>	<u>245,000</u>
Total expenditures	<u>38,215,589</u>	<u>898,656</u>	<u>1,480,000</u>	<u>40,594,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>95,553</u>			<u>95,553</u>
Other financing sources (uses):				
Transfers out	<u>(25,000)</u>			<u>(25,000)</u>
Total other financing sources (uses)	<u>(25,000)</u>			<u>(25,000)</u>
Net change in fund balances	70,553			70,553
Fund balances - July 1	<u>2,864,238</u>			<u>2,864,238</u>
Fund balances - June 30	<u>\$ 2,934,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,934,791</u>

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

RIVER DELL 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)	\$	70,553
<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 depreciation exceeded capital outlays in the period.</p>		
Depreciation	\$	(1,401,641)
Capital outlays		<u>1,086,678</u>
		(314,963)
<p>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.</p>		
		1,235,000
<p>Governmental funds report District pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the District's pension contributions in the current period.</p>		
		(19,938)
<p>In the Statement of Activities, interest on long-term debt is accrued regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an increase in the reconciliation.</p>		
		<u>16,243</u>
Sub-total		<u>986,895</u>

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

RIVER DELL 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

	Balance forward	\$ 986,895
<p>Proceeds from debt issues are a financing source in the governmental funds. Proceeds are not revenue in the Statement of Activities; issuing debt increases long-term liabilities in the Statement of Net Position.</p>		
Amortization of deferred amounts on refunding		137,519
<p>In the Statement of Activities, certain operating expenses, e.g., compensated absences (vacations and sick days) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the amount earned, the difference is an addition to the reconciliation.</p>		
		<u>(62,639)</u>
Change in net position of governmental activities		<u>\$ 1,061,775</u>

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

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

	<u>Business-type Activities - Enterprise Funds</u> <u>Food Services</u>
ASSETS	
Current assets:	
Cash	\$ 125,227
Accounts receivable	
Interfund	17,540
Inventories	<u>9,202</u>
Total current assets	<u>151,969</u>
Noncurrent assets:	
Furniture, machinery and equipment	177,006
Less: accumulated depreciation	<u>159,243</u>
Total noncurrent assets	<u>17,763</u>
Total assets	<u>169,732</u>
 NET POSITION	
Net investment in capital assets	17,763
Unrestricted	<u>151,969</u>
Total net position	<u>\$ 169,732</u>

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

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

	<u>Business-type Activities - Enterprise Funds</u> <u>Food Services</u>
OPERATING REVENUES:	
Charges for services:	
Daily sales - non-reimbursable programs	\$ <u>214,749</u>
Total operating revenues	<u>214,749</u>
OPERATING EXPENSES:	
Salaries	101,256
Payroll taxes	12,510
Employee benefits	31,705
Management and administrative fees	25,661
Insurance	1,927
Supplies	2,747
Rent	6,000
Repairs	1,053
Outside services	4,480
Miscellaneous	9,005
Depreciation	2,807
Cost of sales - non-reimbursable program	<u>61,623</u>
Total operating expenses	<u>260,774</u>
Operating loss	<u>(46,025)</u>
Nonoperating revenues:	
Other sources:	
Interest revenue	<u>343</u>
Total nonoperating revenues	<u>343</u>
Gain before operating transfers	(45,682)
Operating transfer:	
Operating transfer in - General Fund	<u>25,000</u>
Change in net position	(20,682)
Total net position - July 1	<u>190,414</u>
Total net position - June 30	<u>\$ <u>169,732</u></u>

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

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

	Business-type Activities - <u>Enterprise Funds</u> Food <u>Services</u>
Cash flows from operating activities:	
Receipts from customers	\$ 214,749
Payments to employees	(101,256)
Payment for payroll taxes and employee benefits	(44,215)
Payments to suppliers	<u>(97,158)</u>
Net cash used by operating activities	<u>(27,880)</u>
Cash flows from noncapital financing activities:	
Operating subsidies and transfers from other funds	<u>25,000</u>
Net cash provided by noncapital financing activities	<u>25,000</u>
Cash flows from investing activities:	
Interest on investments	<u>343</u>
Net cash provided by investing activities	<u>343</u>
Net decrease in cash	(2,537)
Cash - July 1	<u>127,764</u>
Cash - June 30	<u>\$ 125,227</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ <u>(46,025)</u>
Adjustments not affecting cash:	
Depreciation	2,807
Change in assets and liabilities:	
Increase in accounts receivable, net	23,176
Increase in inventories	<u>(7,838)</u>
Total adjustments	<u>18,145</u>
Net cash used by operating activities	<u>\$ (27,880)</u>

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Fiduciary Net Position
 June 30, 2020

	<u>Private Purpose Scholarship Trust</u>	<u>Unemployment Compensation Trust</u>	<u>Agency Funds</u>
ASSETS			
Cash	\$ <u>104,760</u>	\$ <u>244,251</u>	\$ <u>215,239</u>
Total assets	<u>104,760</u>	<u>244,251</u>	<u>\$ 215,239</u>
LIABILITIES			
Accounts payable	-	6,059	\$ -
Intergovernmental:			
Interfund payable			2,391
Payroll deductions and withholdings			15,723
Due to student groups	<u> </u>	<u> </u>	<u>197,125</u>
Total liabilities	<u> </u>	<u>6,059</u>	<u>\$ 215,239</u>
NET POSITION			
Held in trust for unemployment claims		<u>\$ 238,192</u>	
Held in trust for scholarships	<u>\$ 104,760</u>		

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

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

	Private Purpose Scholarship Trust	Unemployment Compensation Trust
	<u> </u>	<u> </u>
ADDITIONS:		
Contributions:		
Other	\$ 37,136	\$ -
Employer		25,000
Plan member		<u>26,430</u>
Total contributions	<u>37,136</u>	<u>51,430</u>
Investment earnings:		
Interest	<u>319</u>	<u>1,306</u>
Net investment earnings	<u>319</u>	<u>1,306</u>
Total additions	<u>37,455</u>	<u>52,736</u>
DEDUCTIONS:		
Scholarship/award payments	38,800	
Unemployment claims and fees		<u>18,576</u>
Total deductions	<u>38,800</u>	<u>18,576</u>
Change in net position	(1,345)	34,160
Net position - July 1	<u>106,105</u>	<u>204,032</u>
Net position - June 30	<u>\$ 104,760</u>	<u>\$ 238,192</u>

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

NOTES TO FINANCIAL STATEMENTS

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education of the River Dell Regional School District (the "District" or "School District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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.

A. Reporting Entity:

The River Dell Regional School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education (the "Board") consists of nine members elected to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the District is to educate students in grades 7 - 12. The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. For the River Dell Regional School District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. Recent Accounting Pronouncements – Not Yet Adopted:

Accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB No. 84, *Fiduciary Activities* - will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom the fiduciary relationship exists.

RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Recent Accounting Pronouncements – Not Yet Adopted (Continued):

- GASB No. 87, *Leases* - will be effective with the fiscal year ending June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* - will be effective with the fiscal year ending June 30, 2022. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB No. 91, *Conduit Debt Obligations* - will be effective with the fiscal year ending June 30, 2022. The requirements of this Statement will improve financial reporting by providing a single method of reporting conduit debt obligations for government issuers and eliminate diversity in practice. The Statement achieves these objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.
- GASB No. 92, *Omnibus 2020* - will be effective with the fiscal year ending June 30, 2022, except requirements related to GASB No. 87 and Implementation Guide No. 2019-3 is effective upon issuance. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB No. 96, *Subscription-Based Information Technology Arrangements* - will be effective with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Recent Accounting Pronouncements – Not Yet Adopted (Continued):

- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32* - the section that may be applicable to the District will be effective with the fiscal year ending June 30, 2022. the objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

Management has not yet determined the impact of implementing these pronouncements.

C. 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 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 activities 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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: 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 for each fund category - *governmental, proprietary, and fiduciary* are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued):

The District reports the following governmental funds:

General Fund - The general fund is the general operating fund of the District. It 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 State Department of Education, the District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings and the purchase of built-in equipment. These resources cannot be transferred from and to current expense without Board resolution and NJDOE approval.

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

Capital Projects Fund - 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 District's voters as a separate question on the ballot either during the annual election or at a special election and from state aid through economic development grants other than those financed by the proprietary fund.

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 bonds issued to finance major property acquisition, construction, and improvement programs of the government funds.

The District reports the following proprietary funds:

Enterprise Fund: The enterprise fund accounts for all revenues and expenses pertaining to the District's food service (cafeteria) operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued):

The District reports the following fiduciary funds:

Private Purpose Scholarship Funds: The District maintains funds from donations to provide scholarship awards.

Unemployment Compensation Insurance Trust Fund: The District maintains a fund to pay for employees' unemployment claims.

Agency Funds: The agency funds are used to account for assets held by the District in a trustee capacity or as an agent for outside parties including other governments on behalf of other funds within the District. Agency funds include payroll, payroll agency and student activity funds.

D. Measurement Focus and Basis of Accounting:

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its 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". Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements: Governmental fund financial statements 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 transaction 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 recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are no longer voted on by the electorate. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund. 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:23A-16.2(f) 1.

On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under this new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year and going forward. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general election in accordance with the law.

All budget amendments/transfers must be approved by School Board resolution and may be made at any time during the fiscal year, as long as the "transfer from" does not exceed 10% of the original line-item budget, is not going to an administrative account, and is not going to or from capital outlay construction of facilities. If a transfer is anticipated to exceed 10%, the District must obtain NJDOE approval prior to making the transfer. 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 capital 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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Encumbrance Accounting:

Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance:

Cash:

Cash includes cash in banks and money market accounts.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of New Jersey's 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 District's deposits are insured through the Federal Deposit Insurance Corporation (FDIC), or GUDPA. The District is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to 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 for all deposits not covered by the FDIC. Bank balances are insured up to \$250,000 in aggregate by FDIC for each bank.

Receivables and Allowance for Uncollectible Accounts:

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. No allowance for uncollectible accounts has been recorded, as all amounts are considered collectible.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

Inventories:

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Inventories in the proprietary funds are valued at cost, which approximates market, using the first-in first-out (FIFO) method.

Short-Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

Capital Assets:

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the District-Wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years.

The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value. 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. The District does not possess any infrastructure.

All reported capital assets, except for land, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Site improvements	20
School buildings and building improvements	45-50
Vehicles	8
Office, computer, instructional, and grounds equipment	5-15

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized, and related depreciation is not reported in the fund financial statements.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

Deferred Outflows/Inflows of Resources:

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The one item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the District-Wide Statement of Net Position and results from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items which arose only under the accrual basis of accounting that qualifies for reporting in this category. One item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the District-Wide Statement of Net Position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. The amount is deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred amounts on refunding of debt which results from the gain on a debt refunding reported in the District-Wide Statement of Net Position. Deferred amounts on debt refunding result from the gain on the transaction when the carrying value of the refunded debt is greater than the debt's reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt.

Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(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. Bonds are recognized as a liability on the fund financial statements when due.

Accrued Salaries and Wages:

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2020, the amounts earned by these employees were disbursed to the employees' own individual accounts.

Compensated Absences:

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In the proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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 retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. 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, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

District-Wide Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt 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 position are available.

Fund Balance:

Fund balance categories are designed to make the nature and extent of the constraints placed on a government's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures - This restriction was created in accordance with N.J.S.A. 18A:7F-7 to represent the June 30, 2019 audited excess surplus that was appropriated in the 2020/2021 original budget certified for taxes.

Reserved Excess Surplus - This restriction was created in accordance with N.J.S.A. 18A:7F-7 to represent the June 30, 2020 audited excess surplus that is required to be appropriated in the 2021/2022 original budget certified for taxes.

Capital Reserve - This restriction was created by the District in accordance with N.J.A.C. 6A:23A 14.I to fund future capital expenditures (See Note 13).

Capital Projects - Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service - Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued):

Committed Fund Balance - Amounts constrained to specific purposes by an entity itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the entity takes the same highest-level action to remove or change the constraint.

Year-End Encumbrances - Represents outstanding purchase orders at year-end for contracts awarded by formal action of the Board of Education for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30, 2020.

Assigned Fund Balance - Amounts the entity intends to use for a specific purpose; intent can be expressed by the Board of Education or by an official or body to which the Board of Education delegates the authority.

Year-End Encumbrances - Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30, 2020.

Unassigned Fund Balance - 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.

H. Revenues and Expenditures/Expenses:

Revenues - Exchange and Nonexchange 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.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from 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 specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Revenues and Expenditures/Expenses (Continued):

Interfund Transactions:

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

Tuition:

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Expenditures - Tuition charges for the fiscal year 2019-2020 were based on rates established by the receiving district or private school for the disabled. These rates are subject to change when the actual costs have been certified by the state.

Proprietary Funds, Operating and Nonoperating Revenues and Expenses:

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

I. 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, pension, postemployment benefits, workers compensation, compensated absences, and medical and dental benefits, were allocated based on salaries of that 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. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Extraordinary and Special Items:

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

K. Management Estimates:

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to differences in the measurement focus and basis of accounting used on the governmental fund statements and District-Wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH

As of June 30, 2020, cash and restricted cash of the District consisted of \$3,032,642 in checking and money market accounts. The District has no bank deposits that are uninsured, unregistered, or uncollateralized, including any deposits that are collateralized with securities held by the pledging public depository or by its trust department or agent but not in the District's name.

Custodial Credit Risk - Deposits:

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy for custodial credit risk. As of June 30, 2020, the District's bank balances of \$3,347,020 was not exposed to custodial credit risk, as the District's deposits are primarily in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. See Note 1.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General fund	\$ 67,126	\$ 17,540
Special revenue fund		64,735
Enterprise funds	17,540	
Fiduciary funds		<u>2,391</u>
	<u>\$ 84,666</u>	<u>\$ 84,666</u>

The receivable/payable between the general fund and the enterprise fund resulted from a deposit belonging to the enterprise fund being deposited in the general fund. The receivable/payable between the general fund and the fiduciary funds resulted from the time lag between the dates that payments are made between funds. The receivable/payable between the general fund and the special revenue fund resulted from the loans made to fund the federal and state grants, until the special revenue fund receives moneys due from the federal and state grants. All interfunds are expected to be repaid within one year.

Interfund transfers for the year ended June 30, 2020, consisted of the following:

	Transfers from:
	<u>General fund</u>
Transfers to:	
Enterprise funds	<u>\$ 25,000</u>

Transfers were used to subsidize the food service program due to the decline in sales due to COVID-19. See Note 21.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5. RECEIVABLES

Receivables at June 30, 2020, consisted of accounts (fees for service), reimbursements, and intergovernmental State activities. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	<u>Amount</u>
Governmental activities	
General fund:	
State	\$ 225,111
Other	84,599
Interfund	2,391
Special Revenue fund:	
Federal	121,777
State	<u>37,602</u>
 Total governmental activities	 471,480
 Business-type activities:	
Interfund	<u>17,540</u>
 Total receivables	 <u>\$ 489,020</u>

NOTE 6. INVENTORIES

Inventories in the food service fund at June 30, 2020, consisted of the following:

Food and supplies	<u>\$ 9,202</u>
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**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Retirements</u>	<u>Ending Balance</u>
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 216,520	\$ -	\$ -	\$ 216,520
Total capital assets not being depreciated	<u>216,520</u>	<u>-</u>	<u>-</u>	<u>216,520</u>
<i>Capital assets being depreciated:</i>				
Site improvements	7,735,696	723,961		8,459,657
Building and building improvements	36,607,897	135,724		36,743,621
Machinery and equipment	<u>3,709,943</u>	<u>226,993</u>		<u>3,936,936</u>
Totals at historical cost	<u>48,053,536</u>	<u>1,086,678</u>		<u>49,140,214</u>
Less accumulated depreciation for:				
Site improvements	4,392,307	381,889		4,774,196
Building and improvements	12,056,398	816,010		12,872,408
Equipment	<u>2,583,294</u>	<u>203,742</u>		<u>2,787,036</u>
Total accumulated depreciation	<u>19,031,999</u>	<u>1,401,641</u>		<u>20,433,640</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>29,021,537</u>	<u>(314,963)</u>		<u>28,706,574</u>
Government activity capital assets, net	<u>\$ 29,238,057</u>	<u>\$ (314,963)</u>	<u>\$ -</u>	<u>\$ 28,923,094</u>
Business-type activities:				
Equipment	\$ 177,006	\$ -	\$ -	\$ 177,006
Less accumulated depreciation	<u>156,436</u>	<u>2,807</u>		<u>159,243</u>
Business-type activities capital assets, net	<u>\$ 20,570</u>	<u>\$ (2,807)</u>	<u>\$ -</u>	<u>\$ 17,763</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
unallocated	\$ 1,401,641
Business type activities:	
Food services	<u>2,807</u>
Total	<u>\$ 1,404,448</u>

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2020, the following changes occurred in long-term obligations:

	Balance, June 30, 2019	Increases	Decreases	Balance June 30, 2020	Amounts Due Within One Year
Bonds payable	\$ 6,125,000	\$ -	\$ (1,235,000)	\$ 4,890,000	\$ 1,230,000
Net pension liability	7,676,491		(567,649)	7,108,842	
Compensated absences payable	427,712	121,807	(59,168)	490,351	369,000
	<u>\$ 14,229,203</u>	<u>\$ 121,807</u>	<u>\$ (1,861,817)</u>	<u>\$ 12,489,193</u>	<u>\$ 1,599,000</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated in the general fund.

A. General Obligation Bonds - Bonds are authorized in accordance with State law by the voters of the municipality through referendums, to provide funds for the acquisition and construction of major capital facilities. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

On March 1, 2004, the District issued \$21,982,000 general obligation bonds at interest rates varying from 3.25% to 4.25% for various construction and renovation projects, however, these bonds were refunded on March 1, 2013 at an interest rate of 4%. The final maturity of these bonds is March 1, 2024.

Interest paid on debt issued by the District is exempt from federal income tax.

B. Debt Service Requirements - Debt service requirements on general obligation serial bonds payable at June 30, 2020, are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,230,000	\$ 195,600	\$ 1,425,600
2022	1,225,000	146,400	1,371,400
2023	1,220,000	97,400	1,317,400
2024	1,215,000	48,600	1,263,600
	<u>\$ 4,890,000</u>	<u>\$ 488,000</u>	<u>\$ 5,378,000</u>

C. Bonds Authorized But Not Issued - The District has no authorized but not issued bonds at June 30, 2020.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems covering substantially all eligible District employees: The Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). TPAF 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. PERS is considered a cost-sharing multiple-employer plan.

Descriptions of Systems

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage, including post-retirement health care, to substantially all full-time certified teachers or professional staff of the public school systems and charter schools in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60 and 62, respectively, with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above-mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State, and to any county, municipality, school board, charter school, or public agency, provided the employee is not required to be a member of another state-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60 and 62, respectively, with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above-mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Descriptions of Systems (Continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or at www.state.nj.us/treasury/pensions/. According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey also sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees, which include those District employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP)

Established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain District employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Supplemental Annuity Collective Trust Fund (SACT)

The State established and administers a SACT, which is available to active members of the State administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

Funding Policy

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.5% for PERS and 7.5% for TPAF effective July 1, 2018. In the DCRP, employee contributions are 5.5% of employees' annual compensation.

Annual Pension Costs

For the fiscal year ended June 30, 2020, the TPAF annual pension cost differs from the annual required contribution. For PERS, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the District. PERS employer contributions are made annually by the District to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, member contributions are matched by a 3% employer contribution.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Annual Pension Costs (Continued)

During the fiscal years ended June 30, 2020, 2019 and 2018, the District was required to contribute for PERS and DCRP, and the State of New Jersey was required to contribute for TPAF, for normal pension costs and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	PERS	On-Behalf TPAF	DCRP
2020	\$ 383,762	\$ 3,171,345	\$ 3,511
2019	387,802	2,891,952	2,643
2018	362,367	2,119,440	2,186

In addition, for fiscal year ended June 30, 2020, the District contributed \$1,402 for PERS and the State contributed \$1,789 for TPAF for Long-Term Disability Insurance Premium (LTDI). The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) and the District-Wide financial statements (accrual basis) as both a revenue and expenditure in accordance with GASB No. 85. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as the District-Wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,117,619 during the fiscal year ended June 30, 2020, for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the District-Wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employee's Retirement System

At June 30, 2020, the District reported a liability of \$7,108,842 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 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 employers, actuarially determined.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

At June 30, 2019, the District's proportion was .03945305%, which was an increase of .00046535% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized full accrual pension expense of \$403,701 in the District-Wide financial statements. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	\$ 127,594	\$ 31,404
Changes of assumptions	709,844	2,467,456
Net difference between projected and actual earnings on pension plan investments		112,216
Changes in proportion and differences between District contribution and proportionate share of contributions	168,511	18,638
District contributions subsequent to the measurement date	<u>433,061</u>	
Total	<u>\$ 1,439,010</u>	<u>\$ 2,629,714</u>

\$433,061 is reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date.

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 Ending June 30,</u>	
2020	\$ (193,555)
2021	(596,961)
2022	(547,225)
2023	(259,410)
2024	<u>(26,613)</u>
Total	<u>\$ (1,623,764)</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 was rolled forward to June 30, 2019. This actuarial valuation used the following key actuarial assumptions, applied to all periods included in the measurement:

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00% - 6.00% Based on years of service
Thereafter	3.00% - 7.00% Based on years of service
Investment rate of return	7.00%

Mortality Rates

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% 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.

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 June 30, 2019) 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 estimates 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 PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (Continued)

<u>Asset 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%
US Treasuries	5.00%	2.68%
Investment grade credit	10.00%	4.25%
High yield	2.00%	5.37%
Private credit	6.00%	7.92%
Real assets	2.50%	9.31%
Real estate	7.50%	8.33%
US equity	28.00%	8.26%
Non-U.S. developed markets equity	12.50%	9.00%
Emerging markets equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liability for PERS was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	<u>At 1% Decrease (5.28%)</u>	<u>At Current Discount Rate (6.28%)</u>	<u>At 1% Increase (7.28%)</u>
District's proportionate share of the PERS net pension liability	<u>\$ 8,979,623</u>	<u>\$ 7,108,842</u>	<u>\$ 5,532,444</u>

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Public Employee's Retirement System (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. The financial report may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions/.

Additional Information

Collective balances for participating local employers at June 30, 2019, are as follows:

Collective deferred outflows of resources	\$	2,122,619,897
Collective deferred inflows of resources		6,618,184,855
Collective net pension liability		18,143,832,135
District's proportion		0.03918049%

The components of the net pension liability of the participating employers for PERS as of June 30, 2019, are as follows:

	<u>State</u>	<u>Local</u>	<u>Total</u>
Total pension liability	\$ 29,512,766,255	\$ 41,491,463,886	\$ 71,004,230,141
Plan fiduciary net position	<u>6,500,345,915</u>	<u>23,347,631,751</u>	<u>29,847,977,666</u>
Net pension liability	<u>\$ 23,012,420,340</u>	<u>\$ 18,143,832,135</u>	<u>\$ 41,156,252,475</u>
District's net pension liability (as reported on June 30, 2019)			<u>\$ 7,108,842</u>

Collective pension expense, which excludes pension expense related to specific liabilities of individual employers, for the local employers for the measurement period ended June 30, 2019 is \$967,548,587.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) is 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

Teachers' Pensions and Annuity Fund

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.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Teachers' Pensions and Annuity Fund (Continued)

The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2019 was \$88,390,581. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and charter schools, actuarially determined. At June 30, 2019, the State's proportionate share of the TPAF net pension liability associated with the District was .14402676%, which was an increase of .00351618% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue in the District-Wide financial statements of \$5,213,513 for contributions incurred by the State.

Actuarial Assumptions

The actuarial valuation used the following assumptions, applied to all periods included in the measurement.

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	1.55% - 4.45%
	Based on years of service
Thereafter	2.75% - 5.65%
	Based on years of service
Investment rate of return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 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 General Below-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 retirement 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.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Teachers' Pensions and Annuity Fund (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best estimates 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>Asset 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%
US Treasuries	5.00%	2.68%
Investment grade credit	10.00%	4.25%
High yield	2.00%	5.37%
Private credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. developed markets equity	12.50%	9.00%
Emerging markets equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. PENSION PLANS (CONTINUED)

Teachers' Pensions and Annuity Fund (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>At 1% Decrease (4.60%)</u>	<u>At Current Discount Rate (5.60%)</u>	<u>At 1% Increase (6.60%)</u>
State's proportionate share of the net pension liability associated with the District	<u>\$ 104,232,056</u>	<u>\$ 88,390,581</u>	<u>\$ 75,247,157</u>

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Teachers' Pensions and Annuity Fund financial report. The financial report may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions/.

Additional Information

Collective deferred outflows of resources	\$ 10,077,460,797
Collective deferred inflows of resources	17,525,379,167
Collective net pension liability, nonemployer	61,370,943,870
District's proportion	0.14402676%

Collective pension expense, which excludes pension expense related to specific liabilities of individual employers, for the measurement period ended June 30, 2019, is \$3,628,561,693.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

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

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2018:

Active plan members	216,892
Inactive plan members or beneficiaries currently receiving benefits	148,051
Inactive plan members entitled to but not yet receiving benefits	-
	<hr/>
Total plan members	<u><u>364,943</u></u>

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability

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 and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB's No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the District. Note that actual numbers will be published in the NJ State's CAFR at <https://www.nj.gov/treasury/omb/publications/archives.shtml>

Actuarial assumptions and other inputs

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

Inflation	2.50%		
Salary increases:	TPAF/ABP	PERS	PFRS
Through 2026	1.55%-3.05% based on service years	2.00%-6.00% based on service years	3.25%-15.25% based on service years
Thereafter	1.55%-3.05% based on service years	3.00%-7.00% based on service years	Applied to all future years
Discount rate	3.50%		

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond index.

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

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2018, which were rolled forward to June 30, 2019. The actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF and PERS, and PFRS, respectively.

Health Care Trend Assumptions

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

	Total OPEB Liability
Balance at June 30, 2018	\$ 46,110,832,982
Changes for the year:	
Service cost	1,734,404,850
Interest on the total OPEB liability	1,827,787,206
Changes of benefit terms	-
Differences between expected and actual experience	(7,323,140,818)
Changes of assumptions	622,184,027
Gross benefit payments	(1,280,958,373)
Contributions from the members	37,971,171
Balance at June 30, 2019	\$ 41,729,081,045

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

There were no changes in assumptions in benefit terms.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Discount Rate

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

	At 1% Decrease (2.50%)	At Current Discount Rate 3.50%	At 1% Increase (4.50%)
Total OPEB liability (school retirees)	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the total nonemployer OPEB liability for school retirees as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability for school retirees 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:

	1% Decrease	Trend Rates	1% Increase
Total OPEB liability (school retirees)	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

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

For the year ended June 30, 2020, the District recognized OPEB revenue and expense of \$1,083,699 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ (10,484,965,300)
Net difference between expected and actual earnings on OPEB plan investments	-	-
Assumption changes		(8,481,529,343)
Contributions made in fiscal year ending 2019 after June 30, 2018 measurement date	To be determined	-
Total	\$ -	\$ (18,966,494,643)

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

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

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 11. COMPENSATED ABSENCES

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

District employees who are employed under a ten-month contract are entitled to ten paid sick leave days per fiscal school year. District employees who are employed under a twelve-month contract are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. For employees who have not less than ten (10) years of service in the District, the District shall pay, with certain limitations, the employee for unused sick leave in accordance with the District's agreements with the various employee unions. Vacation days not used during the year may only be carried forward with approval from the Superintendent. See Note 1(G) for additional information.

The liability for vested compensated absences of the governmental fund types is recorded in the current and long-term liabilities.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020, a liability did not exist for compensated absences in the enterprise funds.

NOTE 12. DEFERRED COMPENSATION

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows: AXA Equitable Life Insurance Company, Lincoln Investment Planning, Oppenheimer Shareholder Services, Aspire Financial Services, and Vanguard Fiduciary Trust Co.

NOTE 13. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education on September 25, 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 will be included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 13. CAPITAL RESERVE ACCOUNT (CONTINUED)

Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFPP.

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

Beginning balance, July 1, 2019	\$	1,688,792
Increased by:		
Interest earnings		9,043
Deposit approved by board resolution June 1, 2020		691,202
Decreased by:		
Withdrawals through 2019-20 budget		(741,650)
Withdrawals through board resolution		-
		-
Ending balance, June 30, 2020	\$	1,647,387

The June 30, 2020 LRFPP balance of local support costs of uncompleted capital projects is approximately \$19,735,000.

NOTE 14. NET POSITION - UNRESTRICTED (DEFICIT)

As reflected on Exhibit A-1, Statement of Net Position, a deficit in unrestricted net position of \$8,705,107 existed as of June 30, 2020, for governmental activities. The primary cause of this deficit is the recognition of the net pension liability, as well as the District not recognizing the receivable for state aid payments and the recording of the long-term liability for compensated absences. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net Position, such liabilities are required to be recorded in the period in which they are incurred.

However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place, and pension costs are recorded when due. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

The deficit is a result of the following:

Unassigned fund balance (Exhibit C-1)	\$	658,998
Unrecognized state aid payments for 2019-2020		(76,833)
Compensated absences payable		(490,351)
Accrued interest payable		(64,314)
State net pension liability and related deferred outflows and inflows		(8,732,607)
Unrestricted net position (deficit) (Exhibit A-1)	\$	(8,705,107)

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 15. TRANSFERS FOR CAPITAL OUTLAY AND GENERAL FUND

During the year ending June 30, 2020, the District transferred \$355,527 to Capital Outlay equipment to cover costs for equipment.

NOTE 16. FUND BALANCE APPROPRIATED

General Fund - Of the \$2,934,791 general fund balance in the fund financial statements at June 30, 2020, \$105,239 is reserved for encumbrances; \$600,000 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$275,000 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2021); \$1,647,387 has been reserved in the Capital Reserve Account; and \$582,165 is unassigned.

Debt Service Fund - There is no balance at June 30, 2020.

NOTE 17. CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 is \$325,000.

NOTE 18. CONTINGENCIES

The District is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material effect on the financial position of the District or will be covered under the District's insurance policies.

The District is a participant, together with other school districts, in a joint insurance workers' compensation trust. In the event that claims against the trust exceed annual revenues, the District would be obligated to contribute its ratable share of the losses to pay the liability.

NOTE 19. 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, Liability, and Workers' Compensation Insurance

The District also participates, together with other school districts, in a joint insurance workers compensation trust (See Note 18). A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**RIVER DELL REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 19. RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 25,000	\$ 26,430	\$ 18,576	\$ 238,192
2018-2019	-	25,293	15,354	204,032
2017-2018	-	24,861	28,832	192,608

NOTE 20. OTHER MATTERS

The District participates in federal and state financial assistance grant programs. Expenditures financed by such assistance are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2020, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the District. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

NOTE 21. SUBSEQUENT EVENTS

The COVID-19 outbreak in the United States and specifically in New Jersey has caused disruption of the District’s normal financial operations. Though the impact on the District’s operations cannot be reasonably estimated at this date, it is likely that there will be an impact on certain revenue in the General Fund other than state aid and the local tax levy. The District’s state aid in the General Fund was reduced after their budget was adopted due to the reduction of state aid provided to certain school districts by the State of New Jersey. Also, there have been additional operating expenses in the General Fund which were not planned or expected at the time of the approval of the District’s 2020-21 budget related to COVID-19.

Additionally, the District’s cash flow in the Governmental Funds may be affected by the timing of the collection of the District’s tax levy as well as certain State aid payments.

The District’s Food Service Enterprise Fund has been impacted by COVID-19 for the fiscal year ending June 30, 2021, as remote learning has led to a decrease in sales.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 30,999,285	\$ -	\$ 30,999,285	\$ 30,999,285	\$ -
Tuition	420,000		420,000	390,957	(29,043)
Interest - capital reserve funds	2,870		2,870	9,043	6,173
Interest on investments				20,824	20,824
Miscellaneous	350,000		350,000	159,864	(190,136)
Total - local sources	31,772,155		31,772,155	31,579,973	(192,182)
State sources:					
Transportation aid	199,120		199,120	199,120	
Extraordinary aid	175,000		175,000	164,686	(10,314)
Special education categorical aid	779,669		779,669	779,669	
Security aid	125,221		125,221	125,221	
Other state aids				4,031	4,031
On-behalf TPAF pension - normal contribution (non-budgeted)				3,115,503	3,115,503
On-behalf TPAF pension - non-contributory insurance (non-budgeted)				55,842	55,842
On-behalf TPAF - post retirement medical contributions (non-budgeted)				1,176,511	1,176,511
On-behalf TPAF - long-term disability insurance (non-budgeted)				1,789	1,789
Reimbursed TPAF social security contributions (non-budgeted)				1,117,619	1,117,619
Total - state sources	1,279,010		1,279,010	6,739,991	5,460,981
Total revenues	33,051,165		33,051,165	38,319,964	5,268,799

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Salaries of teachers:	\$ 3,472,947	\$ 1,650	\$ 3,474,597	\$ 3,290,638	\$ 183,959
Grades 6-8	6,764,624	(10,882)	6,753,742	6,617,325	136,417
Grades 9-12					
Home instruction - regular programs:					
Salaries of teachers	20,000	(5,049)	14,951	660	14,291
Purchased professional - educational services	12,500	5,049	17,549	17,548	1
Regular programs - undistributed instruction:					
Other salaries for instruction	118,121		118,121	116,842	1,279
Purchased professional - educational services	950	300	1,250	600	650
Other purchased services	615,085	(56,355)	558,730	547,201	11,529
General supplies	306,988	68,263	375,251	363,423	11,828
Textbooks	127,762	(4,640)	123,122	123,110	12
Other objects	2,050	300	2,350	2,290	60
Total regular programs - instruction	11,441,027	(1,364)	11,439,663	11,079,637	360,026
Special education - instruction:					
Learning and/or language disabilities:					
Salaries of teachers	249,569	8,880	258,449	258,444	5
Other salaries for instruction	264,835	(150,490)	114,345	113,824	521
General supplies	1,600	1,750	3,350	3,137	213
Total learning and/or language disabilities	516,004	(139,860)	376,144	375,405	739
Resource room/resource center:					
Salaries of teachers	1,890,391	145,207	2,035,598	2,035,597	1
Other salaries for instruction	24,983	1,773	26,756	26,755	1
General supplies	8,950	(3,931)	5,019	4,836	183
Total resource room/resource center	1,924,324	143,049	2,067,373	2,067,188	185
Total special education - instruction	2,440,328	3,189	2,443,517	2,442,593	924

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Bilingual education - instruction:					
Salaries of teachers	\$ 120,270	2 \$	120,272 \$	120,271 \$	1
Purchased professional - educational services	480		480		480
General supplies	4,275	248	4,523	4,429	94
Textbooks	250	(250)			
Total bilingual education - instruction	125,275		125,275	124,700	575
School sponsored cocurricular activities - instruction:					
Salaries	213,081	10,320	223,401	222,822	579
Purchased services	9,425	(2,045)	7,380	5,422	1,958
Supplies and materials	31,250	(7,524)	23,726	22,425	1,301
Other objects	8,000	(5,162)	2,838	2,379	459
Transfers to cover deficit (agency funds)	5,000		5,000	5,000	
Total school sponsored cocurricular activities - instruction	266,756	(4,411)	262,345	258,048	4,297
School sponsored athletics - instruction:					
Salaries	671,816	2,756	674,572	674,571	1
Purchased services	75,600	12,359	87,959	87,444	515
Supplies and materials	77,340	3,330	80,670	77,623	3,047
Other objects	60,120	(2,438)	57,682	55,254	2,428
Transfers to cover deficit	96,568	10,000	106,568	99,068	7,500
Total school sponsored athletics - instruction	981,444	26,007	1,007,451	993,960	13,491
Other instructional programs - instruction:					
Purchased services		625	625	99	526
Total other instructional programs - instruction		625	625	99	526
Total - instruction	15,254,830	24,046	15,278,876	14,899,037	379,839

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs within the state-special	\$ 166,619	\$ (28,849)	\$ 137,770	\$ 136,310	\$ 1,460
Tuition to county vocational school-regular	480,000	7,235	487,235	487,235	
Tuition to county vocational school districts-special	178,500	(60,949)	117,551	103,229	14,322
Tuition to county special services school districts and regional day schools	197,880	92,041	289,921	289,920	1
Tuition to private schools for the disabled within the state	1,074,141	273,788	1,347,929	1,334,820	13,109
Total undistributed expenditures - instruction	2,097,140	283,266	2,380,406	2,351,514	28,892
Attendance and social work services:					
Salaries	49,281		49,281	49,281	
Total attendance and social work services	49,281		49,281	49,281	
Health services:					
Salaries	196,153	5,075	201,228	201,228	
Purchased professional and technical services	14,500		14,500	14,500	
Other purchased services	230		230	30	200
Supplies and materials	3,900		3,900	3,462	438
Total health services	214,783	5,075	219,858	219,220	638
Speech, OT, PT & related services:					
Salaries	119,986	1,543	121,529	121,528	1
Supplies and materials	500		500	407	93
Total speech, OT, PT & related services	120,486	1,543	122,029	121,935	94
Other support services - students - extraordinary:					
Salaries	53,699	29,000	82,699	82,529	170
Total support services - students- extraordinary	53,699	29,000	82,699	82,529	170

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Guidance:	\$				
Salaries of other professional staff	824,298	(5,075)	819,223	811,610	7,613
Salaries of secretarial and clerical assistants	161,055	2,758	163,813	163,812	1
Purchased professional - educational services	8,979		8,979	7,068	1,911
Other purchased services	9,732	1,314	11,046	7,335	3,711
Supplies and materials	25,095	(8,668)	16,427	5,057	11,370
Other objects	2,090	715	2,805	2,775	30
Total guidance	1,031,249	(8,956)	1,022,293	997,657	24,636
Child study teams:					
Salaries of other professional staff	682,704	15,428	698,132	698,131	1
Salaries of secretarial and clerical assistants	41,000	61	41,061	41,060	1
Purchased professional - educational services	149,000	3,173	152,173	118,083	34,090
Other purchased professional and technical services	35,000	(5,767)	29,233	29,232	1
Other purchased services	4,950	(2,665)	2,285	1,984	301
Supplies and materials	4,750	3,534	8,284	7,998	286
Other objects	1,100	80	1,180	1,170	10
Total child study teams	918,504	13,844	932,348	897,658	34,690
Improvement of instruction services/ other support services - instructional staff:					
Salaries of supervisors of instruction	92,251	2,066	94,317	94,317	5,500
Purchased professional - educational services	5,500	(3,986)	46,519	24,678	21,841
Other purchased services	50,505	1,616	51,723	50,083	1,640
Supplies and materials	50,107		750		750
Other objects	750				
Total improvement of instruction services/ other support services - instructional staff	199,113	(304)	198,809	169,078	29,731

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Educational media services/school library:					
Salaries	\$ 220,917	\$ 4,729	\$ 225,646	\$ 225,646	\$ -
Purchased professional and technical services	1,600	999	2,599	2,543	56
Other purchased services	28,800	175	28,975	26,882	2,093
Supplies and materials	29,106	(1,102)	28,004	27,393	611
Other objects	100	125	225	175	50
Total educational media services/school library	280,523	4,926	285,449	282,639	2,810
Instructional staff training services:					
Salaries of other professional staff	363,985	5,001	368,986	368,986	796
Salaries of secretarial and clerical assistants	44,103	(12,250)	31,853	31,057	1
Other salaries		21,238	21,238	21,237	1
Purchased professional - educational services	40,000	(13,989)	26,011	10,730	15,281
Other purchased services	18,000	2,000	20,000	18,954	1,046
Supplies and materials	4,000	(2,400)	1,600	508	1,092
Other objects	3,230	400	3,630	3,124	506
Total instructional staff training services	473,318		473,318	454,596	18,722
Support services general administration:					
Salaries	349,326	(3,048)	346,278	346,064	214
Unused vacation payment to terminated/retired staff		8,949	8,949	8,948	1
Legal services	66,000	(18,134)	47,866	42,911	4,955
Audit fees	67,000	1,354	68,354	35,354	33,000
Other purchased professional services		600	600	600	
Communications/telephone	31,000	1,384	32,384	30,562	1,822
Other purchased services	11,950	(5,907)	6,043	5,177	866
General supplies	9,000	16,934	25,934	25,816	118
Miscellaneous expenditures	8,500	9,802	18,302	18,283	19
Total support services general administration	542,776	11,934	554,710	513,715	40,995

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Support services school administration:					
Salaries of principals/assistant principals	\$ 819,807	\$ (11,703)	\$ 808,104	\$ 806,646	\$ 1,458
Salaries of other professional staff	246,029	7,779	253,808	251,539	2,269
Salaries of secretarial and clerical assistants	284,612	625	285,237	285,236	1
Unused vacation payment to terminated/retired staff		25,594	25,594	25,263	331
Purchased professional and technical services	15,415	25,000	25,000	14,963	10,037
Other purchased services	8,200	(7,779)	7,636	6,193	1,443
Supplies and materials	4,956	(1,457)	6,743	6,607	136
Other objects		(652)	4,304	4,303	1
Total support services school administration	1,379,019	37,407	1,416,426	1,400,750	15,676
Support services central services:					
Salaries	412,726	23,950	436,676	436,675	1
Purchased professional services	18,000	(11,368)	6,632	6,631	1
Miscellaneous purchased services	43,550	(20,315)	23,235	21,149	2,086
Supplies and materials	37,000	50,168	87,168	84,455	2,713
Miscellaneous expenditures	18,000	(15,563)	2,437	1,767	670
Total support services central services	529,276	26,872	556,148	550,677	5,471
Support services administrative information technology:					
Salaries	381,850	2,067	383,917	381,227	2,690
Purchased professional services	13,500	(2,067)	11,433		11,433
Other purchased services	3,000		3,000	2,310	690
Supplies and materials	122,500	(17,038)	105,462	19,867	85,595
Other objects	2,479	600	3,079	2,457	622
Total support services administrative information technology	523,329	(16,438)	506,891	405,861	101,030

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Required maintenance for school facilities:					
Salaries	\$ 374,794	\$ (30,520)	\$ 344,274	\$ 344,166	\$ 108
Unused vacation payment to terminated/retired staff		1,486	1,486	1,486	
Cleaning, repair and maintenance services	189,110	195,279	384,389	379,377	5,012
General supplies	114,500	38,300	152,800	152,730	70
Other objects	1,000	989	1,989	1,943	46
Total required maintenance for school facilities	679,404	205,534	884,938	879,702	5,236
Custodial Services:					
Salaries	622,879	(18,824)	604,055	603,672	383
Unused vacation payment to terminated/retired staff		5,396	5,396	5,395	1
Purchased professional and technical services	6,180	5,600	11,780	11,780	
Cleaning, repair and maintenance services	26,025		26,025	25,952	73
Other purchased property services	59,000	(6,187)	52,813	52,811	2
Insurance	147,000	14,939	161,939	161,938	1
Miscellaneous purchased services	75	75	75		75
General supplies	90,000	(89,350)	650	316	334
Energy (natural gas)	292,000	(154,394)	137,606	130,187	7,419
Energy (electricity)	302,000	(66,510)	235,490	230,958	4,532
Energy (gasoline)	2,000		2,000	1,556	444
Other objects	100		100	8	92
Total custodial services	1,547,259	(309,330)	1,237,929	1,224,573	13,356
Care and upkeep of grounds:					
Salaries	150,516	6,000	156,516	146,683	9,833
Purchased professional and technical services	35,000	275	35,275	35,250	25
Cleaning, repair and maintenance services	31,000	70,000	101,000	100,530	470
General supplies	31,700	(4,275)	27,425	23,960	3,465
Other objects	500	700	1,200	1,117	83
Total care and upkeep of grounds	248,716	72,700	321,416	307,540	13,876

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Security:					
Salaries	\$ 29,484	\$ -	\$ 29,484	\$ 29,470	\$ 14
Total security	29,484		29,484	29,470	14
Student transportation services:					
Salaries for pupil transportation (between home and school) - regular	32,100	(21,618)	10,482	7,834	2,648
Cleaning, repair and maintenance services	3,500	(3,499)	1		1
Contracted services - aid in lieu of payments for non-public school students	48,500	(11,688)	36,812	33,282	3,530
Contracted services (between home and school) - vendors	210,000	(22,618)	187,382	159,448	27,934
Contracted services (other than between home and school) - vendors	151,850	(44,032)	107,818	107,403	415
Contracted services (between home and school) - joint agreements	23,000	(1,317)	21,683	20,768	915
Contracted services (special education students) - vendors	250,000	145,640	395,640	395,639	1
Supplies and materials	4,000	(4,000)			
Transportation supplies		4,000	4,000	867	3,133
Total student transportation services	722,950	40,868	763,818	725,241	38,577
Unallocated employee benefits:					
Social security contributions	374,204	31,311	405,515	336,128	69,387
Other retirement contributions - PERS	390,000	(4,833)	385,167	385,166	1
Unemployment compensation		25,000	25,000	25,000	
Workmen's compensation	141,000	(15,779)	125,221	125,219	2
Health benefits	5,449,691	(853,271)	4,596,420	4,141,574	454,846
Tuition reimbursement	23,000	13,135	36,135	36,135	
Other employee benefits	6,000	(5,999)	1		1
Unused sick payments to terminated/retired staff		19,119	19,119	19,119	
Total unallocated employee benefits	6,383,895	(791,317)	5,592,578	5,068,341	524,237

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
On-behalf TPAF pension - normal contribution (non-budgeted)	\$ -	\$ -	\$ -	3,115,503	\$(3,115,503)
On-behalf TPAF pension - non-contributory insurance (non-budgeted)				55,842	\$(55,842)
On-behalf TPAF - post retirement medical contributions (non-budgeted)				1,176,511	\$(1,176,511)
On-behalf TPAF - long-term disability insurance (non-budgeted)				1,789	\$(1,789)
Reimbursed TPAF social security contributions (non-budgeted)				1,117,619	\$(1,117,619)
Total undistributed expenditures	18,024,204	(393,376)	17,630,828	22,199,241	\$(4,568,413)
Total expenditures - current expense	33,279,034	(369,330)	32,909,704	37,098,278	\$(4,188,574)
CAPITAL OUTLAY:					
Equipment:					
Undistributed expenditures:					
Instruction		6,910	6,910	6,909	1
School sponsored and other instructional programs		7,920	7,920	7,382	538
Required maintenance for school facilities		243,729	243,729	196,489	47,240
Care and upkeep of grounds		38,060	38,060	38,060	
Student transportation:					
Non instructional equipment		58,908	58,908	58,907	1
Total equipment		355,527	355,527	307,747	47,780
Facilities acquisition and construction services:					
Other purchased professional and technical services	30,000	39,997	69,997	69,997	
Construction services	711,650	(39,997)	671,653	648,647	23,006
Assessment for debt service on SDA funding	60,287		60,287	60,287	
Total facilities acquisition and construction services	801,937		801,937	778,931	23,006
Total capital outlay	801,937	355,527	1,157,464	1,086,678	70,786
Transfer of funds to charter schools	23,154	7,479	30,633	30,633	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	2020				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final Budget to Actual
Total expenditures	\$ 34,104,125	\$ (6,324)	\$ 34,097,801	\$ 38,215,589	\$ (4,117,788)
Excess (deficiency) of revenues over (under) expenditures	(1,052,960)	6,324	(1,046,636)	104,375	1,151,011
Other financing sources (uses):					
Operating transfers out - Food Service Fund		(25,000)	(25,000)	(25,000)	
Total other financing sources (uses)		(25,000)	(25,000)	(25,000)	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,052,960)	(18,676)	(1,071,636)	79,375	1,151,011
Fund balance - July 1	2,932,249		2,932,249	2,932,249	
Fund balance - June 30	\$ 1,879,289	\$ (18,676)	\$ 1,860,613	\$ 3,011,624	\$ 1,151,011
Restricted Fund Balance:					
Reserved excess surplus - designated for subsequent year's expenditures				\$ 275,000	
Reserved excess surplus				325,000	
Capital reserve				1,647,387	
Committed Fund Balance:					
Year-end encumbrances				58,000	
Assigned Fund Balance:					
Year-end encumbrances				47,239	
Unassigned Fund Balance				658,998	
Total fund balance				3,011,624	
Reconciliation to Governmental Funds Statements (GAAP):					
State aid payments not recognized on GAAP basis				(76,833)	
Fund balance per Governmental Funds (GAAP)				\$ 2,934,791	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES:					
State sources	\$ 76,000	\$ 425,847	\$ 501,847	\$ 455,447	\$ (46,400)
Federal sources	<u>375,000</u>	<u>82,230</u>	<u>457,230</u>	<u>443,209</u>	<u>(14,021)</u>
Total revenues	<u>451,000</u>	<u>508,077</u>	<u>959,077</u>	<u>898,656</u>	<u>(60,421)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	125,000	54,801	179,801	165,780	14,021
Purchased professional - educational services	55,000	(32,740)	22,260	22,260	
Tuition	40,000	16,599	56,599	56,599	
General supplies	51,000	32,816	83,816	83,816	
Textbooks	<u>40,000</u>	<u>4,697</u>	<u>44,697</u>	<u>44,697</u>	
Total instruction	<u>311,000</u>	<u>76,173</u>	<u>387,173</u>	<u>373,152</u>	<u>14,021</u>
Support services:					
Salaries of other professional staff	25,000	40,430	65,430	61,158	4,272
Other salaries	30,000	16,212	46,212	46,212	
Personal services - employee benefits		13,096	13,096	13,096	
Purchased professional and technical services	70,000	(25,701)	44,299	44,299	
Purchased professional educational services	10,000	242,296	252,296	210,168	42,128
Other purchased services		49,771	49,771	49,771	
Supplies and materials	<u>5,000</u>	<u>95,800</u>	<u>100,800</u>	<u>100,800</u>	
Total support services	<u>140,000</u>	<u>431,904</u>	<u>571,904</u>	<u>525,504</u>	<u>46,400</u>
Total expenditures/outflows	<u>451,000</u>	<u>508,077</u>	<u>959,077</u>	<u>898,656</u>	<u>60,421</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Notes to Required Supplementary Information - Part II
 Budget-to-GAAP Reconciliation
 For the Fiscal Year Ended June 30, 2020

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

	General Fund	Special Revenue Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 38,319,964	\$ 898,656
Difference - budget to GAAP:		
State aid payments recognized for GAAP statements in the current year, previously recognized for budgetary purposes	68,011	
State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	<u>(76,833)</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 38,311,142</u>	<u>\$ 898,656</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	<u>\$ 38,215,589</u>	<u>\$ 898,656</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 38,215,589</u>	<u>\$ 898,656</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Public Employees Retirement System
 Last Seven Years *

	Fiscal Year Ended June 30,						
	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.03945305%	0.03898770%	0.03911589%	0.03895290%	0.03798022%	0.03798022%	0.03745529%
District's proportionate share of the net pension liability	\$ 7,108,842	\$ 7,676,491	\$ 9,105,555	\$ 11,536,732	\$ 8,525,798	\$ 7,012,655	\$ 7,157,234
District's covered - employee payroll	\$ 2,697,158	\$ 2,707,057	\$ 2,685,561	\$ 2,568,911	\$ 2,549,096	\$ 2,554,913	\$ 2,527,709
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	263.57%	283.57%	339.06%	449.09%	334.46%	274.48%	283.15%
Plan fiduciary net position as a percentage of the total pension liability (local)	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of District Contributions
 Public Employees Retirement System
 Last Seven Years

	Fiscal Year Ended June 30,						
	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 383,762	\$ 387,802	\$ 362,367	\$ 346,052	\$ 326,528	\$ 308,604	\$ 282,170
Contributions in relation to the contractually required contribution	<u>(383,762)</u>	<u>(387,802)</u>	<u>(362,367)</u>	<u>(346,052)</u>	<u>(326,528)</u>	<u>(308,604)</u>	<u>(282,170)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	<u>\$ 2,783,591</u>	<u>\$ 2,697,158</u>	<u>\$ 2,707,057</u>	<u>\$ 2,685,561</u>	<u>\$ 2,568,911</u>	<u>\$ 2,549,096</u>	<u>\$ 2,554,913</u>
Contributions as a percentage of covered - employee payroll	13.79%	14.38%	13.39%	12.89%	12.71%	12.11%	11.04%

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity System
 Last Seven Years *

	Fiscal Year Ended June 30,						
	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportion of the net pension liability associated with the District **	0.14402676%	0.14051058%	0.14721230%	0.13740068%	0.13850838%	0.13707852%	0.13011658%
State's proportionate share of the net pension liability associated with the District **	\$ 88,390,581	\$ 89,389,810	\$ 99,255,840	\$ 108,088,129	\$ 87,543,211	\$ 73,264,007	\$ 65,759,897
District's covered - employee payroll	\$ 15,583,744	\$ 15,187,197	\$ 15,159,559	\$ 14,436,788	\$ 14,062,930	\$ 13,677,840	\$ 13,654,051
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll **	567.20%	588.59%	654.74%	748.70%	622.51%	535.64%	481.61%
Plan fiduciary net position as a percentage of the total pension liability (local)	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

** TPAF is a special funding situation defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the District (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the District.

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

**SCHEDULES RELATED TO ACCOUNTING
AND REPORTING FOR PENSIONS AND POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

RIVER DELL REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Changes in the District's OPEB Liability and Related Ratios
 Last Three Years *

	Fiscal Year Ended June 30,		
	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 1,778,117	\$ 2,042,212	\$ 2,464,085
Interest	1,911,247	2,039,531	1,756,751
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(7,767,434)	(4,594,247)	
Changes of assumptions or other inputs	648,955	(5,536,950)	(7,227,961)
Member contributions	39,605	44,591	47,374
Benefit payments	<u>(1,336,075)</u>	<u>(1,290,193)</u>	<u>(1,286,546)</u>
Net change in total OPEB liability	(4,725,585)	(7,295,056)	(4,246,297)
Total OPEB liability - beginning	<u>48,250,184</u>	<u>55,545,240</u>	<u>59,791,537</u>
Total OPEB - ending	<u>\$ 43,524,599</u>	<u>\$ 48,250,184</u>	<u>\$ 55,545,240</u>
Covered employee payroll	<u>\$ 18,280,902</u>	<u>\$ 17,894,254</u>	<u>\$ 17,845,120</u>
Total OPEB liability as a percentage of covered employee payroll	238%	270%	311%

Notes to schedule:

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

* The amounts presented for the fiscal year were determined as of the previous fiscal year end.

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

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of
District Contributions, and Schedule of Changes in the District's OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2020

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.66% as of June 30, 2018 to 6.28% as of June 30, 2019 in accordance with Paragraph 44 of GASB Statement No. 67.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.86% as of June 30, 2018 to 5.60% as of June 30, 2019 in accordance with Paragraph 44 of GASB Statement No. 67.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Assumptions

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

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

	(Exhibit E-1a) Nonpublic Services	(Exhibit E-1b) E.S.E.A.	I.D.E.A. Part B - Basic	Totals
REVENUES:				
State sources	\$ 455,447	\$ -	\$ -	\$ 455,447
Federal sources		77,539	365,670	443,209
Total revenues	455,447	77,539	365,670	898,656
EXPENDITURES:				
Instruction:				
Salaries of teachers		28,707	137,073	165,780
Purchased professional - educational services			22,260	22,260
Tuition			56,599	56,599
General supplies	30,528	9,297	43,991	83,816
Textbooks	44,697			44,697
Total instruction	75,225	38,004	259,923	373,152
Support services:				
Salaries of other professional staff	61,158			61,158
Other salaries			46,212	46,212
Personal services - employee benefits	13,096			13,096
Purchased professional and technical services		34,535	9,764	44,299
Purchased professional educational services	210,168			210,168
Other purchased services			49,771	49,771
Supplies and materials	95,800	5,000		100,800
Total support services	380,222	39,535	105,747	525,504
Total expenditures	\$ 455,447	\$ 77,539	\$ 365,670	\$ 898,656

RIVER DELL REGIONAL SCHOOL DISTRICT
Special Revenue Fund

E.S.E.A.

Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Title I Current Year	Title II Part A Current Year	Title III Current Year	Title IV Part A Current Year	Totals
REVENUES:					
Federal sources	\$ 28,707	\$ 18,443	\$ 20,389	\$ 10,000	\$ 77,539
EXPENDITURES:					
Instruction:					
Salaries of teachers	28,707				28,707
General supplies			9,297		9,297
Total instruction	28,707		9,297		38,004
Support services:					
Purchased professional and technical services		13,443	11,092	10,000	34,535
Supplies and materials		5,000			5,000
Total support services		18,443	11,092	10,000	39,535
Total expenditures	\$ 28,707	\$ 18,443	\$ 20,389	\$ 10,000	\$ 77,539

CAPITAL PROJECTS FUND DETAIL STATEMENTS

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

At June 30, 2020, there was no Capital Projects Fund.

PROPRIETARY FUNDS DETAIL STATEMENTS

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

Food Services Fund - This fund provides for the operation of food services in all schools within the District.

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

FIDUCIARY FUNDS DETAIL STATEMENTS

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

Private Purpose Scholarship Trust - These are funds used to account for assets held by the District for scholarships or awards to students.

Unemployment Compensation Insurance Trust - This fund is used to pay employees unemployment compensation claims.

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

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

Payroll and Payroll Agency Funds - These agency funds are used to account for the payroll transactions of the District.

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

	Trust		Agency				
	Private Purpose Scholarship Trust	Unemployment Compensation Trust	Total Trust Funds	Student Activity	Payroll Agency	Payroll	Total Agency Funds
ASSETS:							
Cash	\$ 104,760	\$ 244,251	\$ 349,011	\$ 199,516	\$ 15,723	\$ -	\$ 215,239
Total assets	<u>104,760</u>	<u>244,251</u>	<u>349,011</u>	<u>199,516</u>	<u>15,723</u>	<u>-</u>	<u>215,239</u>
LIABILITIES							
Liabilities:							
Accounts payable	-	6,059	6,059	-	-	-	-
Intergovernmental:							
Interfund payable				2,391			2,391
Payroll deductions and withholdings					15,723		15,723
Due to student groups				197,125			197,125
Total liabilities		<u>6,059</u>	<u>6,059</u>	<u>199,516</u>	<u>15,723</u>	<u>-</u>	<u>215,239</u>
NET POSITION:							
Held in trust for unemployment claims		238,192	238,192				
Held in trust for scholarships	<u>104,760</u>		<u>104,760</u>				
Total net position	<u>\$ 104,760</u>	<u>\$ 238,192</u>	<u>\$ 342,952</u>				

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

	Private Purpose Scholarship Trust	Unemployment Compensation Trust	Totals
	<u> </u>	<u> </u>	<u> </u>
ADDITIONS:			
Contributions:			
Other	\$ 37,136	\$ -	\$ 37,136
Employer		25,000	25,000
Plan member		26,430	26,430
	<u> </u>	<u> </u>	<u> </u>
Total contributions	37,136	51,430	88,566
	<u> </u>	<u> </u>	<u> </u>
Investment earnings:			
Interest	319	1,306	1,625
	<u> </u>	<u> </u>	<u> </u>
Net investment earnings	319	1,306	1,625
	<u> </u>	<u> </u>	<u> </u>
Total additions	37,455	52,736	90,191
	<u> </u>	<u> </u>	<u> </u>
DEDUCTIONS:			
Unemployment claims and fees		18,576	18,576
Scholarship/award payments	38,800		38,800
	<u> </u>	<u> </u>	<u> </u>
Total deductions	38,800	18,576	57,376
	<u> </u>	<u> </u>	<u> </u>
Change in net position	(1,345)	34,160	32,815
Net position - July 1	106,105	204,032	310,137
	<u> </u>	<u> </u>	<u> </u>
Net position - June 30	\$ <u>104,760</u>	\$ <u>238,192</u>	\$ <u>342,952</u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Interfund</u> <u>Payable</u>	<u>Balance</u> <u>June 30, 2020</u>
MIDDLE/SENIOR HIGH SCHOOLS:					
River Dell Regional	\$ 240,980	\$ 367,432	\$ 411,287	\$ -	\$ 197,125
ATHLETICS:					
River Dell Regional	<u> </u>	<u>95,361</u>	<u>92,970</u>	<u>2,391</u>	<u> </u>
Total all schools	<u>\$ 240,980</u>	<u>\$ 462,793</u>	<u>\$ 504,257</u>	<u>\$ 2,391</u>	<u>\$ 197,125</u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 Payroll Agency Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
ASSETS:				
Cash	\$ <u>16,235</u>	\$ <u>10,592,959</u>	\$ <u>10,593,471</u>	\$ <u>15,723</u>
Total assets	\$ <u><u>16,235</u></u>	\$ <u><u>10,592,959</u></u>	\$ <u><u>10,593,471</u></u>	\$ <u><u>15,723</u></u>
 LIABILITIES:				
Payroll deductions and withholdings	\$ 16,235	\$ 10,591,515	\$ 10,592,027	\$ 15,723
Interfund payables	<u> </u>	<u>1,444</u>	<u>1,444</u>	<u> </u>
Total liabilities	\$ <u><u>16,235</u></u>	\$ <u><u>10,592,959</u></u>	\$ <u><u>10,593,471</u></u>	\$ <u><u>15,723</u></u>

RIVER DELL REGIONAL SCHOOL DISTRICT
 Payroll Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2020

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
ASSETS:				
Cash	\$ <u> -</u>	\$ <u>11,794,816</u>	\$ <u>11,794,816</u>	\$ <u> -</u>
Total assets	\$ <u> -</u>	\$ <u>11,794,816</u>	\$ <u>11,794,816</u>	\$ <u> -</u>
LIABILITIES:				
Accrued salaries and wages	\$ <u> -</u>	\$ <u>11,794,816</u>	\$ <u>11,794,816</u>	\$ <u> -</u>
Total liabilities	\$ <u> -</u>	\$ <u>11,794,816</u>	\$ <u>11,794,816</u>	\$ <u> -</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the District. This includes serial bonds outstanding and obligations under capital leases.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Long-Term Debt
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2020

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2019	Issued	Retired	Balance June 30, 2020
Improvements to High School and (Refunded 2004 bonds maturing 3-1-2013 to 3-1-2024)	3/1/2013	\$ 11,750,000	3/1/2020	1,235,000	4.000%	\$ 6,125,000	\$ -	\$ 1,235,000	\$ 4,890,000
			3/1/2021	1,230,000	4.000%				
			3/1/2022	1,225,000	4.000%				
			3/1/2023	1,220,000	4.000%				
			3/1/2024	1,215,000	4.000%				
						<u>\$ 6,125,000</u>	<u>\$ -</u>	<u>\$ 1,235,000</u>	<u>\$ 4,890,000</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 1,480,000	-	\$ 1,480,000	\$ 1,480,000	\$ -
Total revenues	1,480,000		1,480,000	1,480,000	
EXPENDITURES:					
Regular debt service:					
Interest	245,000		245,000	245,000	
Redemption of principal	1,235,000		1,235,000	1,235,000	
Total regular debt service	1,480,000		1,480,000	1,480,000	
Total expenditures	1,480,000		1,480,000	1,480,000	
Excess (deficiency) of revenues over (under) expenditures					
Fund balances - July 1					
Fund balances - June 30	\$ -	-	\$ -	\$ -	\$ -

River Dell Regional School District Statistical Section (Unaudited)

<u>Contents</u>	<u>Page</u>
Financial Trends	97 -103
<p>These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.</p>	
Revenue Capacity	104 - 109
<p>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.</p>	
Debt Capacity	110 - 113
<p>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.</p>	
Demographic and Economic Information	114 - 115
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</p>	
Operating Information	116 - 120
<p>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.</p>	

RIVER DELL REGIONAL SCHOOL DISTRICT
 Net Position by Component
 Last Ten Years
 (accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Net investment in capital assets	\$ 15,953,743	\$ 17,108,921	\$ 17,930,614	\$ 18,168,830	\$ 18,547,763	\$ 19,161,174	\$ 20,338,786	\$ 22,375,080	\$ 22,942,257	\$ 23,999,813
Restricted	1,378,744	1,626,127	1,597,794	1,820,577	2,638,746	3,343,091	2,890,079	2,007,997	2,277,972	2,352,626
Unrestricted (deficit)	(216,628)	(196,850)	(11,043)	(36,081)	(7,227,027)	(7,507,831)	(8,275,802)	(8,508,055)	(8,634,672)	(8,705,107)
Total governmental activities net position	17,115,859	18,538,198	19,517,365	19,953,326	13,959,482	14,996,434	14,953,063	15,875,022	16,585,557	17,647,332
Business-type activities:										
Investment in capital assets	25,528	23,263	21,175	17,577	20,896	23,036	26,376	23,377	20,570	17,763
Unrestricted	67,042	90,246	126,714	157,264	185,623	188,240	179,011	172,475	169,844	151,969
Total business-type activities net position	92,570	113,509	147,889	174,841	206,519	211,276	205,387	195,852	190,414	169,732
District-wide:										
Net investment in capital assets	15,979,271	17,132,184	17,951,789	18,186,407	18,568,659	19,184,210	20,365,162	22,398,457	22,962,827	24,017,576
Restricted	1,378,744	1,626,127	1,597,794	1,820,577	2,638,746	3,343,091	2,890,079	2,007,997	2,277,972	2,352,626
Unrestricted (deficit)	(149,586)	(106,604)	(115,671)	(121,183)	(7,041,404)	(7,319,591)	(8,096,791)	(8,335,580)	(8,464,828)	(8,553,138)
Total district-wide net position	\$ 17,208,429	\$ 18,651,707	\$ 19,665,254	\$ 20,128,167	\$ 14,166,001	\$ 15,207,710	\$ 15,158,450	\$ 16,070,874	\$ 16,775,971	\$ 17,817,064

Source: District Records

Notes: In accordance with GASB 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the District adopted GASB No. s 68 and 71, which require the District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015, are shown as originally reported and have not been restated for this adoption.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Years
 (accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 11,191,020	\$ 11,848,868	\$ 13,276,084	\$ 13,371,099	\$ 15,065,413	\$ 16,251,252	\$ 18,298,276	\$ 19,496,422	\$ 18,926,916	\$ 18,136,898
Special education	2,015,379	2,171,721	2,664,478	2,663,190	3,033,805	3,216,839	3,883,411	4,142,556	3,925,629	4,047,586
Other special education	324,060	361,432	503,972	504,058	191,483	186,673	236,163	225,049	213,177	205,768
Other instruction	1,062,459	1,135,651	1,208,775	1,206,381	1,382,836	1,484,544	1,637,846	1,793,973	1,548,991	1,626,936
Support services:										
Tuition	1,963,326	2,081,931	2,311,184	2,145,846	1,903,647	1,740,530	1,957,898	1,616,681	2,369,872	2,408,113
Student and instruction related services	3,854,724	3,650,398	3,609,269	3,804,569	4,168,847	5,016,339	5,364,252	6,072,804	5,806,988	5,649,027
School administrative services	1,514,430	1,699,706	1,792,359	1,794,915	2,178,476	2,270,547	2,589,645	2,330,144	2,072,309	2,233,148
General administration services	585,028	548,219	583,681	638,662	620,491	676,975	744,649	770,125	692,285	711,326
Central services	535,547	581,377	634,643	611,285	652,087	710,641	781,464	829,420	856,300	781,518
Administrative information technology	494,972	484,424	611,822	592,653	775,753	704,657	812,455	863,202	630,818	589,273
Plant operations and maintenance	2,914,920	2,974,565	2,936,173	3,046,479	3,327,352	3,049,054	3,460,604	3,479,301	2,967,189	2,910,761
Pupil transportation	537,118	616,444	584,705	575,346	563,994	619,292	687,489	676,945	763,255	728,513
Charter schools									14,948	30,633
Interest on long-term debt	658,515	602,910	498,525	347,461	318,868	277,073	233,750	188,291	140,637	91,238
Unallocated depreciation	1,530,856	1,491,849	1,004,379	1,481,046	1,217,743	1,226,031	1,271,436	1,349,982	1,400,491	1,401,641
Total governmental activities expenses	29,182,354	30,249,495	32,220,049	32,782,990	35,400,795	37,430,447	41,959,338	43,834,895	42,329,805	41,552,379
Business-type activities:										
Food service	284,175	268,259	277,142	277,499	285,052	299,246	301,224	315,751	298,939	260,774
Total business-type activities expense	284,175	268,259	277,142	277,499	285,052	299,246	301,224	315,751	298,939	260,774
Total district expenses	\$ 29,466,529	\$ 30,517,754	\$ 32,497,191	\$ 33,060,489	\$ 35,685,847	\$ 37,729,693	\$ 42,260,562	\$ 44,150,646	\$ 42,628,744	\$ 41,813,153
Program Revenues:										
Governmental activities:										
Charges for services:										
Student and instruction related services	\$ 162,470	\$ 160,764	\$ 149,768	\$ 147,606	\$ 141,738	\$ -	\$ -	\$ -	\$ -	\$ -
Operating grants and contributions	3,077,733	3,100,523	3,889,169	3,384,411	5,928,163	7,350,331	10,141,447	12,425,036	9,917,850	8,808,039
Capital grants and contributions	97,079									
Total governmental activities program revenues	3,240,203	3,358,366	4,038,937	3,532,017	6,069,901	7,350,331	10,141,447	12,425,036	9,917,850	8,808,039
Business-type activities:										
Charges for services:										
Food service	279,424	264,198	281,522	279,451	286,730	299,587	295,335	306,141	293,253	214,749
Total business type activities program revenues	279,424	264,198	281,522	279,451	286,730	299,587	295,335	306,141	293,253	214,749
Total district program revenues	\$ 3,519,627	\$ 3,622,564	\$ 4,320,459	\$ 3,811,468	\$ 6,356,631	\$ 7,649,918	\$ 10,436,782	\$ 12,731,177	\$ 10,211,103	\$ 9,022,788

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Years
 (accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (expense)/revenue:										
Governmental activities	\$ (25,942,151)	\$ (26,891,129)	\$ (28,181,112)	\$ (29,250,973)	\$ (29,330,894)	\$ (30,080,116)	\$ (31,817,891)	\$ (31,409,859)	\$ (32,411,955)	\$ (32,744,340)
Business-type activities	(4,751)	(4,061)	4,380	1,952	1,678	341	(5,889)	(9,610)	(5,686)	(46,025)
Total district-wide net expense	\$ (25,946,902)	\$ (26,895,190)	\$ (28,176,732)	\$ (29,249,021)	\$ (29,329,216)	\$ (30,079,775)	\$ (31,823,780)	\$ (31,419,469)	\$ (32,417,641)	\$ (32,790,365)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for:										
General purposes	\$ 24,863,418	\$ 25,506,624	\$ 26,016,756	\$ 26,920,714	\$ 27,786,252	\$ 28,341,977	\$ 28,908,817	\$ 29,486,993	\$ 30,391,456	\$ 30,999,285
Debt services	2,183,323	1,872,338	1,610,000	1,559,529	1,494,699	1,493,600	1,506,000	1,511,200	1,529,400	1,480,000
Unrestricted grants and contributions		512,522	650,725	634,225	639,418	632,191	705,784	669,466	677,843	771,142
Tuition received	376,858	352,187	425,986	498,924	407,008	443,902	401,426	477,670	338,347	390,957
Interest - capital reserve funds		18	36	61	315	736	1,741	2,870	7,000	9,043
Investment earnings	30,066	747	473	9,795	1,910	4,306	5,667	8,114	32,315	20,824
Miscellaneous income	209,515	191,111	486,303	246,629	194,681	204,772	245,085	175,505	146,129	159,864
Transfers	(35,205)	(25,000)	(30,000)	(25,000)	(30,000)	(4,416)				(25,000)
Total governmental activities	27,627,975	28,410,547	29,160,279	29,844,877	30,494,283	31,117,068	31,774,520	32,331,818	33,122,490	33,806,115
Business-type activities:										
Investment earnings	35,205	25,000	30,000	25,000	30,000	4,416		75	248	343
Transfers										25,000
Total business-type activities	35,205	25,000	30,000	25,000	30,000	4,416		75	248	25,343
Total district-wide	\$ 27,663,180	\$ 28,435,547	\$ 29,190,279	\$ 29,869,877	\$ 30,524,283	\$ 31,121,484	\$ 31,774,520	\$ 32,331,893	\$ 33,122,738	\$ 33,831,458
Change in net position:										
Governmental activities	\$ 1,685,824	\$ 1,519,418	\$ 979,167	\$ 593,904	\$ 1,163,389	\$ 1,036,952	\$ (43,371)	\$ 921,959	\$ 710,535	\$ 1,061,775
Business-type activities	30,454	20,939	34,380	26,952	31,678	4,757	(5,889)	(9,535)	(5,438)	(20,682)
Total district	\$ 1,716,278	\$ 1,540,357	\$ 1,013,547	\$ 620,856	\$ 1,195,067	\$ 1,041,709	\$ (49,260)	\$ 912,424	\$ 705,097	\$ 1,041,093

Source: District Records

Notes: In accordance with GASB 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the District adopted GASB No. s 68 and 71, which require the District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015, are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2018, the District adopted GASB No. 75, which required the District to record its proportionate share of the net OPEB expenses and related revenue in the government-wide financial statements. Balances prior to June 30, 2018, are shown as originally reported and have not been restated for this adoption.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Fund Balances - Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund:										
Restricted	\$ 926,067	\$ 1,299,342	\$ 1,417,577	\$ 1,660,671	\$ 2,526,405	\$ 3,135,753	\$ 2,802,374	\$ 1,962,054	\$ 2,238,792	\$ 2,247,387
Committed	226,899	176,523	62,250	149,605		176,718	83,260	44,547	33,000	58,000
Assigned	172,836	97,320	107,666		112,341	30,620	4,445	1,396	6,180	47,239
Unassigned	299,596	318,464	522,821	543,151	531,033	535,853	579,048	598,665	586,266	582,165
Total general fund	\$ 1,625,398	\$ 1,891,649	\$ 2,110,314	\$ 2,353,427	\$ 3,169,779	\$ 3,878,944	\$ 3,469,127	\$ 2,606,662	\$ 2,864,238	\$ 2,934,791
All other governmental funds:										
Unreserved, reported in:										
Capital projects fund	\$ 81,346	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service fund				10,301						
Restricted	315	52,942	52,942							
Total all other governmental funds	\$ 81,661	\$ 52,942	\$ 52,942	\$ 10,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: District Records

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Tax levy	\$ 27,046,741	\$ 27,378,962	\$ 27,626,756	\$ 28,480,243	\$ 29,280,951	\$ 29,835,577	\$ 30,414,817	\$ 30,998,193	\$ 31,920,856	\$ 32,479,285
Tuition charges	376,858	352,187	425,986	498,924	407,008	443,902	401,426	477,670	338,347	390,957
Interest earnings	30,066	765	509	9,856	2,225	5,042	7,408	10,984	39,315	29,867
Miscellaneous	209,515	191,111	486,303	246,629	194,681	204,772	245,085	177,505	147,129	159,864
State sources	2,329,263	3,104,828	3,994,978	3,531,281	4,070,186	4,520,158	5,322,046	5,802,096	6,837,171	7,186,616
Federal sources	845,549	508,217	544,916	487,355	492,694	527,040	442,138	439,379	478,854	443,209
Total revenue	30,837,992	31,536,070	33,079,448	33,254,288	34,447,745	35,536,491	36,832,920	37,905,827	39,761,672	40,689,798
Expenditures:										
Instruction:										
Regular instruction	9,264,273	9,623,571	10,017,899	10,257,519	10,536,627	10,726,852	11,079,967	10,979,523	11,480,460	11,396,190
Special education instruction	1,536,714	1,633,561	1,943,071	1,985,117	2,041,673	2,020,032	2,215,028	2,213,959	2,265,987	2,442,593
Other special instruction	247,746	272,980	368,613	377,500	130,130	119,008	136,625	120,888	123,564	124,700
Other instruction	872,315	928,726	962,758	975,464	1,039,250	1,053,535	1,081,983	1,111,531	1,150,125	1,252,107
Support services:										
Tuition	1,963,326	2,081,931	2,311,184	2,145,846	1,903,647	1,740,530	1,957,898	1,616,681	2,369,872	2,408,113
Student and instruction related services	2,998,572	2,783,705	2,684,709	2,861,472	2,965,208	3,548,885	3,371,545	3,681,724	3,761,954	3,787,001
School administrative services	1,127,404	1,255,663	1,292,915	1,315,391	1,468,607	1,436,437	1,470,271	1,262,361	1,257,628	1,400,750
General administration services	470,436	428,109	454,031	513,505	461,121	487,529	486,487	488,324	467,719	513,715
Central services	400,541	443,497	485,992	468,612	473,056	497,024	493,227	504,971	607,353	550,677
Administrative information technology services	390,894	370,291	481,367	470,723	557,582	467,762	529,216	516,556	432,149	405,861
Plant operations and maintenance	2,422,542	2,470,075	2,413,675	2,499,986	2,749,630	2,449,096	2,472,833	2,599,078	2,382,721	2,441,285
Pupil transportation	523,961	602,805	570,739	560,773	548,442	601,649	658,192	650,797	745,665	725,241
Employee benefits	5,163,388	5,646,039	6,554,723	6,335,053	6,807,565	7,544,049	8,591,937	9,431,943	10,319,403	10,548,701
Capital outlay	418,659	831,528	732,049	659,685	424,156	636,922	1,191,528	2,078,756	595,148	1,086,678
Transfer of funds to charter schools									14,948	30,633
Debt service:										
Principal	1,515,000	1,261,000	1,040,000	1,080,000	1,035,000	1,065,000	1,120,000	1,170,000	1,235,000	1,235,000
Interest and other charges	668,323	611,338	570,235	479,529	470,000	428,600	386,000	341,200	294,400	245,000
Advance to refunding escrow			1,115,640							
Bond issuance costs			127,764							
Total expenditures	29,984,094	31,244,819	34,127,364	32,986,175	33,611,694	34,822,910	37,242,737	38,768,292	39,504,096	40,594,245

RIVER DELL REGIONAL SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess (deficiency) of revenues over (under) expenditures	\$ 853,898	\$ 291,251	\$ (1,047,916)	\$ 268,113	\$ 836,051	\$ 713,581	\$ (409,817)	\$ (862,465)	\$ 257,576	\$ 95,553
Other financing sources (uses):										
Proceeds from refunding			11,750,000							
Payments to escrow agent			(12,008,778)							
Premium on bonds issued			1,512,718							
Transfers in	11	3								
Transfers out	(35,216)	(25,003)	(30,000)	(25,000)	(30,000)	(4,416)				(25,000)
				\$						
Total other financing sources (uses)	(35,205)	(25,000)	1,223,940	(25,000)	(30,000)	(4,416)				(25,000)
Net change in fund balances	\$ 818,693	\$ 266,251	\$ 176,024	\$ 243,113	\$ 806,051	\$ 709,165	\$ (409,817)	\$ (862,465)	\$ 257,576	\$ 70,553
Debt service as a percentage of noncapital expenditures	7.38%	6.16%	4.82%	4.82%	4.53%	4.37%	4.18%	4.12%	3.93%	3.75%

Source: District Records

Notes: Noncapital expenditures are total expenditures less capital outlay.

RIVER DELL REGIONAL SCHOOL DISTRICT
 General Fund - Other Local Revenue By Source
 Last Ten Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Interest on investments	\$ 30,055	\$ 744	\$ 473	\$ 9,795	\$ 1,910	\$ 4,306	\$ 5,667	\$ 8,114	\$ 32,315	\$ 20,824
Student activity fees	86,150	73,540	87,570	84,210	64,985	86,885	114,755	102,753	89,806	92,113
Rentals	50,276	21,737	12,381	19,939	15,195	18,420	13,533	5,600	7,162	245
Prior year's refunds	7,210	11,469	28,597	16,879	15,637	14,673	21,342	5,177	8,000	5,769
Miscellaneous - restricted:										
Reimbursement of counselor and other costs			19,880	20,142	21,158	22,061	23,107			
Utility rebates	16,451	33,159	31,884	35,572	26,855	36,280	41,303	30,425	9,160	
Athletic receipts	14,155	14,920	16,654	14,921	18,526	19,821	18,334	17,390	17,443	20,890
Other	22,672	21,895	14,231	24,745	26,562					
Miscellaneous - unrestricted	12,601	14,391	6,011	5,221	5,763	6,632	12,711	14,160	14,558	40,847
Total Miscellaneous	239,570	191,855	217,681	231,424	196,591	209,078	250,752	183,619	178,444	180,688
Interest on capital reserve funds		18	36	61	315	736	1,741	2,870	7,000	9,043
Tuition	376,858	352,187	425,986	498,924	407,008	443,902	401,426	477,670	338,347	390,957
Total General Fund	\$ 616,428	\$ 544,060	\$ 643,703	\$ 730,409	\$ 603,914	\$ 653,716	\$ 653,919	\$ 664,159	\$ 523,791	\$ 580,688

Source: District Records

RIVER DELL REGIONAL SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years
Unaudited

Fiscal Year Ended December 31,	Borough of Oradell										Total Direct School Tax Rate ^b
	Vacant Land	Residential	Industrial/Commercial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Memo Only Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b	
2011	\$ 3,901,100	\$ 1,408,484,200	\$ 201,008,500	\$ 8,137,800	\$ 1,621,531,600	\$ 1,736,535	\$ 1,623,268,135	\$ 161,113,300	\$ 1,761,002,376	\$ 0.811	
2012	3,637,800	1,401,620,300	208,127,400	8,137,800	1,621,523,300	1,724,316	1,623,247,616	160,961,500	1,732,579,488	0.818	
2013	3,565,500	1,242,733,700	193,823,300	7,298,700	1,447,421,200	1,728,300	1,449,149,500	146,988,500	1,571,313,680	0.976	
2014	3,565,500	1,246,404,200	189,737,100	7,298,700	1,447,005,500	1,337,625	1,448,343,125	146,750,100	1,630,493,967	0.993	
2015	3,565,500	1,248,969,400	187,018,800	7,325,200	1,446,878,900	1,356,001	1,448,234,901	146,750,100	1,645,169,703	1.066	
2016	3,622,100	1,250,345,100	186,327,100	7,325,200	1,447,619,500	1,344,599	1,448,964,099	147,099,800	1,717,435,009	1.074	
2017	3,229,300	1,414,167,200	210,872,100	8,484,500	1,636,753,100	1,640,262	1,638,393,362	152,934,100	1,686,217,246	0.958	
2018	2,515,600	1,439,519,000	211,847,800	9,238,100	1,663,120,500	1,607,928	1,664,728,428	159,529,100	1,750,681,475	0.987	
2019	2,820,000	1,449,748,800	212,150,000	9,417,200	1,674,136,000	1,648,675	1,675,784,675	158,665,600	1,783,998,149	0.997	
2020	3,470,500	1,480,325,100	205,642,100	9,831,400	1,699,269,100	1,660,525	1,700,929,625	161,502,900	1,750,018,181	0.953	

Borough of River Edge

Fiscal Year Ended December 31,	Borough of River Edge										Total Direct School Tax Rate ^b
	Vacant Land	Residential	Industrial/Commercial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Memo Only Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b	
2011	\$ 11,268,700	\$ 1,424,860,900	\$ 121,449,300	\$ 70,523,500	\$ 1,628,102,400	\$ 6,992,114	\$ 1,635,094,514	\$ 131,812,000	\$ 1,845,519,614	\$ 0.870	
2012	7,651,800	1,230,634,900	112,819,600	79,154,600	1,430,260,900	7,391,212	1,437,652,112	136,031,600	1,612,162,697	0.998	
2013	7,651,800	1,230,141,600	112,365,300	79,154,600	1,429,313,300	4,948,498	1,434,261,798	135,636,000	1,650,484,645	1.001	
2014	3,019,800	1,230,540,199	118,410,100	77,829,700	1,429,799,799	4,544,828	1,434,344,627	135,357,100	1,680,254,978	1.039	
2015	3,035,800	1,237,865,699	120,292,100	76,839,700	1,438,033,299	4,509,632	1,442,542,931	136,292,300	1,652,674,244	0.999	
2016	2,533,300	1,245,022,199	123,252,100	76,839,700	1,447,647,299	4,742,304	1,452,389,603	136,292,300	1,687,677,142	1.023	
2017	2,742,900	1,247,329,199	123,952,600	76,787,900	1,450,602,999	4,715,220	1,455,318,219	136,292,300	1,706,636,057	1.052	
2018	2,056,800	1,250,423,299	124,576,100	76,737,900	1,454,480,199	4,561,923	1,459,042,122	136,691,200	1,775,381,937	1.062	
2019	1,926,000	1,259,335,899	123,522,200	76,737,900	1,461,652,799	4,435,777	1,466,088,576	136,691,200	1,853,854,418	1.077	
2020	1,926,000	1,274,472,399	123,821,000	76,737,900	1,476,957,299	4,295,164	1,481,252,463	136,691,200	1,950,932,269	1.136	

Source: Municipal Tax Assessor and Abstract of Ratables, County Board of Taxation.

Notes: Real property is required to be assessed at some percentage of true value (fair or market value) 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.

c - Borough undertook a revaluation of real property.

d - Borough performed a reassessment of real property.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Years
 (rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30,	River Dell Regional School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct School	Borough of Oradell	Local School District	County of Bergen	
2011	\$ 0.744	\$ 0.067	\$ 0.811	\$ 0.617	\$ 0.630	\$ 0.226	\$ 2.284
2012	0.763	0.055	0.818	0.652	0.642	0.235	2.347
2013	0.923	0.053	0.976	0.770	0.728	0.249	2.723
2014	^c 0.940	0.053	0.993	0.862	0.747	0.273	2.875
2015	1.015	0.051	1.066	0.812	0.762	0.271	2.911
2016	1.021	0.053	1.074	0.836	0.775	0.291	2.976
2017	0.911	0.047	0.958	0.766	0.720	0.258	2.702
2018	^d 0.941	0.046	0.987	0.781	0.720	0.257	2.745
2019	0.940	0.047	0.987	0.797	0.732	0.260	2.776
2020	0.907	0.046	0.953	0.816	0.741	0.253	2.763

Source: Municipal Tax Collector

Notes: 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.

- 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.
- c - Borough undertook a revaluation of real property.
- d - Borough performed a reassessment of real property.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Years
 (rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30,	River Dell Regional School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct School	Borough of River Edge	Local School District	County of Bergen	
2011	\$ 0.803	\$ 0.067	\$ 0.870	\$ 0.697	\$ 0.870	\$ 0.234	\$ 2.671
2012	0.930	0.068	0.998	0.816	1.006	0.245	3.065
2013	^c 0.943	0.058	1.001	0.842	1.025	0.264	3.132
2014	0.984	0.055	1.039	0.862	1.049	0.273	3.223
2015	0.946	0.053	0.999	0.868	1.075	0.275	3.217
2016	0.973	0.050	1.023	0.880	1.097	0.286	3.286
2017	1.001	0.051	1.052	0.885	1.121	0.304	3.362
2018	1.011	0.051	1.062	0.897	1.138	0.298	3.395
2019	1.026	0.051	1.077	0.919	1.154	0.318	3.468
2020	1.090	0.046	1.136	0.944	1.163	0.327	3.570

Source: Municipal Tax Collector

Notes: 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.

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.

c - Borough undertook a revaluation of real property.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Principal Property Taxpayers
 Current Year and Nine Years Ago
 Unaudited

Taxpayer	Borough of Oradell					
	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Hajjar Medical Office Bldg of Kinderkamack	\$ 20,770,600	1	1.22%			
600 Kinderkamack Road, LLC	16,500,000	2	0.97%	16,784,200	2	1.04%
Cranston Associates	15,386,000	3	0.91%	18,423,900	1	1.14%
SFIII Kinderkamack, LLC	13,320,300	4	0.78%			
Kamack Realty Corp.	7,239,600	5	0.43%	9,657,400	6	0.60%
Holy Name Real Estate Corp	6,997,000	6	0.41%	5,788,000	10	0.36%
HMOB of Oradell Owner LLC	6,144,300	7	0.36%			
Oradell Office Plaza, L.L.C.	6,137,100	8	0.35%	7,417,000	8	0.46%
White Beeches Realty Corp	6,035,600	9	0.35%			
Huntington Properties LLC	5,892,300	10	0.35%			
Public Service Electric & Gas Co.				7,038,000	9	0.43%
Rio Vista Properties, LLC				15,757,300	3	0.97%
Rio Vista Properties, LLC				10,214,800	4	0.63%
Emerson Real Estate, LLC				10,214,600	5	0.63%
Oradell Office Plaza, LLC				7,428,800	7	0.46%
Total	\$ 104,422,800		6.14%	\$ 108,724,000		6.72%

Source: Municipal Tax Assessor

RIVER DELL REGIONAL SCHOOL DISTRICT
 Principal Property Taxpayers
 Current Year and Nine Years Ago
 Unaudited

Taxpayer	Borough of River Edge					
	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
River Terrace Gardens Assoc., LLC	\$ 21,816,700	1	1.47%	\$ 19,828,900	1	1.21%
River Edge Associates	19,446,100	2	1.31%	15,761,300	2	0.96%
Route 4 - Main Street, LLC	14,382,000	3	0.97%	5,625,000	8	0.34%
New Bridge Landing Apartments LLC	14,000,000	4	0.95%			
Paradigm Tax - Ess #0804	9,844,800	5	0.66%			
Gainesborough COOP Corp.	8,600,000	6	0.58%	10,398,200	3	0.64%
First Real Estate Investment Trust of NJ	8,475,900	7	0.57%	7,297,900	7	0.45%
Grand Four Associates	6,643,400	8	0.45%	8,649,300	5	0.53%
Milpau, LLC	5,427,200	9	0.37%	5,032,600	9	0.31%
River Terr Gdns Assoc - R E Gardens	4,596,200	10	0.31%			
Verizon - New Jersey				7,502,187	6	0.46%
ESS Owner WCOT LLC				10,040,000	4	0.61%
Riverside Medical Arts Center				4,066,200	10	0.25%
Total	\$ 113,232,300		7.64%	\$ 94,201,587		5.76%

Source: Municipal Tax Assessor

RIVER DELL REGIONAL SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 27,046,741	\$ 27,046,741	100.00%	\$ -
2012	27,378,962	27,378,962	100.00%	
2013	27,626,756	27,626,756	100.00%	
2014	28,480,243	28,480,243	100.00%	
2015	29,280,951	29,280,951	100.00%	
2016	29,835,577	29,835,577	100.00%	
2017	30,414,817	30,414,817	100.00%	
2018	30,998,193	30,998,193	100.00%	
2019	31,920,856	31,920,856	100.00%	
2020	32,479,285	32,479,285	100.00%	

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

Notes: 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.

RIVER DELL REGIONAL SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Years
Unaudited

Borough of Oradell

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases			
2011	\$ 7,986,990	\$ 276,401	\$ 8,263,391	1.49%	\$ 1,029
2012	7,097,259		7,097,259	1.22%	881
2013	6,171,394		6,171,394	1.07%	764
2014	5,830,615		5,830,615	0.97%	721
2015	5,261,446		5,261,446	0.84%	649
2016	4,992,503		4,992,503	0.78%	615
2017	4,362,224		4,362,224	0.65%	534
2018	3,726,417		3,726,417	0.53%	457
2019	3,151,632		3,151,632	N/A	385
2020	2,440,393		2,440,393	N/A	300

Borough of River Edge

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases			
2011	\$ 8,036,010	\$ 278,098	\$ 8,314,108	1.05%	\$ 728
2012	7,664,741		7,664,741	0.93%	669
2013	6,658,606		6,658,606	0.81%	580
2014	5,919,385		5,919,385	0.69%	515
2015	5,453,554		5,453,554	0.61%	474
2016	4,657,497		4,657,497	0.51%	405
2017	4,167,776		4,167,776	0.44%	362
2018	3,633,583		3,633,583	0.37%	316
2019	2,973,368		2,973,368	N/A	260
2020	2,449,607		2,449,607	N/A	214

Source: District Records

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

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

N/A - At the time of CAFR completion, this data was not yet available.

RIVER DELL REGIONAL SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten Years
Unaudited

Borough of Oradell

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value Property ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	\$ 7,986,990	\$	\$ 7,986,990	0.49%	994
2012	7,097,259		7,097,259	0.44%	881
2013	6,171,394		6,171,394	0.43%	764
2014	5,830,615		5,830,615	0.40%	721
2015	5,261,446		5,261,446	0.36%	649
2016	4,992,503		4,992,503	0.34%	615
2017	4,362,224		4,362,224	0.27%	534
2018	3,726,417		3,726,417	0.22%	457
2019	3,151,632		3,151,632	0.19%	388
2020	2,440,393		2,440,393	0.14%	300

Borough of River Edge

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value Property ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	\$ 8,036,010	\$	\$ 8,036,010	0.49%	704
2012	7,664,741		7,664,741	0.53%	669
2013	6,658,606		6,658,606	0.46%	580
2014	5,919,385		5,919,385	0.41%	515
2015	5,453,554		5,453,554	0.38%	474
2016	4,657,497		4,657,497	0.32%	405
2017	4,167,776		4,167,776	0.29%	362
2018	3,633,583		3,633,583	0.25%	316
2019	2,973,368		2,973,368	0.20%	260
2020	2,449,607		2,449,607	0.17%	214

Source: District Records

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

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

b - See Exhibit J-14 for population data. The ratio is calculated using the population for the prior calendar year.

RIVER DELL REGIONAL SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2019
Unaudited

<u>Governmental Unit</u>		<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes				
Municipality:				
Borough of Oradell	(1)	\$ 19,749,761	100%	\$ 19,749,761
Borough of River Edge	(1)	12,851,569	100%	12,851,569
Local School Districts:				
Borough of Oradell	(1)	2,570,000	100%	2,570,000
Borough of River Edge	(1)	14,155,000	100%	14,155,000
Other debt				
County of Bergen - Borough of Oradell's share	(2);(A)	N/A	N/A	
County of Bergen - Borough of River Edge's share	(2);(A)	N/A	N/A	
Subtotal, overlapping debt				49,326,330
River Dell Regional School District Direct Debt				6,125,000
Total direct and overlapping debt				\$ 55,451,330

Sources: (1) Municipal Chief Financial Officer

(A) The debt for this entity was apportioned to the Boroughs of Oradell and River Edge by applying the Municipality-to-County Net Valuation on which County taxes are apportioned for Bergen County.

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 Oradell and River Edge. 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.

N/A At the time of CAFR completion, this data was not yet available.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2019		Borough of River Edge Equalized Valuation Basis		Borough of Oradell Equalized Valuation Basis		Combined Equalized Valuation Basis	
December 31, Year	Valuation Basis	Valuation Basis	Valuation Basis	Valuation Basis	Valuation Basis	Valuation Basis	Valuation Basis
2019	\$ 1,841,365,216	\$ 1,834,439,479	\$ 3,675,804,695				
2018	1,837,392,874	1,882,209,770	3,719,602,584				
2017	1,763,222,316	1,830,205,859	3,593,428,175				
		[A]	\$ 10,988,835,454				
		[A/3]	\$ 3,662,945,151				
Average equalized valuation of taxable property							
		[B]	128,203,080				
Debt limit (3.5 % of average equalization value)							
		[C]	4,890,000				
Total Net Debt Applicable to Limit							
		[B-C]	\$ 123,313,080				
Legal debt margin							

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 127,463,501	\$ 124,996,970	\$ 121,591,435	\$ 118,221,834	\$ 115,587,616	\$ 116,173,754	\$ 117,587,503	\$ 121,278,237	\$ 125,222,522	\$ 128,203,080
Total net debt applicable to limit	16,023,000	14,762,000	12,830,000	11,750,000	10,715,000	9,650,000	8,530,000	7,360,000	6,125,000	4,890,000
Legal debt margin	\$ 111,440,501	\$ 110,234,970	\$ 108,761,435	\$ 106,471,834	\$ 104,872,616	\$ 106,523,754	\$ 109,057,503	\$ 113,918,237	\$ 119,097,522	\$ 123,313,080
Total net debt applicable to the limit as a percentage of debt limit	12.57%	11.81%	10.55%	9.94%	9.27%	8.31%	7.25%	6.07%	4.89%	3.81%

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 NJSA 18A:24-19 for a K through 12 district; other percentage limits would be applicable for other district types.

RIVER DELL REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Years
Unaudited

Borough of Oradell					
Year	Population ^{a (1)}	Personal Income ^b	Per Capita Personal Income ^{c (2)}	Unemployment Rate ^d	
2011	8,034	\$ 554,771,802	\$ 69,053	6.00%	
2012	8,053	581,040,056	72,152	6.10%	
2013	8,083	579,381,357	71,679	4.70%	
2014	8,088	602,167,776	74,452	4.20%	
2015	8,112	630,026,592	77,666	3.50%	
2016	8,122	642,815,690	79,145	3.10%	
2017	8,174	666,042,042	81,483	3.30%	
2018	8,160	701,360,160	85,951	2.70%	
2019	8,131	N/A	N/A	2.10%	
2020	8,131 ⁽³⁾	N/A	N/A	N/A	

Borough of River Edge					
Year	Population ^{a (1)}	Personal Income ^b	Per Capita Personal Income ^{c (2)}	Unemployment Rate ^d	
2011	11,420	\$ 788,585,260	\$ 69,053	6.30%	
2012	11,449	826,068,248	72,152	6.40%	
2013	11,480	822,874,920	71,679	6.60%	
2014	11,490	855,453,480	74,452	4.60%	
2015	11,517	894,479,322	77,666	3.60%	
2016	11,509	910,879,805	79,145	3.40%	
2017	11,525	939,091,575	81,483	3.30%	
2018	11,483	986,975,333	85,951	2.80%	
2019	11,435	N/A	N/A	2.50%	
2020	11,435 ⁽³⁾	N/A	N/A	N/A	

Source:

- a - Population information provided by the US Bureau of the Census, Population Division
- b - Personal income has been estimated based upon the municipal population and per capita personal income presented
- c - US Bureau of Economic Analysis per capita personal income for New Jersey by county
- d - Unemployment data provided by the NJ Dept of Labor and Workforce Development

Notes:

- (1) Represents estimate as of July 1
- (2) Represents county information vs. municipality.
- (3) Estimated

N/A - At the time of CAFR completion, this data was not yet available.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Principal Employers
 Current Year and Nine Years Ago
 Unaudited

Borough of Oradell						
Employer	2020			2011		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
	N/A	1	N/A	N/A	1	N/A
	N/A	2	N/A	N/A	2	N/A
	N/A	3	N/A	N/A	3	N/A
	N/A	4	N/A	N/A	4	N/A
	N/A	5	N/A	N/A	5	N/A
	N/A	6	N/A	N/A	6	N/A
	N/A	7	N/A	N/A	7	N/A
	N/A	8	N/A	N/A	8	N/A
	N/A	9	N/A	N/A	9	N/A
	N/A	10	N/A	N/A	10	N/A
	-		-	-		-

Borough of River Edge						
Employer	2020			2011		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
	N/A	1	N/A	N/A	1	N/A
	N/A	2	N/A	N/A	2	N/A
	N/A	3	N/A	N/A	3	N/A
	N/A	4	N/A	N/A	4	N/A
	N/A	5	N/A	N/A	5	N/A
	N/A	6	N/A	N/A	6	N/A
	N/A	7	N/A	N/A	7	N/A
	N/A	8	N/A	N/A	8	N/A
	N/A	9	N/A	N/A	9	N/A
	N/A	10	N/A	N/A	10	N/A
	-		-	-		-

Source: Borough of Oradell, Borough of River Dell and State of New Jersey Department of Labor and Industry Annual Labor Force Estimates by Municipality.

N/A - At the time of CAFR completion, this data was not yet available.

RIVER DELL REGIONAL SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

Function/Program	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction										
Regular	111.0	114.0	112.9	110.4	111.2	113.4	114.5	116.8	117.5	119.5
Special education	17.0	24.0	27.6	29.2	29.0	30.2	31.0	30.5	30.5	31.0
Support Services:										
Student & instruction related services	26.0	29.0	33.0	36.0	36.0	37.5	37.0	38.0	37.5	38.0
General administration	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0
School administrative services	9.0	11.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Central services	5.0	5.0	5.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Administrative information technology	4.0	4.0	4.0	4.0	4.0	4.5	4.0	4.0	4.0	3.0
Plant operations and maintenance	22.0	19.0	19.0	21.0	22.0	22.0	21.0	22.0	23.0	22.0
Pupil transportation	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	196.5	209.5	215.5	218.6	220.2	225.6	225.5	229.3	229.5	230.5

Source: District personnel records

RIVER DELL 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) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Middle School	Senior High School					
2011	1,638	\$ 27,382,112	\$ 16,717	-3.06%	115.5	1:11	1:14	1,619.0	1,548.0	0.19%	95.61%	
2012	1,670	28,540,953	17,090	2.23%	120.8	1:14	1:16	1,667.0	1,601.3	2.96%	96.06%	
2013	1,649	30,541,676	18,521	8.37%	123.4	1:16	1:15	1,650.5	1,579.7	-0.99%	95.71%	
2014	1,651	30,766,961	18,635	0.62%	125.7	1:15	1:14	1,661.7	1,593.9	0.68%	95.92%	
2015	1,665	31,682,538	19,029	2.11%	125.2	1:15	1:14	1,669.1	1,599.6	0.45%	95.84%	
2016	1,645	32,692,388	19,874	4.44%	126.3	1:16	1:15	1,644.0	1,577.0	-1.50%	95.92%	
2017	1,643	34,545,209	21,026	5.80%	127.0	1:16	1:15	1,617.1	1,577.0	-1.64%	97.52%	
2018	1,634	35,178,336	21,529	2.39%	128.2	1:16	1:15	1,621.3	1,553.4	0.26%	95.81%	
2019	1,622	37,379,548	23,045	7.04%	130.4	1:16	1:15	1,591.3	1,525.8	-1.85%	95.88%	
2020	1,629	38,027,567	23,344	1.30%	131.5	1:16	1:15	1,602.5	1,556.5	0.70%	97.13%	

Sources: District Records

Note: Enrollment based on annual October district count.

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

RIVER DELL REGIONAL SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

District Building	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Middle School</u>										
River Dell Middle School (1956)										
Square Feet	117,834	117,834	117,834	117,834	117,834	117,834	117,834	117,834	117,834	117,834
Capacity (students)	729.70	729.70	729.70	729.70	729.70	729.70	729.70	729.70	729.70	729.70
Enrollment	576	587	571	606	601	578	577	568	548	541
<u>High School</u>										
River Dell High School (1958)										
Square Feet	174,016	174,016	174,016	174,016	174,016	174,016	174,016	174,016	174,016	174,016
Capacity (students)	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1	1,476.1
Enrollment	1,045	1,083	1,078	1,045	1,064	1,067	1,066	1,053	1,043	1,062

Number of Schools at June 30, 2020

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 any additions. Enrollment is based on the annual October district count.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Required Maintenance Expenditures by School Facilities
 Last Ten Fiscal Years
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED
 MAINTENANCE FOR SCHOOL FACILITIES
 11-000-261-xxx

* School Facilities School # (s)	River Dell Middle School 060	River Dell High School 050	Total
2011	\$ 372,434	\$ 550,007	\$ 922,441
2012	422,630	624,135	1,046,765
2013	333,614	492,678	826,292
2014	288,784	426,473	715,257
2015	359,203	530,467	889,670
2016	285,153	421,111	706,264
2017	303,105	447,623	750,728
2018	342,145	505,276	847,421
2019	299,566	442,397	741,963
2020	<u>355,178</u>	<u>524,524</u>	<u>879,702</u>
Total School Facilities	\$ <u>3,361,812</u>	\$ <u>4,964,691</u>	\$ <u>8,326,503</u>

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

Source: District Records

RIVER DELL REGIONAL SCHOOL DISTRICT
Insurance Schedule
June 30, 2020
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance Insurance Fund		
Property - Blanket Building & Contents	\$ 101,547,853	\$ 2,500
Comprehensive General Liability	5,000,000	1,000
Automobile Liability	5,000,000	1,000
Medical Expense, Per Person Per Accident	10,000	250
Employee Benefits Liability	5,000,000	1,000
Cyber Liability	2,000,000	10,000
Crime and Fidelity - Faithful Performance	500,000	1,000
Theft, Disappearance and Destruction	50,000	1,000
Flood	10,000,000	
Earthquake	25,000,000	
Boiler and Machinery Equipment Coverage	100,000,000	1,000
School Leaders Professional Liability - School Alliance Insurance Fund	5,000,000	5,000
Pollution Liability (per occurrence) - Illinois Union Insurance Co.	1,000,000	10,000
Additional Liability - School Excess Liability Fund	5,000,000	
Excess Liability (each occurrence) - Starstone National Insurance Company/ Markel American Insurance Company	\$30,000,000 in excess of \$10,000,000	
Excess Liability - Fireman's Insurance Company	\$50,000,000 in excess of \$40,000,000	
Travel Accident - Gerber Life Insurance Co.	500,000	
Public Official Bonds:		
Treasurer of School Moneys	300,000	
Board Secretary/Business Administrator	100,000	

Source: District Records

Note: The District is part of the South Bergen Region VII Pool. Several of the above coverage's are the combined amounts for all the school districts under master policies with insurance companies.

SINGLE AUDIT SECTION

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

The Honorable President and
Members of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of River Dell Regional School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise River Dell Regional School District's basic financial statements, and have issued our report thereon dated February 2, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

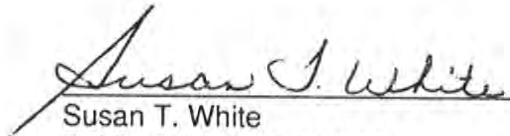
As part of obtaining reasonable assurance about whether River Dell Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Purpose of this Report

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



Smolin, Lupin & Co., P.A.
Certified Public Accountants



Susan T. White
Public School Accountant
License #20CS00119300

Fairfield, New Jersey
February 2, 2021

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

The Honorable President and
Members of the Board of Education
River Dell Regional School District
County of Bergen
River Edge, New Jersey

Report on Compliance for each Major State Program

We have audited River Dell Regional School District's compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of River Dell Regional School District's major state programs for the year ended June 30, 2020. River Dell Regional School District's major 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 state statutes, regulations, and the terms and conditions of its state financial assistance applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of River Dell Regional School District's major 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and New Jersey OMB's Circular 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about River Dell Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, River Dell Regional School District, in the County of Bergen, 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 state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

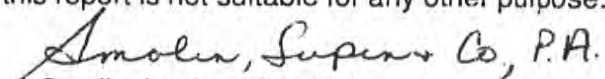
Management of River Dell Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered River Dell Regional School District's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

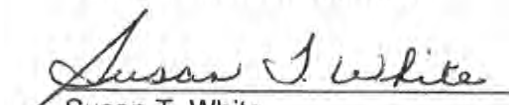
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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 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.

Purpose of this Report

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 New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.


Smolin, Lupin & Co., P.A.
Certified Public Accountants


Susan T. White
Public School Accountant
License #20CS00119300

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From/To	Balance at June 30, 2019	Carryover/ Walkover Amount	Cash Received	Budgetary Expenditures	Adjust- ments	Repayment of Prior Years' Balances	June 30, 2020	
												Accounts Receivable	Due to Grantor
U.S. Department of Education													
Passed-through State Department of Education:													
Special Revenue Fund:													
I.D.E.A. Part B:													
Current Year	84-027	H027A190100	IDEA-4405-20	\$ 365,670	7/1/19- 6/30/20	- \$	- \$	295,143 \$	(365,670)	- \$	- \$	(70,527)	- \$
E.S.E.A. Title I Part A:													
Current Year	84-010	S010A190030	ESEA-4405-20	42,728	7/1/19- 6/30/20				(28,707)		(23,474)	(28,707)	
Prior Year	84-010	S010A180030	ESEA-4405-19	45,411	7/1/18- 6/30/19	23,474							
E.S.E.A. Title II Part A:													
Current Year	84-367A	S367A190029	ESEA-4405-20	18,443	7/1/19- 6/30/20			7,234	(18,443)			(11,209)	
E.S.E.A. Title III:													
Current Year	84-365	S365A190030	ESEA-4405-20	20,389	7/1/19- 6/30/20			14,433	(20,389)			(5,956)	
E.S.E.A. Title IV Part A:													
Current Year	84-424	S424A190031	ESEA-4405-20	10,000	7/1/19- 6/30/20			4,622	(10,000)			(5,378)	
Total Special Revenue Fund						23,474		321,432	(443,209)		(23,474)	(121,777)	
Total Federal Awards						23,474		321,432	(443,209)		(23,474)	(121,777)	

Note - This schedule was not subject to an audit in accordance with the Uniform Guidance.

RIVER DELL 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	Program or Award Amount	Grant Period From/To	As of June 30, 2019		GAAP Cash Received	Budgetary Expenditures	Adjustments/Repayment of Prior Years' Balances	Balance at June 30, 2020		Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
				Deferred Revenue (Accounts Receivable)	Due to Grantor				Accounts Receivable	Deferred Revenue			
General Fund:													
State Department of Education:													
State Aid - Public Cluster:													
Special Education Categorical Aid Security Aid	20-495-034-5120-089 20-495-034-5120-084	\$ 779,669 125,221	7/1/19- 6/30/20 7/1/19- 6/30/20	- \$ -	- \$ -	771,142 \$ 125,107	(771,142) \$ (125,107)	- \$ -	- \$ -	- \$ -	- \$ -	54,261 \$ 8,715	771,142 125,107
Total State Aid - Public Cluster						896,249	(896,249)					62,976	896,249
Transportation Aid:													
Transportation Aid	20-495-034-5120-014	198,120	7/1/19- 6/30/20			198,939	(198,939)					13,857	198,939
Additional Nonpublic School Transportation Aid	20-100-034-5120-014	4,031	7/1/19- 6/30/20				(4,031)					4,031	4,031
Additional Nonpublic School Transportation Aid	19-100-034-5120-014	18,676	7/1/18 - 6/30/19			18,676							
Extraordinary Aid	20-495-034-5120-044	164,686	7/1/19- 6/30/20			217,615	(202,970)					17,888	202,970
Extraordinary Aid	19-100-034-5120-044	118,103	7/1/18 - 6/30/19				(118,103)					(164,686)	164,686
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	1,117,619	7/1/19- 6/30/20			1,061,225	(1,117,619)					56,394	1,117,619
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	1,087,115	7/1/18 - 6/30/19			54,786							
TPAF Pension - Normal Contribution	20-495-034-5094-002	3,115,503	7/1/19- 6/30/20			3,115,503	(3,115,503)						3,115,503
TPAF Pension - Non-contributory Insurance	20-495-034-5094-002	55,842	7/1/19- 6/30/20			55,842	(55,842)						55,842
TPAF - Long-Term Disability Insurance	20-495-034-5094-004	1,789	7/1/19- 6/30/20			1,789	(1,789)						1,789
TPAF - Post-Retirement Medical Contributions	20-495-034-5094-001	1,176,511	7/1/19- 6/30/20			1,176,511	(1,176,511)						1,176,511
Total General Fund						6,697,623	(6,731,169)					301,944	6,731,169
Special Revenue Fund:													
State Department of Education:													
N.J. Nonpublic Aid:													
Auxiliary Services:													
Compensatory Education	20-100-034-5120-067	54,674	7/1/19- 6/30/20			49,078	(54,674)					5,596	54,674
Compensatory Education	19-100-034-5120-067	61,253	7/1/18 - 6/30/19			9,562		(9,562)					
English as a Second Language	20-100-034-5120-067	1,489	7/1/19- 6/30/20			1,337	(331)			1,158		152	331
English as a Second Language	19-100-034-5120-067	863	7/1/18 - 6/30/19			863		(863)					
Home Instruction	20-100-034-5120-067	1,251	7/1/19- 6/30/20			2,154	(1,251)					1,251	1,251
Home Instruction	19-100-034-5120-067	2,154	7/1/18 - 6/30/19				(2,154)						
Handicapped Services:													
Supplemental Instruction	20-100-034-5120-066	63,949	7/1/19- 6/30/20			53,430	(63,949)					10,519	63,949
Supplemental Instruction	19-100-034-5120-066	60,106	7/1/18 - 6/30/19			8,006		(8,006)					
Examination & Classification	20-100-034-5120-066	113,889	7/1/19- 6/30/20			95,154	(76,200)			37,689		18,735	76,200
Examination & Classification	19-100-034-5120-066	75,885	7/1/18 - 6/30/19			4,184		(4,184)				1,349	4,922
Corrective Speech	20-100-034-5120-066	8,203	7/1/19- 6/30/20			6,854	(4,922)					3,281	4,922
Corrective Speech	19-100-034-5120-066	10,178	7/1/18 - 6/30/19			2,143		(2,143)					
Textbook Aid	20-100-034-5120-064	44,697	7/1/19- 6/30/20			44,697	(44,697)					4,272	44,697
Nursing Services Aid	20-100-034-5120-070	88,367	7/1/19- 6/30/20			88,367	(84,095)						84,095
Nursing Services Aid	19-100-034-5120-070	93,314	7/1/18 - 6/30/19			4,763		(4,763)					
Security Aid	20-100-034-5120-509	94,800	7/1/19- 6/30/20			94,800	(94,800)						94,800
Security Aid	19-100-034-5120-509	100,200	7/1/18 - 6/30/19			32,517		(32,517)					
Technology Initiative Aid	20-100-034-5120-373	30,528	7/1/19- 6/30/20			466,399	(455,447)			46,400		37,602	30,528
Total State Department of Education						62,038	(62,038)			46,400		37,602	455,447

RIVER DELL 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	Program or Award Amount	Grant Period From/To	As of June 30, 2019			Carryover/Walkover Amount	GAAP Cash Received	Budgetary Expenditures	Adjustments/Repayment of Prior Years' Balances	Balance at June 30, 2020			MEMO	
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Due to Grantor					Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
Total Special Revenue Fund				\$ (2,154)	\$ 62,038	\$ -	\$ 466,399	\$ (455,447)	\$ (62,038)	\$ (37,602)	\$ -	\$ 46,400	\$ 37,602	\$ 455,447	
Total State Financial Assistance				(193,719)	62,038	7,164,022	(7,186,616)	(62,038)	(262,713)	46,400	339,546	7,186,616			
State Financial Assistance Not Subject to Single Audit Determination: General Fund															
TPAF Pension - Normal Contribution	20-495-034-5094-002	3,115,503	7/1/19- 6/30/20			(3,115,503)	3,115,503							(3,115,503)	
TPAF Pension - Non-contributory Insurance	20-495-034-5094-002	55,842	7/1/19- 6/30/20			(55,842)	55,842							(55,842)	
TPAF - Long-Term Disability Insurance	20-495-034-5094-004	1,789	7/1/19- 6/30/20			(1,789)	1,789							(1,789)	
TPAF - Post-Retirement Medical Contributions	20-495-034-5094-001	1,176,511	7/1/19- 6/30/20			(1,176,511)	1,176,511							(1,176,511)	
Total State Expenditures Subject to Major Program Determination				\$ (193,719)	\$ 62,038	\$ -	\$ 2,814,377	\$ (2,836,971)	\$ (62,038)	\$ (262,713)	\$ -	\$ 46,400	\$ 339,546	\$ 2,836,971	

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance
June 30, 2020

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education of the River Dell Regional School District (the "District"). The Board of Education (the "Board") is defined in Note 1 to the District's financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies are included on the schedules 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. This basis of accounting is described in Note 1 to the District's financial statements. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Schedules` of Expenditures of
Federal Awards and State Financial Assistance
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 a decrease of \$8,822 for the General Fund. There are no adjustments for the Special Revenue Fund and Debt Service Fund. See Exhibit C-3, Notes to Required Supplementary Information - Part II, 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 District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>
General Fund	\$ -	\$ 6,731,169
Special Revenue Fund	443,209	455,447
	<hr/>	<hr/>
Total federal awards and state financial assistance - GAAP Basis	443,209	7,186,616
Less: TPAF Pension Contributions - Normal Costs, Post-Retirement Medical, Disability Insurance, and Non-Contributory Insurance		<hr/>
		4,349,645
		<hr/>
Total per schedules of expenditures of federal awards and state financial assistance	<u>\$ 443,209</u>	<u>\$ 2,836,971</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5. OTHER

The amount reported as TPAF Pension - Normal Costs, Post-Retirement Medical Contributions, Disability Insurance, and Non-Contributory Insurance, represents the amount paid by the state on behalf of the District for the year ended June 30, 2020. Reimbursed TPAF social security contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

RIVER DELL REGIONAL SCHOOL DISTRICT
Notes to Schedule of Expenditures of
Federal Awards and State Financial Assistance
June 30, 2020

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf state programs for TPAF Pension - Normal Costs, Post-Retirement Medical Contributions, Disability Insurance, and Non-Contributory Insurance are not subject to a state single audit and, therefore, are excluded from major program determination. The schedule of expenditures of state financial assistance provides a reconciliation of state financial assistance reported in the District's basic financial statements and the amount subject to state single audit and major program determination.

NOTE 7. DE MINIMIS INDIRECT COST RATE

The District has elected to not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

RIVER DELL REGIONAL SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? yes x none reported

Noncompliance material to basic financial statements noted? yes x no

Federal Awards

Not applicable - Not subject to an audit in accordance with the Uniform Guidance.

State Financial Assistance

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? x yes no

Internal control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? yes x none reported

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

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

Identification of major programs:

State Grant/Project Number(s)
 20-495-034-5094-003

Name of State Program
 Reimbursed TPAF Social Security Contributions

RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2020

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

There are none.

**RIVER DELL REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2020**

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

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

CURRENT YEAR FEDERAL AWARDS

Not applicable - not subject to an audit in accordance with the Uniform Guidance.

CURRENT YEAR STATE FINANCIAL ASSISTANCE

There are none.

**RIVER DELL REGIONAL SCHOOL DISTRICT
Summary Schedule of Prior-Year Audit Findings
For the Fiscal Year Ended June 30, 2020**

This section identifies the status of prior-year findings related to the basic financial statements and federal awards and state financial assistance that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were no prior-year audit findings.