

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**

Little Silver, New Jersey  
County of Monmouth

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2021**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE  
RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LITTLE SILVER, NEW JERSEY**

**YEAR ENDED JUNE 30, 2021**

**PREPARED BY DISTRICT FINANCE OFFICER  
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**



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**INTRODUCTORY SECTION**

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Little Silver, New Jersey 07739  
Phone: (732) 842-8000  
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www.rbrhs.org

## RED BANK REGIONAL HIGH SCHOOL

OUR MISSION: TO ENSURE THE ACADEMIC SUCCESS & PERSONAL GROWTH OF ALL STUDENTS WHILE DEVELOPING IN THEM A PASSION FOR LEARNING.

February 14, 2022

Honorable President and  
Members of the Board of Education  
Red Bank Regional High School District  
Little Silver, New Jersey 07739

Dear Members of the Board of Education:

I am pleased to submit The Comprehensive Annual Financial Report of the Red Bank Regional High School District (hereafter the "District") for the fiscal year ending June 30, 2021. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, 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 the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain and understand of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial section includes the independent Auditor's Report, Management Discussion and Analysis (MD&A) and the basic financial statements including the government-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The Statistical section includes selected financial and demographic information presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB'S Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** The district is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14, amended by GASB Statements No. 39, 61, 80, and 97. All funds of the District are included in this report. The Red Bank Regional High School District and its high school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12 including general education, special education and vocational education programs.

**OVER 100 YEARS OF ACADEMIC EXCELLENCE**

The following details the changes in the student enrollment of the District over the last ten years:

<b>Fiscal Year</b>	<b>Student Enrollment</b>	<b>Percent Change</b>
2020-2021	1274	2.08%
2019-2020	1248	3.31%
2018-2019	1208	3.23%
2017-2018	1216	3.23%
2016-2017	1178	-1.09%
2015-2016	1191	-1.57%
2014-2015	1210	3.86%
2013-2014	1165	-1.27%
2012-2013	1180	0.77%
2011-2012	1171	2.54%

## **2. ECONOMIC CONDITION AND OUTLOOK:**

Local, state, and federal economic conditions, especially given the response to the Covid-19 pandemic, continue to create economic challenges and uncertainty for the school district. The 2021-2022 School Budget was approved by the Board of Education in April 2021 which provides for a thorough and efficient education, although that is becoming more and more difficult with each passing year given P.L. 2018, Chapter 67 (known as 'S2'). The overall tax levy increase with the 2021-2022 budget was 2.16% or \$531,725 (which included an enrollment percentage increase waiver of 0.16%). The tax increases for the average home in the three towns in the regional district ranged from 0.09% to 3.58% inclusive of general budget and debt service. It should be noted that given the Department of Education's allocation of taxes between the constituent municipalities in the regional district being based on equalized valuations, even smaller percentage changes in the largest ratable base can have a significant impact on the tax allocation for the other communities in the district.

The District continues to be concerned about the status of the economy and the fiscal health of the State of New Jersey. The State again delayed the payment of the final two State Aid payments for the year, totaling \$106,161 as of June 30, 2021. Although the District will continue to strive to find fiscal efficiencies in all aspects of our operations, we remain concerned about our levels of surplus and reserves, the impact of the 2% annual property tax levy cap, and most notably the impact of current and future allocations of State Aid.

The major funding source for the operating budget continues to be the local tax levy. The local tax levy funded 81.5% of the 2020-2021 budget. The reliance on the local taxpayers to fund the majority of the District's budget will likely continue under the provisions of the School Funding Reform Act of 2008. According to the NJ Department of Education, Office of School Funding, the District's tax levy exceeds the Local Fair Share and the district's total budget exceeds the "adequacy model" used to calculate state aid.

## **3. MAJOR INITIATIVES:**

The Red Bank Regional High District continued to expand the use of educational technology to increase student engagement and academic success. Major activities in support of this goal included the continued 1:1 chrome book program for grade 9-12 as well as connectivity for our students especially during virtual learning environments due to COVID-19. The District has developed a unified professional development goal for all staff.

A referendum on two additions plus renovations to the high school, HVAC replacements, new field turf and football stadium improvements was overwhelmingly passed in December 2018. The projects are planned to be completed in the 2022-2023 school year.

#### **4. INTERNAL ACCOUNTING CONTROLS:**

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

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

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

**5. BUDGETARY CONTROLS:** In addition to internal controls, the district maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue funds, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. P.L. 2011 c 202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers.

Beginning with the 2012-2013 budget, the state of New Jersey allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers. The Red Bank Borough Board of Education elected to eliminate the budget vote at that time. In addition to the 2% limit on tax levy increases, there are restrictions on budget transfers during the year that can be made without NJDOE approval.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal year end. The Business Administrator and the Superintendent meet with the Finance Committee regularly to review the school budget and areas of concern.

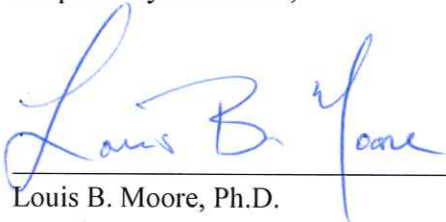
**6. ACCOUNTING SYSTEM AND REPORTS:** The District’s accounting records reflect generally accepted accounting principles as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the District is organized based on funds and account groups. These funds and account groups are explained in the “Notes to the Financial Statements”, Note 1.

**7. OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of New Jersey OMB’S Circular 15-08, Single Audit Policy for recipients of Federal Grants, State Grants and State Aid. The auditor’s report on the basic financial statements and combining the individual fund statements and schedules is included in the financial section of this report. The auditor’s reports, related specifically to the single audit are included in the audit section of this report.

**8. CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING AWARD** - the district received the Certificate of Excellence in Financial Reporting Award from the Association of School Business Officials International for the June 30, 2020 Comprehensive Annual Financial Report.

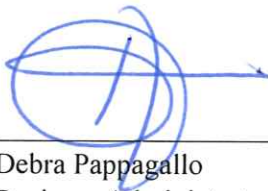
**9. ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Red Bank Regional High School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully Submitted,



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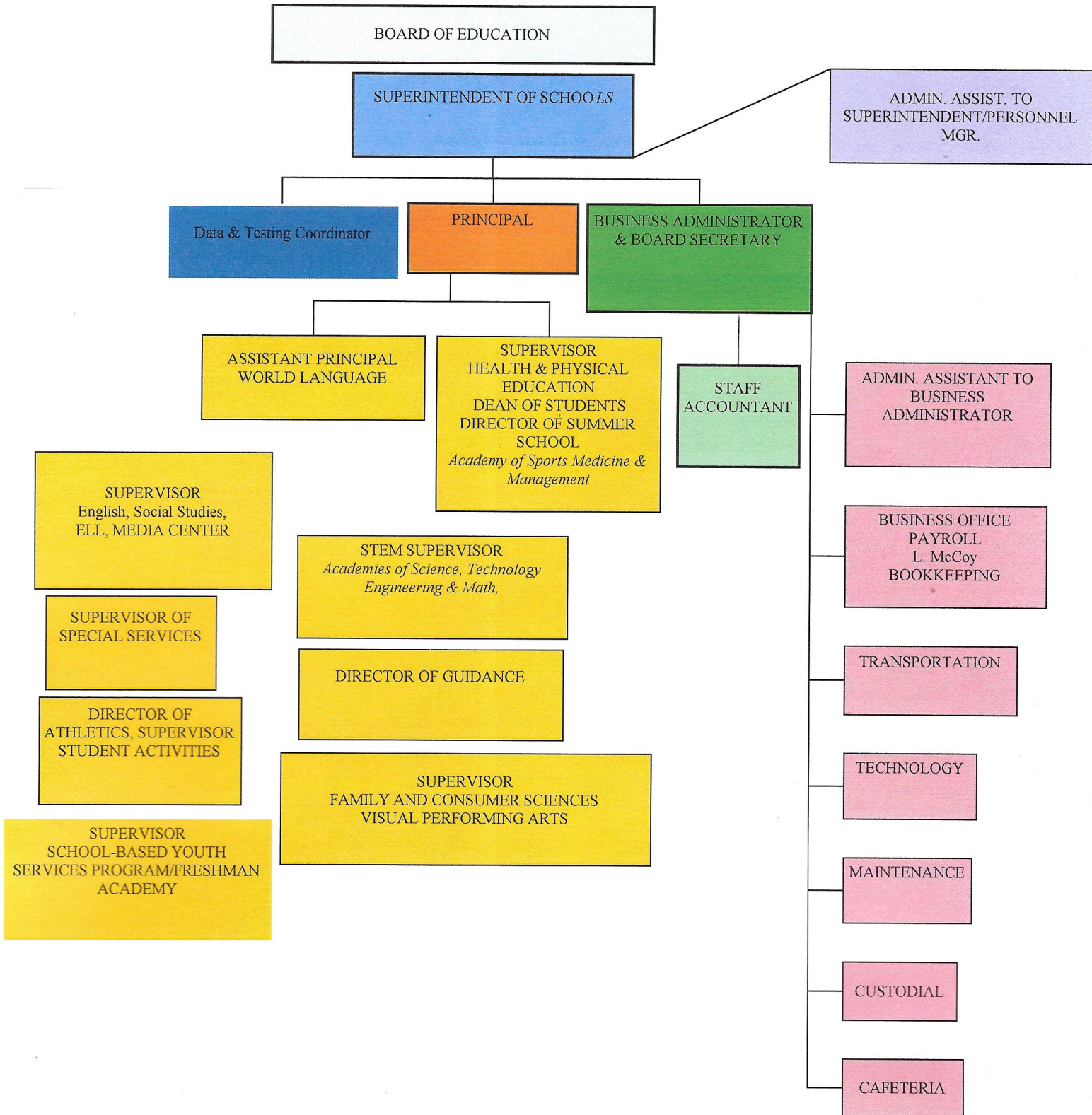
Louis B. Moore, Ph.D.  
Superintendent



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Debra Pappagallo  
Business Administrator/Board Secretary

## RED BANK REGIONAL HIGH SCHOOL ADMINISTRATIVE CHART



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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LITTLE SILVER, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2021**

**Members of the Board of Education**

**TERM EXPIRES**

Randy Mendelson, President	2021
Frank Neary, Vice President	2023
Stephanie Albanese	2023
Emily Doherty	2022
John Garofalo	2021
Irwin Katz	2022
Eugene Koster	2021
Patrick Noble	2021
John Venino	2023

**Other Officials**

Louis B. Moore, PH. D., Superintendent of Schools

Debra Pappagallo, School Business Administrator/Board Secretary

Anthony Sciarrillo, Esq., Board Attorney

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LITTLE SILVER, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2021**

**AUDITOR/AUDIT FIRM**

Robert W. Allison, CPA, PSA  
Holman Frenia Allison, P. C.  
1985 Cedar Bridge Ave., Suite 3  
Lakewood, NJ 08701

**ATTORNEY**

Anthony Sciarrillo, Esq.  
Sciarrillo, Cornell, Merlino, McKeever & Osbourne, LLC.  
238 St. Paul Steet  
Westfield, New Jersey 07090

**OFFICIAL DEPOSITORY**

TD Bank  
568 River Road  
Fair Haven, New Jersey 07704

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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Red Bank Regional High School District

for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director

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**FINANCIAL SECTION**

Second Section

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## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Red Bank Regional High School District  
County of Monmouth  
Little Silver, NJ 07739

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Red Bank Regional High School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended, June 30, 2021, 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe 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 the Red Bank Regional High School District, County of Monmouth, State of New Jersey, as of June 30, 2021, 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

## **Emphasis of Matter**

### ***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2021 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated February 14, 2022 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, #897

Lakewood, New Jersey  
February 14, 2022

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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# RED BANK REGIONAL HIGH SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2021 UNAUDITED

This section of the Red Bank Regional of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2020-2021) and the prior fiscal year (2019-2020) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for 2021 are as follows:

- In total, net position of governmental activities increased \$4,769,383.02, which represents a 27.32% increase from 2020. Total net position of business-type activities decreased \$8,405.22, which represents an 5.30% decrease from 2020.
- General revenues accounted for \$28,254,202.93 in revenue or 68.05% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$13,264,958.76 or 31.95% of total revenues of \$41,519,161.69.
- Total assets of governmental activities increased by \$6,561,977.21 as cash and cash equivalents decreased by \$5,230,782.69, receivables increased by \$292,374.44, restricted cash and cash equivalents increased by \$2,987,863.43 and total capital assets increased by \$8,512,522.03.
- Total liabilities of governmental activities decreased by \$2,000,390.84 as long term liabilities decreased by \$1,691,325.08.
- In the governmental funds, the general fund had \$34,508,270.48 in revenues and \$30,200,635.58 in expenditures. The general fund's fund balance increased by \$4,307,634.90 over 2020.

## USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

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

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

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

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

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

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

### ***Governmental Funds***

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

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



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

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

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

### ***Proprietary Funds***

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

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

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

**Other Information.** As described in Note 19 to the financial statements, "Prior Period Adjustment/Restatement of Net Position", the District has adopted the provisions of GASB 84, *Fiduciary Activities*, for the year ended June 30, 2021. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2020 in the amount of \$3,415,071.03, as indicated in Note 19 to the financial statements. The adoption of this principle resulted in a restatement of the District's opening General Fund fund balance and Special Revenue Fund fund balance as of July 1, 2020 in the amount of \$100,569.14 and \$3,314,501.89 respectively, as indicated in Note 19 to the financial statements.

### **Government-Wide Financial Analysis**

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2021 and 2020, respectively:

**Net Position**  
**June 30, 2021**

	Governmental Activities		Business-Type Activities	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 18,611,088.40	\$ 20,561,633.22	\$ 129,447.52	\$ 54,858.70
Capital Assets, Net	32,939,396.92	24,426,874.89	31,083.40	37,589.80
Total Assets	<u>51,550,485.32</u>	<u>44,988,508.11</u>	<u>160,530.92</u>	<u>92,448.50</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	1,434,205.00	1,795,964.00	-	-
Total Assets and Deferred Outflows of Resources	<u>1,434,205.00</u>	<u>1,795,964.00</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
Long-Term Liabilities	26,005,918.08	27,285,028.91	-	-
Other Liabilities	1,941,157.20	2,662,437.21	10,328.49	(66,159.15)
Total Liabilities	<u>27,947,075.28</u>	<u>29,947,466.12</u>	<u>10,328.49</u>	<u>(66,159.15)</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	2,810,594.00	2,794,439.00	-	-
Total Liabilities and Deferred Inflows of Resources	<u>2,810,594.00</u>	<u>2,794,439.00</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in				
Capital Assets	12,917,839.34	3,623,786.43	31,083.40	37,589.80
Restricted	14,159,235.22	17,127,736.86	-	-
Unrestricted	(4,850,053.52)	(6,708,956.30)	119,119.03	121,017.85
Total Net Position	<u>\$ 22,227,021.04</u>	<u>\$ 14,042,566.99</u>	<u>\$ 150,202.43</u>	<u>\$ 158,607.65</u>

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

Restricted net position decreased \$2,968,501.64 from the prior year to \$14,159,235.22 at June 30, 2021.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$4,850,053.52) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2021 and 2020. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	<b><u>June 30, 2021</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ 3,420,742.32	\$ 3,326.57	\$ 3,424,068.89
Operating Grants and Contributions	9,776,015.30	64,874.57	9,840,889.87
General Revenues:			
Property Taxes	26,229,954.00	-	26,229,954.00
Federal and State Aid	1,786,015.86	-	1,786,015.86
Miscellaneous	238,233.07	35,292.04	273,525.11
Total Revenues	<u>41,450,960.55</u>	<u>103,493.18</u>	<u>41,554,453.73</u>
<b>Expenses:</b>			
Instructional Services	23,152,019.21	-	23,152,019.21
Support Services	12,590,690.68	111,898.40	12,702,589.08
Interest and Other Charges	938,867.64	-	938,867.64
Total Expenses	<u>36,681,577.53</u>	<u>111,898.40</u>	<u>36,793,475.93</u>
Change in Net Position	4,769,383.02	(8,405.22)	4,760,977.80
Net Position, Beginning (As Restated, Note 19)	17,457,638.02	158,607.65	17,616,245.67
Net Position, Ending	<u>\$ 22,227,021.04</u>	<u>\$ 150,202.43</u>	<u>\$ 22,377,223.47</u>
	<b><u>June 30, 2020</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 211,590.29	\$ 211,590.29
Operating Grants and Contributions	6,659,259.50	117,719.29	6,776,978.79
General Revenues:			
Property Taxes	24,099,640.00	-	24,099,640.00
Federal and State Aid	1,401,924.00	-	1,401,924.00
Miscellaneous	6,198,168.68	-	6,198,168.68
Total Revenues	<u>38,358,992.18</u>	<u>329,309.58</u>	<u>38,688,301.76</u>
<b>Expenses:</b>			
Instructional Services	20,102,663.27	-	20,102,663.27
Support Services	12,853,097.23	337,616.55	13,190,713.78
Interest and Other Charges	726,936.54	-	726,936.54
Total Expenses	<u>33,682,697.04</u>	<u>337,616.55</u>	<u>34,020,313.59</u>
Change in Net Position	4,676,295.14	(8,306.97)	4,667,988.17
Net Position, Beginning	9,366,271.85	166,914.62	9,533,186.47
Net Position, Ending	<u>\$ 14,042,566.99</u>	<u>\$ 158,607.65</u>	<u>\$ 14,201,174.64</u>

## Financial Analysis of the District's Funds

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

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

### Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2021 and 2020 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<u>June 30, 2021</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 12,304,264.57	28.67%	\$ 366,839.52	3.07%
Undistributed	19,398,323.31	45.21%	646,802.97	3.45%
Capital Outlay	9,298,465.30	21.67%	1,682,295.03	22.09%
Debt Service:				
Principal	675,000.00	1.57%	25,000.00	3.85%
Interest	1,234,264.39	2.88%	1,104,146.39	848.57%
<b>Total</b>	<b>\$ 42,910,317.57</b>	<b>100.00%</b>	<b>\$ 3,825,083.91</b>	<b>9.79%</b>

	<u>June 30, 2020</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2019	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 11,937,425.05	30.54%	\$ 44,500.06	0.37%
Undistributed	18,751,520.34	47.98%	(567,873.82)	-2.94%
Capital Outlay	7,616,170.27	19.49%	6,622,224.64	666.26%
Debt Service:				
Principal	650,000.00	1.66%	30,000.00	4.84%
Interest	130,118.00	0.33%	(31,477.50)	-19.48%
<b>Total</b>	<b>\$ 39,085,233.66</b>	<b>100.00%</b>	<b>\$ 6,097,373.38</b>	<b>18.48%</b>

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

### General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2020-2021 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2020-2021 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2020-2021 unassigned fund balance increased by \$507,156.85 to \$1,215,811.50 (4% required per S-1701, net of allowable adjustments).

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

The Food Services Enterprise Fund showed a change in net position of (\$8,405.22) in 2020-2021 as compared to a change in net position of (\$8,306.97) in 2019-2020. The food service fund required a contribution of \$35,292.04 from the Board in 2020-2021. The food service fund required no contributions from the Board in 2019-2020.

**Capital Assets**

At June 30, 2021 the District has capital assets of \$32,970,480.32, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2021</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 5,379,640.00	\$ -
Construction In Progress	18,310,640.71	-
Land Improvements	1,693,482.00	-
Buildings/Construction	7,117,159.00	-
Machinery and Equipment	438,475.21	31,083.40
Total	<u>\$ 32,939,396.92</u>	<u>\$ 31,083.40</u>
	<u>June 30, 2020</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 5,379,640.00	\$ -
Construction In Progress	9,324,325.39	-
Land Improvements	1,727,404.00	-
Buildings/Construction	7,783,492.00	-
Machinery and Equipment	212,013.50	37,589.80
Total	<u>\$ 24,426,874.89</u>	<u>\$ 37,589.80</u>

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

**Debt Administration and Other Obligations**

At June 30, 2021, the District had on year remaining on a Refunding School Bond with an unpaid principal balance of \$565,000.00 for the refunding school bonds. The District also had 19 years remaining on MCIA Bonds with an unpaid principal balance of \$19,450,000.00.

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

### **Economic Factors and Subsequent Year's Budgets**

- The Red Bank Regional High School District is in very good financial condition presently earning an AA bond rating from Standard and Poor's in August 2013. A major concern is the funding mechanism for state aid to education that causes an increased reliance on local property taxes. The Red Bank Regional constituent towns (Little Silver, Red Bank and Shrewsbury) are primarily residential communities, with comparatively few commercial ratables; thus the burden is focused on homeowners to foot the tax burden.
- The Board of Education and Administration annually conduct a review of cost centers in the District to determine where costs savings may be effectuated. Additionally, the District continues to add to the number of shared services agreements with other local school districts and municipalities that will result in cost savings to the residents of the District.
- The Board and administration remain extremely sensitive to the financial concerns of the taxpayers, particularly those on fixed incomes, and will be diligently searching for alternate sources of revenue and cost reductions. Consistent with this concern, the District utilizes a five-year budget model that assesses the tactical and strategic impact that legislative changes and operational efficiencies place upon the District's future year budgets.
- In general, the Red Bank Regional Board of Education has consistently committed itself to sound, conservative fiscal management, providing the most efficient and effective education possible given the demands and challenges associated with the need to improve students' academic performances, and there is no reason to believe that this commitment will not continue as the District moves forward.

### **Requests for Information**

The financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions on this report or need additional financial information, please contact School Business Administrator/Board Secretary at Red Bank Regional Board of Education, 101 Ridge Road, Little Silver, NJ 07739.

**BASIC FINANCIAL STATEMENTS**

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A. Government-Wide Financial Statements

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## **B. Fund Financial Statements**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Cash & Cash Equivalents	\$ 12,514,605.47	\$ 78,502.02	\$ 12,593,107.49
Receivables, Net (Note 4)	839,492.18	46,257.44	885,749.62
Inventory	-	4,688.06	4,688.06
Restricted Cash & Cash Equivalents	5,256,990.75	-	5,256,990.75
Capital Assets, Net (Note 5)			
Non-Depreciable	23,690,280.71	-	23,690,280.71
Depreciable	9,249,116.21	31,083.40	9,280,199.61
Total Assets	51,550,485.32	160,530.92	51,711,016.24
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 5)	1,434,205.00	-	1,434,205.00
Total Deferred Outflow of Resources	1,434,205.00	-	1,434,205.00
<b>LIABILITIES:</b>			
Accounts Payable	-	10,321.24	10,321.24
Due to Other Governments	466,367.70	-	466,367.70
Unearned Revenue	800,259.81	12,827.71	813,087.52
Accrued Interest	328,822.92	-	328,822.92
Payroll Deductions and Withholdings	308,623.46	-	308,623.46
Unemployment Trust Liability	24,262.85	-	24,262.85
Internal Balances	12,820.46	(12,820.46)	-
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,241,451.62	-	1,241,451.62
Due in More Than One Year	24,764,466.46	-	24,764,466.46
Total Liabilities	27,947,075.28	10,328.49	27,957,403.77
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	2,810,594.00	-	2,810,594.00
Total Deferred Inflow of Resources	2,810,594.00	-	2,810,594.00
<b>NET POSITION:</b>			
Net Investment in Capital Assets	12,917,839.34	31,083.40	12,948,922.74
Restricted for:			
Capital Projects	8,988,280.89	-	8,988,280.89
Debt Service	4,900.61	-	4,900.61
Emergency Reserve	125,715.60	-	125,715.60
Maintenance Reserve	1,578,148.25	-	1,578,148.25
Unemployment Compensation	100,796.77	-	100,796.77
Scholarships	3,227,062.03	-	3,227,062.03
Student Activities	134,331.07	-	134,331.07
Unrestricted (Deficit)	(4,850,053.52)	119,119.03	(4,730,934.49)
Total Net Position	\$ 22,227,021.04	\$ 150,202.43	\$ 22,377,223.47

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

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 17,968,576.58	\$ 3,324,396.46	\$ 7,586,711.25	\$ -	\$ (7,057,468.87)	\$ -	\$ (7,057,468.87)
Special Education Instruction	2,931,678.77	-	1,050,608.97	-	(1,881,069.80)	-	(1,881,069.80)
Other Instruction	2,251,763.86	-	806,951.75	-	(1,444,812.11)	-	(1,444,812.11)
Support Services:							
Tuition	2,190,304.58	-	-	-	(2,190,304.58)	-	(2,190,304.58)
Student & Instruction Related Services	3,894,509.98	-	331,743.34	-	(3,562,766.64)	-	(3,562,766.64)
General Administrative	787,609.69	-	-	-	(787,609.69)	-	(787,609.69)
School Administrative Services	769,366.36	-	-	-	(769,366.36)	-	(769,366.36)
Central Services	631,132.32	-	-	-	(631,132.32)	-	(631,132.32)
Administrative Info. Technology	288,771.37	-	-	-	(288,771.37)	-	(288,771.37)
Plant Operations & Maintenance	2,657,061.81	-	-	-	(2,657,061.81)	-	(2,657,061.81)
Pupil Transportation	1,371,934.56	96,345.86	-	-	(1,275,588.70)	-	(1,275,588.70)
Interest & Other Charges	903,575.60	-	-	-	(903,575.60)	-	(903,575.60)
Total Governmental Activities	36,646,285.49	3,420,742.32	9,776,015.30	-	(23,449,527.87)	-	(23,449,527.87)
Business-Type Activities:							
Food Service	111,898.40	3,326.57	64,874.57	-	-	(43,697.26)	(43,697.26)
Total Business-Type Activities	111,898.40	3,326.57	64,874.57	-	-	(43,697.26)	(43,697.26)
Total Primary Government	\$ 36,758,183.89	\$ 3,424,068.89	\$ 9,840,889.87	\$ -	(23,449,527.87)	(43,697.26)	(23,493,225.13)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					24,611,106.00	-	24,611,106.00
Property Taxes, Levied for Debt Service					1,618,848.00	-	1,618,848.00
Federal & State Aid Restricted					251,354.00	-	251,354.00
Federal & State Aid Not Restricted					1,534,661.86	-	1,534,661.86
Miscellaneous					238,233.07	-	238,233.07
Special Item:							
Transfer to Food Service					(35,292.04)	35,292.04	-
Total General Revenues					28,218,910.89	35,292.04	28,254,202.93
Change In Net Position					4,769,383.02	(8,405.22)	4,760,977.80
Net Position - Beginning (As Restated, Note 19)					17,457,638.02	158,607.65	17,616,245.67
Net Position - Ending					22,227,021.04	150,202.43	22,377,223.47

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

## **Governmental Funds**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2021**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 3,793,800.60	\$ 3,092,886.84	\$ 5,623,017.42	\$ 4,900.61	\$ 12,514,605.47
Receivables, Net:					
Interfund Receivable	87,066.66	42,932.13	-	-	129,998.79
Due from Other Governments:					
Federal	-	261,370.38	-	-	261,370.38
State	283,939.00	-	-	-	283,939.00
Other	228,169.78	38,563.16	-	-	266,732.94
Other Accounts Receivable	27,449.86	-	-	-	27,449.86
Restricted Cash & Cash Equivalents	5,256,990.75	-	-	-	5,256,990.75
Total Assets	<u>\$ 9,677,416.65</u>	<u>\$ 3,435,752.51</u>	<u>\$ 5,623,017.42</u>	<u>\$ 4,900.61</u>	<u>\$ 18,741,087.19</u>
<b>LIABILITIES &amp; FUND BALANCES</b>					
Liabilities:					
Intergovernmental Payable:					
State	\$ -	\$ 66,367.70	\$ -	\$ -	\$ 66,367.70
Interfund Payable	55,752.59	-	87,066.66	-	142,819.25
Unearned Revenue	792,268.10	7,991.71	-	-	800,259.81
Unemployment Trust Liability	24,262.85	-	-	-	24,262.85
Payroll Deductions and Withholdings	308,623.46	-	-	-	308,623.46
Total Liabilities	<u>1,180,907.00</u>	<u>74,359.41</u>	<u>87,066.66</u>	<u>-</u>	<u>1,342,333.07</u>
Fund Balances:					
Restricted for:					
Capital Reserve	3,452,330.13	-	-	-	3,452,330.13
Maintenance Reserve	1,578,148.25	-	-	-	1,578,148.25
Emergency Reserve	125,715.60	-	-	-	125,715.60
Reserve for Unemployment Claims	100,796.77	-	-	-	100,796.77
Capital Projects	-	-	5,535,950.76	-	5,535,950.76
Debt Service	-	-	-	4,900.61	4,900.61
Scholarships	-	3,227,062.03	-	-	3,227,062.03
Student Activities	-	134,331.07	-	-	134,331.07
Assigned to:					
Designated for					
Subsequent Year	329,098.00	-	-	-	329,098.00
Other Purposes	1,800,770.40	-	-	-	1,800,770.40
Unassigned	1,109,650.50	-	-	-	1,109,650.50
Total Fund Balances	<u>8,496,509.65</u>	<u>3,361,393.10</u>	<u>5,535,950.76</u>	<u>4,900.61</u>	<u>17,398,754.12</u>
Total Liabilities & Fund Balances	<u>\$ 9,677,416.65</u>	<u>\$ 3,435,752.51</u>	<u>\$ 5,623,017.42</u>	<u>\$ 4,900.61</u>	
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$59,546,730.46 and the accumulated depreciation is \$26,607,333.54.					
					32,939,396.92
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.					
					1,434,205.00
					(2,810,594.00)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.					
					(328,822.92)
Accrued pension contributions for the June 30, 2021 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.					
					(400,000.00)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					<u>(26,005,918.08)</u>
Net Position of Governmental Activities					<u>\$ 22,227,021.04</u>

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2021**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 24,611,106.00	\$ -	\$ -	\$ 1,618,848.00	\$ 26,229,954.00
Tuition Charges	3,324,396.46	-	-	-	3,324,396.46
Transportation Charges	96,345.86	-	-	-	96,345.86
Miscellaneous	61,711.87	186,506.99	-	4,899.28	253,118.14
Total Local Sources	28,093,560.19	186,506.99	-	1,623,747.28	29,903,814.46
State Sources	6,360,090.81	777,759.80	-	251,354.00	7,389,204.61
Federal Sources	2,844.86	686,513.62	-	-	689,358.48
Total Revenues	34,456,495.86	1,650,780.41	-	1,875,101.28	37,982,377.55
Expenditures:					
Instruction:					
Regular Instruction	8,402,081.08	1,147,415.15	-	-	9,549,496.23
Special Education Instruction	1,558,056.38	-	-	-	1,558,056.38
Other Instruction	1,196,711.96	-	-	-	1,196,711.96
Support Services:					
Tuition	1,814,190.00	-	-	-	1,814,190.00
Attendance & Social Work Services	385,351.15	-	-	-	385,351.15
Health Services	139,180.00	-	-	-	139,180.00
Student & Instruction Related Services	2,244,747.56	456,474.05	-	-	2,701,221.61
General Administrative	652,362.98	-	-	-	652,362.98
School Administrative Services	637,252.36	-	-	-	637,252.36
Central Services	522,755.58	-	-	-	522,755.58
Administrative Information Technology	239,184.15	-	-	-	239,184.15
Plant Operations & Maintenance	2,283,602.74	-	-	-	2,283,602.74
Pupil Transportation	1,136,348.79	-	-	-	1,136,348.79
Unallocated Benefits	4,058,600.14	-	-	-	4,058,600.14
On Behalf TPAF Pension and Social Security Contributions	4,828,273.81	-	-	-	4,828,273.81
Capital Outlay	62,873.90	-	9,235,591.40	-	9,298,465.30
Debt Service:					
Principal	-	-	-	675,000.00	675,000.00
Interest & Other Charges	39,063.00	-	-	1,195,201.39	1,234,264.39
Total Expenditures	30,200,635.58	1,603,889.20	9,235,591.40	1,870,201.39	42,910,317.57
Excess/(Deficiency) of Revenues Over Expenditures	4,255,860.28	46,891.21	(9,235,591.40)	4,899.89	(4,927,940.02)
Other Financing Sources (Uses):					
Transfers In	87,066.66	-	-	-	87,066.66
Transfers Out	(35,292.04)	-	(87,066.66)	-	(122,358.70)
Total Other Financing Sources (Uses)	51,774.62	-	(87,066.66)	-	(35,292.04)
Net Changes in Fund Balances	4,307,634.90	46,891.21	(9,322,658.06)	4,899.89	(4,963,232.06)
Fund Balance, July 1 (As Restated, Note 19)	4,188,874.75	3,314,501.89	14,858,608.82	0.72	22,361,986.18
Fund Balance, June 30	\$ 8,496,509.65	\$ 3,361,393.10	\$ 5,535,950.76	\$ 4,900.61	\$ 17,398,754.12

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	(4,963,232.06)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation Expense	\$	(785,943.27)
Capital Outlays		<u>9,298,465.30</u>
		8,512,522.03
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		85,855.00
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		774,973.31
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
Amortization of Premium on Bonds		<u>6,557.57</u>
		6,557.57
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		324,131.22
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>28,575.95</u>
Change in Net Position of Governmental Activities	\$	<u><u>4,769,383.02</u></u>

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## **Proprietary Funds**

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**EXHIBIT B-4**

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2021**

		<u>MAJOR FUNDS</u> <u>BUSINESS-TYPE</u> <u>ACTIVITIES -</u> <u>ENTERPRISE</u> <u>FUNDS</u> <u>FOOD</u> <u>SERVICE</u>
<b>ASSETS</b>		
Current Assets:		
Cash & Cash Equivalents	\$	78,502.02
Accounts Receivable:		
Federal		10,251.24
State		621.44
Other Receivables		35,384.76
Interfund Receivable		12,820.46
Inventories		4,688.06
		<u>142,267.98</u>
Total Current Assets		
Noncurrent Assets:		
Capital Assets		180,235.03
Less: Accumulated Depreciation		(149,151.63)
		<u>31,083.40</u>
Total Capital Assets, Net		
Total Noncurrent Assets		<u>31,083.40</u>
Total Assets		<u>173,351.38</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable		10,321.24
Unearned Revenue		12,827.71
		<u>23,148.95</u>
Total Current Liabilities		
<b>NET POSITION</b>		
Net Investment in Capital Assets		31,083.40
Unrestricted		119,119.03
		<u>150,202.43</u>
Total Net Position	\$	<u><u>150,202.43</u></u>

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

**EXHIBIT B-5**

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 YEAR ENDED JUNE 30, 2021**

	<u>MAJOR FUNDS</u>	
	<u>ENTERPRISE</u>	
	<u>FUNDS</u>	
	<u>FOOD</u>	
	<u>SERVICE</u>	
Operating Revenues:		
Charges for Services:		
Daily Sales - Non-Reimbursable Programs	\$	2,214.70
Special Functions		427.09
Miscellaneous		684.78
		<u>684.78</u>
Total Operating Revenues		<u>3,326.57</u>
Operating Expenses:		
Cost of Sales - Reimbursable Programs		41,619.23
Supplies and Materials		2,776.54
Depreciation		6,506.40
Management and Administrative Fees		60,996.23
		<u>60,996.23</u>
Total Operating Expenses		<u>111,898.40</u>
Operating Income/(Loss)		<u>(108,571.83)</u>
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program		2,268.34
Federal Sources:		
National School Lunch Program		42,188.40
National School Breakfast Program		14,579.26
Food Distribution Program		5,623.85
Interest Revenue		214.72
		<u>214.72</u>
Total Nonoperating Revenues/(Expenses)		<u>64,874.57</u>
Other Financing Sources/(Uses):		
Operating Transfer In/(Out):		
Transfer to Cover Deficit		35,292.04
		<u>35,292.04</u>
Total Other Financing Sources/(Uses):		<u>35,292.04</u>
Change in Net Position		(8,405.22)
Total Net Position - Beginning		<u>158,607.65</u>
Total Net Position - Ending	\$	<u><u>150,202.43</u></u>

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



EXHIBIT B-6

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 YEAR ENDED JUNE 30, 2021

	<u>MAJOR FUNDS</u>
	<u>BUSINESS-TYPE</u>
	<u>ACTIVITIES -</u>
	<u>ENTERPRISE</u>
	<u>FUNDS</u>
	<u>FOOD</u>
	<u>SERVICE</u>
Cash Flows From Operating Activities:	
Receipts from Customers	\$ (39,353.42)
Payments to Suppliers	(27,540.42)
Net Cash Provided by/(Used for) Operating Activities	<u>(66,893.84)</u>
Cash Flows From Noncapital Financing Activities:	
State Sources	2,268.34
Federal Sources	56,767.66
Contributions from Board	35,292.04
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>94,328.04</u>
Cash Flows From Capital Financing Activities:	
Purchase of Capital Assets	-
Net Cash Provided by/(Used for) Capital Financing Activities	<u>-</u>
Cash Flows From Investing Activities:	
Interest	214.72
Net Cash Provided by/(Used for) Investing Activities	<u>214.72</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	27,648.92
Balances - Beginning of Year	<u>50,853.10</u>
Balances - End of Year	<u>\$ 78,502.02</u>
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b>	
Operating Income/(Loss)	\$ (108,571.83)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Depreciation	6,506.40
Food Distribution Program	5,623.85
(Increase)/Decrease in Accounts Receivable, Net	(44,935.62)
(Increase)/Decrease in Inventories	(2,004.28)
(Increase)/Decrease in Interfund Receivable	69,610.06
Increase/(Decrease) in Unearned Revenue	2,255.63
Increase/(Decrease) in Accounts Payable	4,621.95
Total Adjustments	<u>41,677.99</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (66,893.84)</u>

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

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**Fiduciary Fund**  
*Not Applicable*

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

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

**Reporting Entity**

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational, as well as special education. The School District has an approximate enrollment at June 30, 2021 of 1,171 students.

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

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

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

**Component Units**

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB Statement No. 61, The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14 and GASB Statement No. 97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84. The School District had no component units as of for the year ended June 30, 2021.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

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

**A. Government-Wide Financial Statements**

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

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

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

**B. Governmental Fund Financial Statements**

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



**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

The School District reports the following major governmental funds:

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

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

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

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

**Capital Projects Fund** - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

**C. Proprietary Fund Financial Statements**

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

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

The School District reports the following major proprietary funds:

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

**Budgets/Budgetary Control**

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

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

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

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

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Encumbrances**

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

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

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

**Cash, Cash Equivalents and Investments**

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

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

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

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Tuition Receivable/Payable**

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

**Inventories**

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

**Interfund Receivables/Payables**

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

**Capital Assets**

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

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

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

**Compensated Absences**

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

**Interfund Activity**

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

**Deferred Outflows and Deferred Inflows of Resources**

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**Net Position**

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

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

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

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

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2021 and February 14, 2022, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. See Note 19 for more information.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2021:

For the year June 30, 2021 the District implemented *GASB Statement No. 84, Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities.

*Statement No. 83, Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

*Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

*Statement 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. Requirements of this pronouncement related to section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

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

- Statement No. 87, *Leases*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.
- Statement No. 93, *Replacement of Interbank Offered Rates*. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021.

Management has not yet determined the potential impact on the School Districts financial statements.



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 2. Deposits and Investments**

**Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2021, the School District’s bank balance of \$19,103,133.18 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 15,298,921.79
Uninsured and Uncollateralized	<u>3,804,211.39</u>
Total	<u><u>\$ 19,103,133.18</u></u>

**Investments**

The School District had no investments at June 30, 2021.

**Note 3. Reserve Accounts**

**Capital Reserve**

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

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

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$ 656,212.47
Increased by:	
Transfer from Capital Projects	87,066.66
Deposits Approved by Board	<u>2,709,051.00</u>
Ending Balance, June 30, 2021	<u><u>\$ 3,452,330.13</u></u>

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 3. Reserve Accounts**

Emergency Reserve

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

The activity of the emergency reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Ending Balance, June 30, 2021 & 2020	\$ 125,715.60
	\$ 125,715.60

Maintenance Reserve

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

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

The activity of the maintenance reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$ 1,487,199.25
Increased by:	
Deposits Approved by Board	290,949.00
	1,778,148.25
Decreased by:	
Budget Withdrawals	(200,000.00)
	(200,000.00)
Ending Balance, June 30, 2021	\$ 1,578,148.25

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 3. Reserve Accounts (Continued)**

Unemployment Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

The activity of the unemployment claim reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020 (Restated)	\$	100,569.14
Increased by:		
Interest Earnings		227.63
Ending Balance, June 30, 2021	\$	100,796.77

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2021 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2021, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	General Fund	Special Revenue Fund	
Federal Awards	\$ -	\$ 261,370.38	\$ 261,370.38
State Awards	283,939.00	-	283,939.00
Tuition	255,619.64	-	255,619.64
Other	-	38,563.16	38,563.16
Total	\$ 539,558.64	\$ 299,933.54	\$ 839,492.18
		Proprietary Funds	
		Food Service Fund	Total Business-Type Activities
State Awards		\$ 621.44	\$ 621.44
Other		35,384.76	35,384.76
Total		\$ 46,257.44	\$ 46,257.44

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2021 was as follows:

	Governmental Activities			
	Balance July 1, 2020	Additions	Retirements and Transfers	Balance June 30, 2021
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 5,379,640.00			\$ 5,379,640.00
Construction in Progress	9,324,325.39	8,986,315.32		18,310,640.71
Total Capital Assets not being depreciated	<u>14,703,965.39</u>	<u>8,986,315.32</u>	-	<u>23,690,280.71</u>
Capital Assets being depreciated:				
Site Improvements	3,940,791.00		-	3,940,791.00
Buildings and Improvements	27,663,290.00		-	27,663,290.00
Equipment	3,940,218.77	312,149.98	-	4,252,368.75
Total Capital Assets being depreciated	<u>35,544,299.77</u>	<u>312,149.98</u>	-	<u>35,856,449.75</u>
Less: Accumulated Depreciation:				
Site Improvements	(2,213,387.00)	(33,922.00)	-	(2,247,309.00)
Buildings and Improvements	(19,879,798.00)	(666,333.00)	-	(20,546,131.00)
Equipment	(3,728,205.27)	(85,688.27)	-	(3,813,893.54)
Total Accumulated Depreciation	<u>(25,821,390.27)</u>	<u>(785,943.27)</u>	-	<u>(26,607,333.54)</u>
Total Capital Assets being depreciated, net	<u>9,722,909.50</u>	<u>(473,793.29)</u>	-	<u>9,249,116.21</u>
Total Governmental Activities Capital Assets, net	<u>\$ 24,426,874.89</u>	<u>\$ 8,512,522.03</u>	<u>\$ -</u>	<u>\$ 32,939,396.92</u>
<b>Business-Type Activities</b>				
	Balance July 1, 2020	Additions	Retirements and Transfers	Balance June 30, 2021
<b>Business-Type Activities:</b>				
Equipment	\$ 180,235.03	\$ -	\$ -	\$ 180,235.03
Total Capital Assets being depreciated	<u>180,235.03</u>	<u>-</u>	<u>-</u>	<u>180,235.03</u>
Less: Accumulated Depreciation:				
Equipment	(142,645.23)	(6,506.40)	-	(149,151.63)
Total Capital Assets being depreciated, net	<u>(142,645.23)</u>	<u>(6,506.40)</u>	<u>-</u>	<u>(149,151.63)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 37,589.80</u>	<u>\$ (6,506.40)</u>	<u>\$ -</u>	<u>\$ 31,083.40</u>

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 5. Capital Assets (Continued)**

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

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 328,955.84
Special Education Instruction	53,671.08
Other Instruction	41,223.68
Support Services:	
Tuition	62,494.23
Student & Instruction Related Services	111,118.97
General Administrative	22,472.24
School Administrative Services	21,951.72
Central Services	18,007.60
Administrative Info. Technology	8,239.29
Plant Operations & Maintenance	78,664.30
Pupil Transportation	39,144.32
	\$ 785,943.27
Total Depreciation Expense - Governmental Activities	\$ 785,943.27

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2021 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 87,066.66	\$ 55,752.59
Special Revenue Fund	42,932.13	-
Capital Projects Fund	-	87,066.66
Enterprise Fund	12,820.46	-
	\$ 142,819.25	\$ 142,819.25

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

There was interfund transfers for the year ended June 30, 2021. A summary of interfund transfers are as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 87,066.66	\$ 35,292.04
Capital Projects	-	87,066.66
Enterprise Fund	35,292.04	-
	\$ 122,358.70	\$ 122,358.70

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2021 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Balance Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 20,690,000.00	\$ -	\$ 675,000.00	\$ 20,015,000.00	\$ 1,215,000.00
Capital Leases	99,973.31	-	99,973.31	-	-
Unamortized Bond					
Premiums	13,115.15	-	6,557.57	6,557.58	6,557.57
Bond Anticipation Notes	1,700,000.00	-	1,700,000.00	-	-
Compensated Absences	128,233.45	15,790.00	44,365.95	99,657.50	19,894.05
Net Pension Liability	6,353,707.00	4,137,553.00	4,606,557.00	5,884,703.00	-
	<u>\$ 28,985,028.91</u>	<u>\$ 4,153,343.00</u>	<u>\$ 7,132,453.83</u>	<u>\$ 26,005,918.08</u>	<u>\$ 1,241,451.62</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, capital leases, unamortized bond premiums and the net pension liability are liquidated by the general fund.

**Bonds Payable**

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

On March 15, 2003, the School District issued \$1,600,000.00 of Refunding Bonds to refund the callable portion of the outstanding Bond Issue. The Refunding Bonds were issued at interest rates varying from 1.50% to 5.30% and mature on July 15th of each year.

On April 24, 2010, the School District issued \$5,300,000.00 of Refunding Bonds to refund the callable portion of the outstanding Bond Issue. The Refunding Bonds were issued at interest rates varying from 2.00% to 5.40% and mature on February 15th of each year.

On July 23, 2019, the School District issued \$19,450,000.00 of Monmouth County Improvement Bonds. The Monmouth County Improvement Bonds were issued at varying rates of interest of 3.00% to 4.00% and mature on August 1, 2039.

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,215,000.00	\$ 782,250.00	\$ 1,997,250.00
2023	745,000.00	729,350.00	1,474,350.00
2024	775,000.00	702,825.00	1,477,825.00
2025	800,000.00	675,200.00	1,475,200.00
2026	835,000.00	642,500.00	1,477,500.00
2027-2031	4,705,000.00	2,674,100.00	7,379,100.00
2032-2036	5,745,000.00	1,632,100.00	7,377,100.00
2037-2040	5,195,000.00	415,900.00	5,610,900.00
	<u>\$ 20,015,000.00</u>	<u>\$ 8,254,225.00</u>	<u>\$ 28,269,225.00</u>

**Bonds Authorized but not Issued**

As of June 30, 2021, the School District had no bonds authorized but not issued.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans**

**A. Public Employees' Retirement System (PERS)**

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

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

The following represents the membership tiers for PERS:

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

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

**Contributions** - The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

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

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2021, the School District reported a liability of \$5,884,703 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2019, to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The School District's proportion measured as of June 30, 2020, was 0.0360861244%, which was an increase of 0.000823959% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the School District recognized full accrual pension expense of \$308,909 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date. At June 30, 2021 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 107,151.00	\$ 20,811.00
Changes of Assumptions	190,906.00	2,463,981.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	201,144.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	535,004.00	325,802.00
School District contributions subsequent to measurement date	<u>400,000.00</u>	<u>-</u>
	<u>\$ 1,434,205.00</u>	<u>\$ 2,810,594.00</u>

\$400,000 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2020-2021 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2022 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Year Ending June 30,</b>	
2022	\$ (500,399.00)
2023	(656,637.00)
2024	(396,594.00)
2025	(194,857.00)
2026	(27,902.00)
	<u>\$ (1,776,389.00)</u>

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
Changes in Proportion and Differences between District Contributions		
Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00% Based on Age
Thereafter	3.00% - 7.00% Based on Age
Investment Rate of Return	7.00%
Mortality Rate of Return:	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 and the nonemployer contributing entity will be based on 78% 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. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2020, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(6.00%)</u></b>	<b>At Current Discount Rate <u>(7.00%)</u></b>	<b>At 1% Increase <u>(8.00%)</u></b>
School District's Proportionate Share of the Net Pension Liability	\$ 7,466,111.00	\$ 5,884,703.00	\$ 4,628,374.00

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2021</u>	<u>6/30/2020</u>
Collective Deferred Outflows of Resources	\$ 2,347,583,337.00	\$ 3,149,522,616.00
Collective Deferred Inflows of Resources	\$ 7,849,949,467.00	\$ 7,645,087,574.00
Collective Net Pension Liability	\$16,435,616,426.00	\$18,143,832,135.00
School District's portion	0.03609%	0.03526%

**B. Teachers' Pension and Annuity Fund (TPAF)**

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

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

The following represents the membership tiers for TPAF:

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

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

**Contributions** - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was \$67,196,937. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1020473273%, which was an increase of 0.0005193219% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized a pension expense in the amount of \$2,312,421 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2020 measurement date.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods 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%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the 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-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(4.40%)</u></b>	<b>At Current Discount Rate <u>(5.40%)</u></b>	<b>At 1% Increase <u>(6.40%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 78,930,672.00	\$ 67,196,937.00	\$ 57,454,039.00

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

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 9,626,548,228.00	\$ 10,129,162,237.00
Collective Deferred Inflows of Resources	\$ 14,591,988,841.00	\$ 17,736,240,054.00
Collective Net Pension Liability	\$ 65,993,498,688.00	\$ 61,519,112,443.00
School District's portion	0.10205%	0.10153%

**C. Defined Contribution Retirement Plan (DCRP)**

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.



**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 8. Pension Plans (Continued)**

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

For the year ended June 30, 2021, employee contributions totaled \$0, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$0.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

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

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

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

**Basis of Presentation**

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

<b>Inflation Rate</b>	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25%
	based on years of service	based on age	based on age
Thereafter	1.55 - 4.45%	3.00 - 7.00%	Applied to
	based on years of service	based on years of service	all future years

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2020. 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 the scale MP-2020. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2020.

The actuarial assumptions used in the June 30, 2019 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, PFRS and PERS, respectively.

**OPEB Obligation and OPEB Expense** - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2020 was \$60,744,523. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2020, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the OPEB Obligation attributable to the School District was 0.0895805287%, which was an increase of 0.0003170605% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB expense in the amount of \$3,071,718 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2020 measurement date.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend is 5.0%.

**Discount Rate**

The discount rate for June 30, 2020 was 2.21%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2020</b>		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 73,230,658	\$ 60,744,523	\$ 50,981,568
State of New Jersey's Total Nonemployer OPEB Liability	\$ 81,748,410,002	\$ 67,809,962,608	\$ 56,911,439,160

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

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

The following presents the total nonemployer OPEB liability as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2020</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 49,035,027	\$ 60,744,523	\$ 74,687,930
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,738,488,540	\$ 67,809,962,608	\$ 83,375,182,975

\* See Healthcare Cost Trend Assumptions for details of rates.

**Additional Information**

Collective balances of the Local Group at June 30, 2020 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience	\$ 10,295,318,750	\$ (9,170,703,615)
Change in Assumptions	11,534,251,250	(7,737,500,827)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	N/A
	\$ 21,829,570,000	\$ (16,908,204,442)

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Additional Information (continued):**

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

Fiscal Year Ending June 30,		
2021	\$	43,440,417
2022		43,440,417
2023		43,440,417
2024		43,440,417
2025		43,440,417
Thereafter		4,704,163,473
	<u>\$</u>	<u>4,921,365,558</u>

\*\* Employer Contributions made after June 30, 2021 are reported as a deferred outflow of resources, but are not amortized in expense.

**Plan Membership**

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

	<u>June 30, 2019</u>
Active Plan Members	216,804
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	149,304
	<u>366,108</u>

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

<b>Total OPEB Liability</b>	
Service Cost	\$ 1,790,973,822
Interest Cost	1,503,341,357
Difference Between Expected & Actual Experience	11,544,750,637
Changes of Assumptions	12,386,549,981
Contributions: Member	35,781,384
Gross Benefit Payments	<u>(1,180,515,618)</u>
Net Change in Total OPEB Liability	26,080,881,563
Total OPEB Liability (Beginning)	<u>41,729,081,045</u>
Total OPEB Liability (Ending)	<u>\$ 67,809,962,608</u>
Total Covered Employee Payroll	14,267,738,657
Net OPEB Liability as a Percentage of Payroll	475%

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2021, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,049,126, \$821,4734, \$855,549 and \$2,125, respectively.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 11. Risk Management**

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

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

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	Ending Balance	
			<u>Restricted Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2021	\$ 34,113.66	\$ 9,623.18	\$ 100,796.77	\$ 24,262.85
2020	33,748.66	53,736.14	100,569.14	-
2019	35,321.49	20,367.27	120,556.62	-

\*Starting on July 1, 2020 Unemployment is accounted for in the General fund

As of June 30, 2021 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated unemployment claims.

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

**Joint Insurance Pool** – The School District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property - Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers' Compensation
School Board Legal Liability	Comprehensive Crime Coverage
Employers Liability	Excess Liability

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 12. Contingencies (Continued)**

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

**Note 13. Deferred Compensation**

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

AXA Equitable	Aspire
Lincoln Financial	Vanguard/JP Morgan Chase

**Note 14. Compensated Absences**

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2021, the liability for compensated absences reported was \$99,657.50.

**Note 15. Tax Abatements**

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 15. Tax Abatements (Continued)**

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

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 was \$0.

**Note 17. Fund Balances**

**General Fund** – Of the \$8,496,509.65 General Fund fund balance at June 30, 2021, \$3,452,330.13 has been restricted for the Capital Reserve Account; \$1,578,148.25 has been restricted for the Maintenance Reserve Account; \$125,715.60 has been restricted for the Emergency Reserve Account; \$100,796.77 has been restricted for Unemployment Claims; \$2,129,868.40 has been assigned to other purposes; and \$1,109,650.50 has been unassigned.

**Special Revenue Fund** – Of the \$3,361,393.10 Special Revenue Fund fund balance at June 30, 2021, \$3,227,062.03 is restricted for scholarships and \$134,331.07 is restricted for student activities.

**Capital Projects Fund** – Of the \$5,535,950.76 Capital Projects Fund fund balance at June 30, 2021, \$5,535,950.76 is restricted for future capital projects approved by the School District.

**Debt Service Fund** – Of the \$4,900.61 Debt Service Fund fund balance at June 30, 2021, \$4,900.61 is restricted for future debt service payments.

**Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$4,850,053.52 at June 30, 2021. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2021. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 19: Prior Period Adjustment/Restatement of Fund Balance and Net Position**

Net Position as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

Net Position as previously reported at June 30, 2020	\$ 14,042,566.99
Prior Period Adjustment-	
Implementation of GASB 84:	
Restricted Fund Balance-Unemployment	100,569.14
Restricted Fund Balance-Student Activities	3,173,431.17
Restricted Fund Balance- Scholarship	<u>141,070.72</u>
Total Prior Period Adjustment	<u>3,415,071.03</u>
Net Position as restated, July 1, 2020	<u><u>\$ 17,457,638.02</u></u>

Fund Balance in the General Fund and the Special Revenue Fund as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

	<b>General Fund</b>	<b>Special Revenue Fund</b>
Fund Balance as previously reported at June 30, 2020	\$ 4,088,305.61	\$ -
Prior Period Adjustment-		
Implementation of GASB 84:		
Restricted Fund Balance-Unemployment	100,569.14	-
Restricted Fund Balance-Student Activities	-	141,070.72
Restricted Fund Balance- Scholarship	-	<u>3,173,431.17</u>
Total Prior Period Adjustment	<u>100,569.14</u>	<u>3,314,501.89</u>
Fund Balance as restated, July 1, 2020	<u><u>\$ 4,188,874.75</u></u>	<u><u>\$ 3,314,501.89</u></u>

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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2021**

ACCOUNT NUMBERS	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 24,611,107.00	\$ -	\$ 24,611,107.00	\$ 24,611,106.00	\$ (1.00)
Tuition From Individuals	78,750.00	-	78,750.00	329,554.00	250,804.00
Tuition From Other LEAs Within State	2,756,250.00	-	2,756,250.00	2,988,729.96	232,479.96
Tuition From Summer School	-	-	-	6,112.50	6,112.50
Transportation Fees From Other LEAs	50,000.00	-	50,000.00	96,345.86	46,345.86
Rents and Royalties	-	-	-	1,202.00	1,202.00
Unrestricted Miscellaneous Revenues	25,000.00	-	25,000.00	60,509.87	35,509.87
<b>Total Local Sources</b>	<b>27,521,107.00</b>	<b>-</b>	<b>27,521,107.00</b>	<b>28,093,560.19</b>	<b>572,453.19</b>
State Sources:					
Categorical Transportation Aid	329,380.00	-	329,380.00	329,380.00	-
Extraordinary Aid	-	-	-	267,672.00	267,672.00
Categorical Special Education Aid	718,464.00	(61,464.00)	657,000.00	657,000.00	-
Equalization Aid	85,945.00	-	85,945.00	85,945.00	-
Categorical Security Aid	149,757.00	-	149,757.00	149,757.00	-
Adjustment Aid	20,284.00	-	20,284.00	20,284.00	-
Other State Aids	-	-	-	16,267.00	16,267.00
Nonbudgeted:					
TPAF Pension (on-behalf)	-	-	-	3,049,126.00	3,049,126.00
TPAF Social Security (reimbursed)	-	-	-	821,473.81	821,473.81
TPAF Post Retirements	-	-	-	955,549.00	955,549.00
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	2,125.00	2,125.00
<b>Total State Sources</b>	<b>1,303,830.00</b>	<b>(61,464.00)</b>	<b>1,242,366.00</b>	<b>6,354,578.81</b>	<b>5,112,212.81</b>
Federal Sources:					
Medicaid Reimbursement	14,394.00	-	14,394.00	2,844.86	(11,549.14)
<b>Total Federal Sources</b>	<b>14,394.00</b>	<b>-</b>	<b>14,394.00</b>	<b>2,844.86</b>	<b>(11,549.14)</b>
<b>Total Revenues</b>	<b>28,839,331.00</b>	<b>(61,464.00)</b>	<b>28,777,867.00</b>	<b>34,450,983.86</b>	<b>5,673,116.86</b>

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

	ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	11-140-100-101	7,996,671.00	(387,640.25)	7,609,030.75	119,831.83
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	20,000.00	(5,000.00)	15,000.00	15,000.00
Purchased Professional - Educational Services	11-150-100-320	25,000.00	-	25,000.00	15,173.50
Regular Programs - Undistributed Instruction:					
Salaries of Teachers	11-190-100-101	-	290,000.00	290,000.00	186,163.98
Other Salaries for Instruction	11-190-100-106	375,000.00	(234,000.00)	141,000.00	88,906.65
Purchased Professional - Educational Services	11-190-100-320	11,540.00	(7,800.00)	3,740.00	2,290.00
Purchased Technical Services	11-190-100-340	201,904.00	(46,900.00)	155,004.00	973.67
Other Purchased Services	11-190-100-500	14,260.00	(3,600.00)	10,660.00	3,953.09
General Supplies	11-190-100-610	655,419.05	68,041.00	723,460.05	177,316.82
Textbooks	11-190-100-640	33,151.40	(6,341.00)	26,810.40	19,169.49
Other Objects	11-190-100-800	94,742.69	(500.00)	94,242.69	63,087.78
<b>Total Regular Programs - Instruction</b>		<b>9,427,688.14</b>	<b>(333,740.25)</b>	<b>9,093,947.89</b>	<b>691,866.81</b>
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	11-201-100-101	145,375.00	-	145,375.00	3,285.98
Other Salaries for Instruction	11-201-100-106	162,120.00	(63,100.00)	99,020.00	6,653.81
General Supplies	11-201-100-610	3,250.00	6,000.00	9,250.00	7,166.90
<b>Total Cognitive - Mild</b>		<b>310,745.00</b>	<b>(57,100.00)</b>	<b>253,645.00</b>	<b>17,106.69</b>
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	687,775.00	167,772.16	855,547.16	23,280.95
Other Salaries	11-213-100-106	342,414.00	166,776.67	509,190.67	26,918.20
General Supplies	11-213-100-610	3,400.00	-	3,400.00	2,400.61
<b>Total Resource Room/Resource Center</b>		<b>1,033,589.00</b>	<b>334,548.83</b>	<b>1,368,137.83</b>	<b>52,599.76</b>
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	10,000.00	-	10,000.00	4,120.00
Other Purchased Services	11-219-100-500	20,000.00	-	20,000.00	19,900.00
<b>Total Home Instruction</b>		<b>30,000.00</b>	<b>-</b>	<b>30,000.00</b>	<b>24,020.00</b>



RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Total Special Education - Instruction	1,374,334.00	277,448.83	1,651,782.83	93,726.45
Bilingual Education - Instruction:				
Salaries of Teachers	210,950.00	32,117.50	243,067.50	7.50
Other Salaries for Instruction	197,192.00	(13,200.00)	183,992.00	19,156.62
General Supplies	2,400.00	-	2,400.00	1,160.20
Total Bilingual Education - Instruction	410,542.00	18,917.50	429,459.50	20,324.32
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:				
Salaries	233,000.00	(4,590.00)	228,410.00	107,868.80
Supplies and Materials	7,500.00	500.00	8,000.00	8,000.00
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction	240,500.00	(4,090.00)	236,410.00	115,868.80
School-Sponsored Athletics - Instruction:				
Salaries	581,097.52	(44,448.89)	536,648.63	47,279.00
Purchased Services	166,015.00	(48,252.11)	117,762.89	22,081.47
Supplies and Materials	69,492.00	87,256.00	156,748.00	99,314.15
Other Objects	2,393.00	1,945.00	4,338.00	1.02
Total School-Sponsored Athletics - Instruction	818,997.52	(3,500.00)	815,497.52	168,675.64
Summer School - Instruction:				
Salaries of Teachers	45,000.00	(2,800.00)	42,200.00	24,786.30
Other Salaries of Instruction	-	2,800.00	2,800.00	-
General Supplies	500.00	-	500.00	500.00
Total Summer School - Instruction	45,500.00	-	45,500.00	25,286.30

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Summer School - Support Services: Salaries	31,885.00	(25,511.64)	6,373.36	6,373.36	
Total Summer School - Support Services	31,885.00	(25,511.64)	6,373.36	6,373.36	
Undistributed Expenditures - Instruction (Tuition): Tuition to Other LEAs Within State - Special Tuition to County Vocational School - Regular Tuition to County Vocational School - Special Tuition to County Special Services & Regular Day Schools Tuition to Private School Disabled - Within State Tuition to Private School Disabled & Other LEAs - Outside State Tuition - State Facilities	- 504,000.00 162,000.00 80,000.00 1,755,284.00 83,000.00 141,688.00	77,018.00 - - - (324,331.00) 25,000.00 -	77,018.00 504,000.00 162,000.00 80,000.00 1,430,953.00 108,000.00 141,688.00	77,018.00 408,912.50 113,700.00 - 992,571.15 80,300.35 141,688.00	- 95,087.50 48,300.00 80,000.00 438,381.85 27,699.65 -
Total Undistributed Expenditures - Instruction (Tuition)	2,725,972.00	(222,313.00)	2,503,659.00	1,814,190.00	
Undistributed Expenditures Attendance and Social Work: Salaries Salaries of Community/School Coordinators	220,900.00 187,757.00	22,224.34 (1,288.19)	243,124.34 186,468.81	209,997.84 175,353.31	33,126.50 11,115.50
Total Undistributed Expenditures Attendance and Social Work	408,657.00	20,936.15	429,593.15	385,351.15	
Undistributed Expenditures - Health Services: Salaries Purchased Professional & Technical Services Supplies and Materials Other Objects	165,821.00 22,027.77 4,823.77 400.00	(38,620.87) (8,067.28) 3,000.00 -	127,200.13 13,960.49 7,823.77 400.00	119,562.93 12,810.59 6,439.48 367.00	7,637.20 1,149.90 1,384.29 33.00
Total Undistributed Expenditures - Health Services	193,072.54	(43,688.15)	149,384.39	139,180.00	
Undistributed Expenditures - Speech, OT, PT and Related Services: Salaries	62,620.00	-	62,620.00	62,620.00	
Total Undistributed Expenditures - Speech, OT, PT and Related Services	62,620.00	-	62,620.00	62,620.00	
Undistributed Expenditures - Other Support Services - Extra Services: Salaries	149,440.00	(146,440.00)	3,000.00	-	
Total Undistributed Expenditures - Other Support Services - Extra Services	149,440.00	(146,440.00)	3,000.00	3,000.00	

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	545,558.00	16,857.98	562,415.98	4,513.50
Salaries of Secretaries & Clerical Assistants	11-000-218-105	113,269.00	(23,237.00)	90,032.00	8,320.39
Purchased Professional - Educational Services	11-000-218-320	51,500.00	(15,150.12)	36,349.88	3,460.86
Other Purchased Professional and Technical Services	11-000-218-390	25,090.00	4,500.00	29,590.00	220.61
Other Purchased Services	11-000-218-500	5,200.00	(3,400.00)	1,800.00	24.00
Supplies and Materials	11-000-218-600	14,300.00	(10,698.00)	3,602.00	324.75
Other Objects	11-000-218-800	1,815.00	(2.00)	1,813.00	310.00
<b>Total Undistributed Expenditures - Guidance</b>		<b>756,732.00</b>	<b>(31,129.14)</b>	<b>725,602.86</b>	<b>17,174.11</b>
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	545,863.00	9,166.22	555,029.22	347.00
Salaries of Secretaries & Clerical Assistants	11-000-219-105	62,800.00	249.92	63,049.92	-
Other Purchased Prof. and Tech. Services	11-000-219-390	33,000.00	-	33,000.00	30,268.31
Supplies and Materials	11-000-219-600	6,291.96	-	6,291.96	3,972.64
Other Objects	11-000-219-800	2,000.00	-	2,000.00	1,210.00
<b>Total Undistributed Expenditures - Child Study Teams</b>		<b>649,954.96</b>	<b>9,416.14</b>	<b>659,371.10</b>	<b>35,797.95</b>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	458,182.00	76,752.97	534,934.97	6,987.47
Salaries of Sec. and Clerical Assists.	11-000-221-105	91,664.00	11,465.31	103,129.31	-
Other Salaries	11-000-221-110	5,000.00	6,850.00	11,850.00	4,875.00
Sal. of Fac., Math, Literacy Coaches	11-000-221-176	90,411.00	(72,816.00)	17,595.00	6,405.00
<b>Total Undistributed Expenditures - Improvement of Instruction Services</b>		<b>645,257.00</b>	<b>22,252.28</b>	<b>667,509.28</b>	<b>18,267.47</b>
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	159,940.00	1,225.00	161,165.00	0.08
Purchased Professional and Technical Services	11-000-222-300	-	17,650.00	17,650.00	24.71
Supplies and Materials	11-000-222-600	33,760.00	(17,715.00)	16,045.00	4,067.80
Other Objects	11-000-222-800	-	65.00	65.00	-
<b>Total Undistributed Expenditures - Educational Media Services/Library</b>		<b>193,700.00</b>	<b>1,225.00</b>	<b>194,925.00</b>	<b>4,092.59</b>

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

	ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional - Educational Services	11-000-223-320	178.00	(178.00)	-	-
Other Purchased Services	11-000-223-500	27,907.00	(17,854.04)	10,052.96	10,051.44
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>		<b>28,085.00</b>	<b>(18,032.04)</b>	<b>10,052.96</b>	<b>10,051.44</b>
Undistributed Expenditures - Support Services - General Administration:					
Salaries	11-000-230-100	258,383.00	1,500.00	259,883.00	253,116.89
Legal Services	11-000-230-331	60,000.00	25,800.00	85,800.00	85,793.75
Audit Fees	11-000-230-332	45,000.00	2,000.00	47,000.00	41,045.00
Architectural/Engineering Services	11-000-230-334	15,000.00	(8,300.00)	6,700.00	-
Other Purchased Professional Services	11-000-230-339	37,900.00	9,000.00	46,900.00	15,930.00
Communications/Telephone	11-000-230-530	56,000.00	24,750.00	80,750.00	29,391.98
BOE Other Purchased Professional Services	11-000-230-585	3,500.00	6,000.00	9,500.00	29.75
Other Purchased Services	11-000-230-590	261,915.00	(2,500.00)	259,415.00	206,962.32
General Supplies	11-000-230-610	2,375.48	11,500.00	13,875.48	2,400.48
BOE In-House Training/Meeting Supplies	11-000-230-630	1,500.00	2,500.00	4,000.00	814.11
Miscellaneous Expenditures	11-000-230-890	6,840.00	(1,090.00)	5,750.00	3,789.00
BOE Membership Dues and Fees	11-000-230-895	12,000.00	4,090.00	16,090.00	13,089.70
<b>Total Undistributed Expenditures - Support Services - General Administration</b>		<b>760,413.48</b>	<b>75,250.00</b>	<b>835,663.48</b>	<b>652,362.98</b>
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	11-000-240-103	447,760.00	18,000.00	465,760.00	441,081.78
Salaries of Secretaries & Clerical Assistants	11-000-240-105	172,833.00	847.36	173,680.36	154,184.35
Supplies and Materials	11-000-240-600	56,492.68	43,563.00	100,055.68	41,842.23
Other Objects	11-000-240-800	4,000.00	5,000.00	9,000.00	144.00
<b>Total Undistributed Expenditures - Support Services - School Administration</b>		<b>681,085.68</b>	<b>67,410.36</b>	<b>748,496.04</b>	<b>637,252.36</b>
Undistributed Expenditures - Central Services:					
Salaries	11-000-251-100	450,136.00	1,300.00	451,436.00	437,544.14
Purchased Professional Services	11-000-251-330	10,850.00	16,000.00	26,850.00	14,993.40
Purchased Technical Services	11-000-251-335	47,450.00	(47,450.00)	-	-
Purchased Technical Services	11-000-251-340	1,109.85	61,950.00	63,059.85	48,837.62
<b>Total Undistributed Expenditures - Central Services</b>		<b>509,545.85</b>	<b>18,800.00</b>	<b>528,345.85</b>	<b>491,375.16</b>

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

	ACCOUNT NUMBERS	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Supplies and Materials	11-000-251-600	20,606.74	3,700.00	24,306.74	14,100.62	10,206.12
Interest on Current Loans	11-000-251-831	24,367.00	(8,000.00)	16,367.00	-	16,367.00
Interest on Lease Purchase Agreements	11-000-251-832	7,396.00	2,056.00	9,452.00	3,720.34	5,731.66
Miscellaneous Expenditures	11-000-251-890	5,850.00	5,000.00	10,850.00	3,559.46	7,290.54
Total Undistributed Expenditures - Central Services		567,765.59	34,556.00	602,321.59	522,755.58	79,566.01
Undistributed Expenditures - Administrative Information Technology:						
Salaries	11-000-252-100	246,129.00	10,000.00	256,129.00	239,184.15	16,944.85
Total Undistributed Expenditures - Administrative Information Technology		246,129.00	10,000.00	256,129.00	239,184.15	16,944.85
Undistributed Expenditures - Required Maintenance for School Facilities:						
Salaries	11-000-261-100	251,990.00	(73,980.39)	178,009.61	173,009.61	5,000.00
Cleaning, Repair & Maintenance Services	11-000-261-420	372,822.78	124,231.63	497,054.41	375,406.01	121,648.40
NB Construction Accounts	11-000-261-422	12,910.00	592.00	13,502.00	13,502.00	-
General Supplies	11-000-261-610	31,620.57	(867.32)	30,753.25	25,737.97	5,015.28
Total Undistributed Expenditures - Required Maintenance for School Facilities		669,343.35	49,975.92	719,319.27	587,655.59	131,663.68
Undistributed Expenditures - Custodial Services:						
Salaries	11-000-262-100	151,706.00	9,256.34	160,962.34	150,962.05	10,000.29
Salaries of Non-Instructional Aides	11-000-262-107	128,369.00	(3,250.00)	125,119.00	121,730.05	3,388.95
Purchased Professional and Technical Services	11-000-262-300	16,700.00	(14,000.00)	2,700.00	2,000.00	700.00
Cleaning, Repair & Maintenance Services	11-000-262-420	506,775.00	-	506,775.00	504,291.58	2,483.42
Other Purchased Property Services	11-000-262-490	70,000.00	(11,015.00)	58,985.00	56,078.70	2,906.30
Insurance	11-000-262-520	92,425.00	11,358.46	103,783.46	103,783.46	-
General Supplies	11-000-262-610	155,330.61	(15,263.46)	140,067.15	109,279.38	30,787.77
Energy (Natural Gas)	11-000-262-621	90,000.00	13,000.00	103,000.00	94,581.71	8,418.29
Energy (Electricity)	11-000-262-622	498,750.00	(54,563.32)	444,186.68	344,856.02	99,330.66
Other Objects	11-000-262-800	6,300.00	(3,000.00)	3,300.00	2,885.73	414.27
Total Undistributed Expenditures - Custodial Services		1,716,355.61	(67,476.98)	1,648,878.63	1,490,448.68	158,429.95
Undistributed Expenditures - Care and Upkeep of Grounds:						
Cleaning, Repair & Maintenance Services	11-000-263-420	34,000.00	26,300.00	60,300.00	9,099.91	51,200.09
General Supplies	11-000-263-610	35,025.20	1,627.00	36,652.20	20,574.45	16,077.75

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

	ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Total Undistributed Expenditures - Care and Upkeep of Grounds		69,025.20	27,927.00	96,952.20	29,674.36	67,277.84
Security:						
Salaries	11-000-266-100	96,621.00	5,326.04	101,947.04	97,525.95	4,421.09
Purchased Professional and Technical Services	11-000-266-300	76,908.00	877.00	77,785.00	77,285.00	500.00
Cleaning, Repair, and Maintenance Services	11-000-266-420	1,500.00	(377.00)	1,123.00	-	1,123.00
General Supplies	11-000-266-610	500.00	3,295.00	3,795.00	1,013.16	2,781.84
Total Security		175,529.00	9,121.04	184,650.04	175,824.11	8,825.93
Undistributed Expenditures - Student Transportation Services:						
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	56,403.00	-	56,403.00	42,841.45	13,561.55
Sal for Pupil Trans (Bet Home & Sch)- Sp Ed	11-000-270-161	17,701.00	-	17,701.00	12,458.39	5,242.61
Other Purchased Prof. and Technical Serv.	11-000-270-390	900.00	3,550.00	4,450.00	4,450.00	-
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	25,300.00	20,000.00	45,300.00	33,836.64	11,463.36
Contract Services (Between Home & School) - Vendors	11-000-270-511	535,728.83	(3,550.00)	532,178.83	310,201.57	221,977.26
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	210,062.00	(26,350.00)	183,712.00	64,291.68	119,420.32
Contract Services (Special Education) - Vendors	11-000-270-514	195,165.54	-	195,165.54	77,232.20	117,933.34
Contract Serv.(Spl. Ed. Students)-ESCs & CTSA	11-000-270-517	887,136.63	-	887,136.63	356,446.57	530,690.06
Contract Services (Special Education) - ESCs & CTSA	11-000-270-518	480,320.53	-	480,320.53	234,590.29	245,730.24
Total Undistributed Expenditures - Student Transportation Services		2,408,717.53	(6,350.00)	2,402,367.53	1,136,348.79	1,266,018.74
Unallocated Benefits:						
Social Security Contributions	11-000-291-220	350,000.00	-	350,000.00	289,377.92	60,622.08
Other Retirement Contributions - PERS	11-000-291-241	378,701.00	16,064.00	394,765.00	394,765.00	-
Unemployment Compensation	11-000-291-250	5,000.00	-	5,000.00	-	5,000.00
Workmen's Compensation	11-000-291-260	169,000.00	(26,064.00)	142,936.00	123,408.46	19,527.54
Health Benefits	11-000-291-270	3,527,850.00	(12,100.00)	3,515,750.00	3,117,494.30	398,255.70
Tuition Reimbursement	11-000-291-280	60,000.00	-	60,000.00	27,523.00	32,477.00
Other Employee Benefits	11-000-291-290	150,500.00	15,141.00	165,641.00	106,031.46	59,609.54
Total Unallocated Benefits		4,641,051.00	(6,959.00)	4,634,092.00	4,058,600.14	575,491.86

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	3,049,126.00
TPAF Social Security (reimbursed)	-	-	-	821,473.81
TPAF Post Retirements	-	-	-	955,549.00
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	2,125.00
Total Undistributed Expenditures	17,748,905.94	(214,318.42)	17,534,587.52	18,941,849.26
Total Expenditures - Current Expense	30,098,352.60	(284,793.98)	29,813,558.62	30,098,698.68
Capital Outlay:				
Equipment:				
Grades 9-12	124,112.04	7,952.80	132,064.84	33,890.84
Cognitive - Mild	-	4,204.00	4,204.00	-
Undistributed Expenditures:				
Undist. Expend.-Support Serv.- Students - Reg	-	29,349.00	29,349.00	16,885.00
Central Services	-	35,944.00	35,944.00	-
Undist. Expend. - Required Maint for School Fac.	-	81,490.91	81,490.91	-
Undist. Expend. - Custodial Services	-	29,097.23	29,097.23	12,098.06
Total Equipment	124,112.04	188,037.94	312,149.98	62,873.90
Facilities Acquisition & Construction Services:				
Assessment for Debt Service on SDA Funding	39,063.00	-	39,063.00	39,063.00
Total Facilities Acquisition & Construction Services	39,063.00	-	39,063.00	39,063.00
Total Capital Outlay	163,175.04	188,037.94	351,212.98	101,936.90
Total Expenditures	30,261,527.64	(96,756.04)	30,164,771.60	30,200,635.58
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)	(1,422,196.64)	35,292.04	(1,386,904.60)	4,250,348.28
				5,637,252.88

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2021**

ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Financing Sources/(Uses):				
Transfers In(Out):				
Transfer from Capital Projects	-	-	-	87,066.66
Transfers to Cover Deficit (Enterprise Fund)	-	(35,292.04)	(35,292.04)	-
Total Other Financing Sources/(Uses)	-	(35,292.04)	(35,292.04)	87,066.66
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(1,422,196.64)	-	(1,422,196.64)	5,724,319.54
Fund Balances, July 1 (As Restated)	4,300,547.75	-	4,300,547.75	-
Fund Balances, June 30	\$ 2,878,351.11	\$ -	\$ 2,878,351.11	\$ 5,724,319.54

**RECAPULATION OF FUND BALANCE**

Restricted Fund Balance:	
Capital Reserve	\$ 3,452,330.13
Maintenance Reserve	1,578,148.25
Emergency Reserve	125,715.60
Reserve for Unemployment Claims	100,796.77
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	329,098.00
Year-End Encumbrances	1,800,770.40
Unassigned Fund Balance	1,215,811.50
Subtotal	8,602,670.65
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(106,161.00)
Fund Balance per Governmental Funds (GAAP)	\$ 8,496,509.65



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 3,513,471.79	\$ 3,513,471.79	\$ 186,506.99	\$ 3,326,964.80
State Sources	655,045.00	77,859.00	732,904.00	694,652.04	38,251.96
Federal Sources	405,458.00	403,994.90	809,452.90	686,513.62	122,939.28
<b>Total Revenues</b>	<b>1,060,503.00</b>	<b>3,995,325.69</b>	<b>5,055,828.69</b>	<b>1,567,672.65</b>	<b>3,488,156.04</b>
Expenditures:					
Instruction:					
Salaries of Teachers	312,387.00	9,525.50	321,912.50	301,474.00	20,438.50
Purchased Professional - Educational Services	166,632.00	42,873.00	209,505.00	180,779.54	28,725.46
Other Purchased Services (400-500 Series)	310,065.00	113,068.00	423,133.00	415,509.85	7,623.15
General Supplies	1,000.00	132,360.10	133,360.10	124,067.94	9,292.16
Textbooks	33,102.00	10,577.00	43,679.00	42,476.06	1,202.94
<b>Total Instruction</b>	<b>823,186.00</b>	<b>308,403.60</b>	<b>1,131,589.60</b>	<b>1,064,307.39</b>	<b>67,282.21</b>
Support Services:					
Salaries of Other Professional Staff	9,000.00	41,645.00	50,645.00	37,990.00	12,655.00
Personal Services - Employee Benefits	4,730.53	2,549.47	7,280.00	4,730.53	2,549.47
Purchased Educational Services	170,873.47	60,402.15	231,275.62	168,649.03	62,626.59
Other Purchased Services (400-500 Series)	47,455.00	16,406.82	63,861.82	50,331.00	13,530.82
Supplies and Materials	5,258.00	79,794.84	85,052.84	70,042.78	15,010.06
Scholarships Awarded	-	3,234,215.85	3,234,215.85	7,153.82	3,227,062.03
Student Activities	-	251,907.96	251,907.96	117,576.89	134,331.07
<b>Total Support Services</b>	<b>237,317.00</b>	<b>3,686,922.09</b>	<b>3,924,239.09</b>	<b>456,474.05</b>	<b>3,467,765.04</b>
<b>Total Expenditures</b>	<b>1,060,503.00</b>	<b>3,995,325.69</b>	<b>5,055,828.69</b>	<b>1,520,781.44</b>	<b>3,535,047.25</b>
<b>Total Outflows</b>	<b>1,060,503.00</b>	<b>3,995,325.69</b>	<b>5,055,828.69</b>	<b>1,520,781.44</b>	<b>3,535,047.25</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ 46,891.21	\$ (46,891.21)
Fund Balance, July 1 (Restated)				<u>3,314,501.89</u>	
Fund Balance, June 30				<u>\$ 3,361,393.10</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 3,227,062.03	
Student Activities				<u>134,331.07</u>	
<b>Total Fund Balance</b>				<u>\$ 3,361,393.10</u>	

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2021**

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

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 34,450,983.86	\$ 1,567,672.65
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(11,739.35)
Prior Year	-	94,847.11
<p>The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).</p>		
Current Year	(106,161.00)	-
Prior Year	111,673.00	-
<hr style="border: 1px solid black;"/>		
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 34,456,495.86</u>	<u>\$ 1,650,780.41</u>
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 30,200,635.58	\$ 1,520,781.44
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	83,107.76
<hr style="border: 1px solid black;"/>		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 30,200,635.58</u>	<u>\$ 1,603,889.20</u>

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
LAST EIGHT FISCAL YEARS\***

	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.0360861244%	0.0352621654%	0.0369389300%	0.0355153582%	0.0350742919%	0.0338573028%	0.0307837749%	0.0298459318%
School District's proportionate share of the net pension liability	\$ 5,884,703.00	\$ 6,353,707.00	\$ 7,273,091.00	\$ 7,801,840.00	\$ 10,387,999.00	\$ 7,600,286.00	\$ 5,763,565.00	\$ 5,704,151.00
School District's covered payroll	\$ 2,594,940.00	\$ 2,533,800.00	\$ 2,519,359.00	\$ 2,548,460.65	\$ 2,459,033.05	\$ 2,294,750.00	\$ 2,215,850.00	N/A
School District's proportionate share of the net pension liability as a percentage of its covered payroll	226.78%	250.76%	288.69%	306.14%	422.44%	314.96%	234.38%	N/A
Plan fiduciary net position as a percentage of the total pension liability	58.32%	0.00%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST EIGHT FISCAL YEARS\*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 394,764.00	\$ 342,997.00	\$ 325,461.00	\$ 367,423.00	\$ 310,484.00	\$ 311,595.00	\$ 291,082.00	\$ 253,777.00
Contributions in relation to the contractually required contribution	(394,764.00)	(342,997.00)	(325,461.00)	(367,423.00)	(310,484.00)	(311,595.00)	(291,082.00)	(253,777.00)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 2,496,838.00	\$ 2,594,940.00	\$ 2,533,800.00	\$ 2,519,359.00	\$ 2,548,460.65	\$ 2,459,033.05	\$ 2,294,750.00	\$ 2,294,750.00
Contributions as a percentage of covered payroll	15.81%	13.22%	12.84%	14.58%	12.18%	12.67%	11.84%	11.06%

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

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
 LAST EIGHT FISCAL YEARS\*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 67,196,937.00	\$ 62,308,695.00	\$ 63,178,746.00	\$ 66,544,890.00	\$ 76,775,498.00	\$ 59,703,767.00	\$ 51,271,493.00	\$ 52,088,826.00
School District's covered payroll	\$ 11,359,238.00	\$ 11,035,898.00	\$ 11,183,185.00	\$ 10,670,338.82	\$ 11,670,690.52	\$ 10,109,521.80	\$ 9,849,061.15	\$ 9,787,278.49
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**  
**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)**  
**LAST FOUR FISCAL YEAR\***

	2021	2020	2019	2018
<b>District's Total OPEB Liability</b>				
Service Cost	\$ 1,722,038	\$ 1,603,201	\$ 1,800,146	\$ 2,168,108
Interest Cost	1,346,189	1,621,728	1,779,186	1,532,754
Difference between expected and Actual	10,356,993	(6,273,362)	(5,405,856)	-
Changes of Assumptions	11,095,937	555,383	(4,687,904)	(6,349,237)
Contributions: Member	32,053	33,894	37,753	41,297
Gross Benefit Payments	(1,057,512)	(1,143,428)	(1,092,352)	(1,121,520)
Net Change in District's Total OPEB Liability	23,495,698	(3,602,584)	(7,569,027)	(3,728,598)
District's Total OPEB Liability (Beginning)	37,248,825	40,851,409	48,420,436	52,149,034
District's Total OPEB Liability (Ending)	<u>\$ 60,744,523</u>	<u>\$ 37,248,825</u>	<u>\$ 40,851,409</u>	<u>\$ 48,420,436</u>
District's Covered Employee Payroll	\$ 13,954,178	\$ 13,569,698	\$ 13,779,985	\$ 14,570,311
District's Net OPEB Liability as a Percentage of Payroll	435%	275%	296%	332%

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

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

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2021**

**Teachers Pension and Annuity Fund (TPAF)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020.

**Public Employees' Retirement System (PERS)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 6.28% as of June 30, 2019, to 7.00% as of June 30, 2020.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 3.50% as of June 30, 2019, to 2.21% as of June 30, 2020.

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

	Title I	Title IIA	Title III	I.D.E.A. - Basic	CARES	CRF
<b>Revenues:</b>						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	82,781.81	30,514.67	2,686.50	376,794.99	121,110.15	72,625.50
<b>Total Revenues</b>	<b>82,781.81</b>	<b>30,514.67</b>	<b>2,686.50</b>	<b>376,794.99</b>	<b>121,110.15</b>	<b>72,625.50</b>
<b>Expenditures:</b>						
<b>Instruction:</b>						
Salaries of Teachers	\$ 47,532.00	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	-	-	-	17,510.00	-	-
Other Purchased Services (400-500 Series)	-	-	586.50	258,960.00	-	-
General Supplies	-	-	-	1,451.10	101,110.15	18,299.60
Textbooks	-	-	-	-	-	-
<b>Total Instruction</b>	<b>47,532.00</b>	<b>-</b>	<b>586.50</b>	<b>277,921.10</b>	<b>101,110.15</b>	<b>18,299.60</b>
<b>Support Services:</b>						
Salaries of Other Professional Staff	14,345.00	-	-	-	-	-
Personal Services - Employee Benefits	4,730.53	-	-	-	-	-
Purchased Educational Services	14,000.00	-	-	91,816.32	-	-
Other Purchased Services (400-500 Series)	2,100.00	30,242.08	2,100.00	6,000.00	-	8,322.25
Supplies and Materials	74.28	272.59	-	1,057.57	20,000.00	46,003.65
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
<b>Total Support Services</b>	<b>35,249.81</b>	<b>30,514.67</b>	<b>2,100.00</b>	<b>98,873.89</b>	<b>20,000.00</b>	<b>54,325.90</b>
<b>Total Expenditures</b>	<b>82,781.81</b>	<b>30,514.67</b>	<b>2,686.50</b>	<b>376,794.99</b>	<b>121,110.15</b>	<b>72,625.50</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1 (Restated)	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

	Non Public Security Aid	Non Public Ch. 192 Auxiliary	Non Public Textbook	Non Public Nursing
<b>Revenues:</b>				
Local Sources	\$ -	\$ -	\$ -	\$ -
State Sources	124,865.22	163,269.54	42,476.06	55,356.09
Federal Sources	-	-	-	-
<b>Total Revenues</b>	<b>124,865.22</b>	<b>163,269.54</b>	<b>42,476.06</b>	<b>55,356.09</b>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Salaries of Teachers	-	-	-	-
Purchased Professional - Educational Services	-	163,269.54	-	-
Other Purchased Services (400-500 Series)	124,865.22	-	-	-
General Supplies	-	-	-	-
Textbooks	-	-	42,476.06	-
<b>Total Instruction</b>	<b>124,865.22</b>	<b>163,269.54</b>	<b>42,476.06</b>	<b>-</b>
<b>Support Services:</b>				
Salaries of Other Professional Staff	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-
Purchased Educational Services	-	-	-	55,356.09
Other Purchased Services (400-500 Series)	-	-	-	-
Supplies and Materials	-	-	-	-
Scholarships Awarded	-	-	-	-
Student Activities	-	-	-	-
<b>Total Support Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,356.09</b>
<b>Total Expenditures</b>	<b>124,865.22</b>	<b>163,269.54</b>	<b>42,476.06</b>	<b>55,356.09</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, July 1 (Restated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

	Non Public Technology	School Based Youth Services Program	Local Grants	Student Activities	Scholarship	Totals
<b>Revenues:</b>						
Local Sources	\$ -	\$ -	\$ 14,885.07	\$ 110,837.24	\$ 60,784.68	\$ 186,506.99
State Sources	31,098.13	277,587.00	-	-	-	694,652.04
Federal Sources	-	-	-	-	-	686,513.62
<b>Total Revenues</b>	<b>31,098.13</b>	<b>277,587.00</b>	<b>14,885.07</b>	<b>110,837.24</b>	<b>60,784.68</b>	<b>1,567,672.65</b>
<b>Expenditures:</b>						
<b>Instruction:</b>						
Salaries of Teachers	-	253,942.00	-	-	-	301,474.00
Purchased Professional - Educational Services	-	-	-	-	-	180,779.54
Other Purchased Services (400-500 Series)	31,098.13	-	-	-	-	415,509.85
General Supplies	-	-	3,207.09	-	-	124,067.94
Textbooks	-	-	-	-	-	42,476.06
<b>Total Instruction</b>	<b>31,098.13</b>	<b>253,942.00</b>	<b>3,207.09</b>	<b>-</b>	<b>-</b>	<b>1,064,307.39</b>
<b>Support Services:</b>						
Salaries of Other Professional Staff	-	23,645.00	-	-	-	37,990.00
Personal Services - Employee Benefits	-	-	-	-	-	4,730.53
Purchased Educational Services	-	-	7,476.62	-	-	168,649.03
Other Purchased Services (400-500 Series)	-	-	1,566.67	-	-	50,331.00
Supplies and Materials	-	-	2,634.69	-	-	70,042.78
Scholarships Awarded	-	-	-	-	7,153.82	7,153.82
Student Activities	-	-	-	117,576.89	-	117,576.89
<b>Total Support Services</b>	<b>-</b>	<b>23,645.00</b>	<b>11,677.98</b>	<b>117,576.89</b>	<b>7,153.82</b>	<b>456,474.05</b>
<b>Total Expenditures</b>	<b>31,098.13</b>	<b>277,587.00</b>	<b>14,885.07</b>	<b>(6,739.65)</b>	<b>53,630.86</b>	<b>1,520,781.44</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117,576.89</b>	<b>7,153.82</b>	<b>46,891.21</b>
<b>Fund Balance, July 1 (Restated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141,070.72</b>	<b>3,173,431.17</b>	<b>3,314,501.89</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 258,647.61</b>	<b>\$ 3,180,584.99</b>	<b>\$ 3,361,393.10</b>

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**F. Capital Projects Fund**

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EXHIBIT F-1

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
 YEAR ENDED JUNE 30, 2021

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2021</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Referendum Project	12/18	\$ 22,218,200.00	\$ 7,444,850.02	\$ 9,237,399.22	\$ 5,535,950.76
HVAC Replacement	11/18	800,000.00	714,741.16	85,258.84	-
Total		\$ 23,018,200.00	\$ 8,159,591.18	\$ 9,322,658.06	\$ 5,535,950.76

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2021**

Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	\$ 491,986.20
Construction Services	8,743,605.20
Transfer to General Fund	87,066.66
Total Expenditures and Other Financing Uses	9,322,658.06
Fund Balance, July 1	14,858,608.82
Fund Balance, June 30	\$ 5,535,950.76

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
REFERENDUM PROJECT  
YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 19,450,000.00	\$ -	\$ 19,450,000.00	\$ 19,450,000.00
Bond Premium	2,768,200.00	-	2,768,200.00	2,768,200.00
Total Revenues and Other Financing Sources	22,218,200.00	-	22,218,200.00	22,218,200.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	1,634,700.81	491,986.20	2,126,687.01	1,387,670.00
Construction Services	5,810,149.21	8,745,413.02	14,555,562.23	20,830,530.00
Total Expenditures and Other Financing Uses	7,444,850.02	9,237,399.22	16,682,249.24	22,218,200.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 14,773,349.98	\$ (9,237,399.22)	\$ 5,535,950.76	\$ -

## Additional Project Information:

Name of Project:  
Referendum Project

Bond Authorization Date	12/10/2018
Bonds Authorized	22,218,200.00
Bonds Issued	19,450,000.00
Original Authorized Cost	22,218,200.00
Additional Authorized Cost	-
Revised Authorized Cost	22,218,200.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	75.08%
Original Target Completion Date	6/30/2022
Revised Target Completion Date	N/A

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HVAC REPLACEMENT  
YEAR ENDED JUNE 30, 2021**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 800,000.00	\$ -	\$ 800,000.00	\$ 800,000.00
Total Revenues and Other Financing Sources	800,000.00	-	800,000.00	800,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	46,461.16	-	46,461.16	100,000.00
Construction Services	668,280.00	(1,807.82)	666,472.18	700,000.00
Transfer to General Fund	-	87,066.66	87,066.66	
Total Expenditures and Other Financing Uses	714,741.16	85,258.84	800,000.00	800,000.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 85,258.84	\$ (85,258.84)	\$ -	\$ -

Additional Project Information:

Name of Project:  
HVAC Replacement

Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	800,000.00
Additional Authorized Cost	-
Revised Authorized Cost	800,000.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2020
Revised Target Completion Date	N/A

**H. Fiduciary Fund**

Not Applicable

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## **I. Long-Term Debt**

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2021**

<b>ISSUE</b>	<b>DATE OF ISSUE</b>	<b>AMOUNT OF ISSUE</b>	<b>ANNUAL MATURITIES DATE</b>	<b>AMOUNT</b>	<b>INTEREST RATE</b>	<b>BALANCE JUNE 30, 2020</b>	<b>RETIRED</b>	<b>BALANCE JUNE 30, 2021</b>
Refunding School Bonds	03/15/2013	\$ 1,600,000.00				\$ 125,000.00	\$ 125,000.00	\$ -
Refunding School Bonds	04/24/2010	2,650,000.00	02/15/2022	565,000.00	4.00%	1,115,000.00	550,000.00	565,000.00
MCIA Bonds	7/23/2019	19,450,000.00	8/1/2021	650,000.00	3.00%	19,450,000.00	-	19,450,000.00
			8/1/2022	745,000.00	4.00%			
			8/1/2023	775,000.00	3.00%			
			8/1/2024	800,000.00	4.00%			
			8/1/2025	835,000.00	4.00%			
			8/1/2026	865,000.00	4.00%			
			8/1/2027	900,000.00	4.00%			
			8/1/2028	940,000.00	4.00%			
			8/1/2029	980,000.00	4.00%			
			8/1/2030	1,020,000.00	4.00%			
			8/1/2031	1,060,000.00	4.00%			
			8/1/2032	1,100,000.00	4.00%			
			8/1/2033	1,145,000.00	4.00%			
			8/1/2034	1,195,000.00	4.00%			
			8/1/2035	1,245,000.00	4.00%			
			8/1/2036	1,295,000.00	4.00%			
			8/1/2037	1,300,000.00	4.00%			
			8/1/2038	1,300,000.00	4.00%			
			8/1/2039	1,300,000.00	4.00%			
Total						\$ 20,690,000.00	\$ 675,000.00	\$ 20,015,000.00

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 LONG-TERM DEBT  
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
 YEAR ENDED JUNE 30, 2021

PURPOSE	DATE OF LEASE	TERM OF LEASE	AMOUNT OF ORIGINAL LEASE	INTEREST RATE	AMOUNT	
					OUTSTANDING JUNE 30, 2020	OUTSTANDING JUNE 30, 2021
Chromebooks	7/30/2018	3 years	\$ 300,000.00	2.87%	\$ 99,973.31	\$ -
		Total		Total	\$ 99,973.31	\$ -

RED BANK REGIONAL HIGH SCHOOL DISTRICT  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2021

	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 1,618,848.00	\$ -	\$ 1,618,848.00	\$ -
State Sources:				
Debt Service Aid Type II	251,354.00	-	251,354.00	-
Miscellaneous	-	-	4,899.28	4,899.28
Total Revenues	1,870,202.00	-	1,870,202.00	4,899.28
Expenditures:				
Regular Debt Service:				
Interest on Early Retirement Bonds	3,313.00	-	3,313.00	0.50
Interest	1,191,889.00	-	1,191,888.89	0.11
Redemption of Principal	675,000.00	-	675,000.00	-
Total Regular Debt Service	1,870,202.00	-	1,870,201.39	0.61
Total Expenditures	1,870,202.00	-	1,870,201.39	0.61
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	4,899.89	(4,898.67)
Fund Balance, July 1,	0.72	-	0.72	-
Fund Balance, June 30,	\$ 0.72	\$ -	\$ 0.72	\$ (4,898.67)

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**STATISTICAL SECTION (Unaudited)**

Third Section

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**Financial Trends Information**

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

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RED BANK REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

Unaudited

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>FISCAL YEAR ENDING JUNE 30,</b>										
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 12,917,839.34	\$ 3,623,786.43	\$ 15,478,259.18	\$ 15,424,948.80	\$ 19,769,777.26	\$ 20,086,796.73	\$ 18,166,753.43	\$ 17,658,330.51	\$ 17,616,452.69	\$ 17,980,544.28
Restricted	14,159,235.22	17,127,736.86	3,224,988.49	2,446,700.23	2,845,386.86	3,261,390.61	2,841,069.49	3,503,672.67	4,582,900.67	2,885,448.52
Unrestricted (Deficit)	(4,850,053.52)	(6,708,956.30)	(9,336,975.82)	(7,180,844.86)	(5,844,800.15)	(4,997,176.00)	(3,169,881.55)	1,227,399.56	379,436.35	411,221.35
Total Governmental Activities	\$ 22,227,021.04	\$ 14,042,566.99	\$ 9,366,271.85	\$ 10,690,804.17	\$ 16,770,363.97	\$ 18,351,011.34	\$ 17,837,941.37	\$ 22,389,402.74	\$ 22,578,789.71	\$ 21,277,214.15
Business-Type Activities:										
Net Investment in Capital Assets	\$ 31,083.40	\$ 37,589.80	\$ 42,230.40	\$ 49,866.89	\$ 57,640.58	\$ 57,414.10	\$ 64,800.13	\$ 72,186.15	\$ 79,572.17	\$ 85,640.26
Unrestricted (Deficit)	119,119.03	121,017.85	124,684.22	100,821.60	75,793.32	69,096.12	43,917.05	23,284.20	46,094.49	96,509.88
Total Business-Type Activities	\$ 150,202.43	\$ 158,607.65	\$ 166,914.62	\$ 150,688.49	\$ 133,433.90	\$ 126,510.22	\$ 108,717.18	\$ 95,470.35	\$ 125,666.66	\$ 182,150.14
District-Wide:										
Net Investment in Capital Assets	\$ 12,948,922.74	\$ 3,661,376.23	\$ 15,520,489.58	\$ 15,474,815.69	\$ 19,827,417.84	\$ 20,144,210.83	\$ 18,231,553.56	\$ 17,730,516.66	\$ 17,696,024.86	\$ 18,066,184.54
Restricted	14,159,235.22	17,127,736.86	3,224,988.49	2,446,700.23	2,845,386.86	3,261,390.61	2,841,069.49	3,503,672.67	4,582,900.67	2,885,448.52
Unrestricted (Deficit)	(4,730,934.49)	(6,587,938.45)	(9,212,291.60)	(7,080,023.26)	(5,769,006.83)	(4,928,079.88)	(3,125,964.50)	1,250,683.76	425,530.84	507,731.23
Total District Net Position	\$ 22,377,223.47	\$ 14,201,174.64	\$ 9,533,186.47	\$ 10,841,492.66	\$ 16,903,797.87	\$ 18,477,521.56	\$ 17,946,658.55	\$ 22,484,873.09	\$ 22,704,456.37	\$ 21,459,364.29

Source: CAFR Schedule A-1

\*For the year ended June 30, 2021, Net Position was reclassified due to GASB 84

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>FISCAL YEAR ENDING JUNE 30,</b>										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 17,968,576.58	\$ 15,733,133.41	\$ 16,304,411.26	\$ 19,536,843.29	\$ 9,224,368.25	\$ 8,835,059.57	\$ 8,777,426.20	\$ 8,721,626.05	\$ 7,928,482.58	\$ 10,968,926.40
Special Education	2,931,678.77	2,216,096.15	2,282,052.55	2,619,269.75	1,137,004.06	1,117,447.79	1,188,448.20	1,071,221.66	1,089,032.32	1,570,561.49
Other Special Education	-	-	-	-	546,775.64	488,289.32	418,897.64	387,082.19	400,070.98	594,070.14
Other Instruction	2,251,763.86	2,153,433.71	2,606,309.04	3,427,538.21	1,146,733.19	1,101,034.79	1,023,977.73	913,672.58	996,920.27	1,105,785.06
Support Services:										
Tuition	2,190,304.58	2,293,617.46	2,037,304.88	2,084,162.30	1,486,419.80	1,426,192.04	1,263,233.58	1,470,994.74	1,304,222.47	1,178,396.15
Student & Instruction Related Services	3,894,509.98	4,146,221.30	4,197,021.21	4,672,453.74	3,223,693.57	3,026,828.78	3,071,099.14	3,037,522.25	2,948,427.59	4,089,920.28
General Administrative Services	787,609.69	839,923.82	988,993.45	1,056,441.48	741,732.33	687,600.84	630,684.24	673,806.25	673,242.68	983,492.10
Central Services	631,132.32	683,448.21	974,361.66	672,093.88	480,463.34	465,070.06	436,154.32	438,479.49	418,632.12	435,967.77
Administration Information Technology	288,771.37	267,720.99	258,676.34	281,552.91	157,280.98	128,188.80	197,712.56	171,997.38	137,646.54	105,593.90
School Administrative Services	769,366.36	806,640.54	804,393.60	870,359.35	630,393.09	632,505.67	613,532.67	633,560.60	577,587.48	839,967.23
Plant Operations & Maintenance	2,657,061.81	2,327,109.74	2,738,733.26	4,126,234.79	2,766,290.13	2,532,973.62	2,348,530.59	2,597,160.44	1,884,522.10	2,764,716.44
Pupil Transportation	1,371,934.56	1,486,415.16	2,165,829.15	2,469,319.67	1,720,107.76	1,509,274.88	1,438,371.15	1,445,221.28	1,313,757.18	1,373,948.18
Unallocated Benefits	-	-	-	-	7,617,714.08	7,221,989.85	7,929,089.89	5,564,526.01	6,101,162.77	-
Special Schools	-	-	-	-	-	-	-	7,530.96	14,112.96	21,938.39
Interest & Other Charges	903,575.60	726,936.54	155,933.46	170,047.10	195,866.05	228,500.23	248,036.54	260,922.37	264,995.63	162,953.27
Unallocated Depreciation	-	-	-	-	1,116,629.58	1,104,272.85	1,097,715.28	1,097,715.28	1,054,448.03	895,674.17
Total Governmental Activities	36,646,285.49	33,682,697.04	35,514,019.86	32,191,471.85	30,505,229.09	30,682,909.73	28,493,039.53	27,107,285.70	27,091,910.97	26,720,162.84
Expenses										
Business-Type Activities:										
Food Service	111,898.40	337,616.55	425,803.43	407,710.55	425,248.14	436,689.99	450,866.74	596,389.72	719,844.72	713,221.63
Total Business-Type Activities	111,898.40	337,616.55	425,803.43	407,710.55	425,248.14	436,689.99	450,866.74	596,389.72	719,844.72	713,221.63
Expense										
Total District Expenses	\$ 36,758,183.89	\$ 34,020,313.59	\$ 35,939,823.29	\$ 32,616,719.99	\$ 30,941,919.08	\$ 31,133,776.47	\$ 29,089,429.25	\$ 27,827,130.42	\$ 27,805,132.60	\$ 27,440,793.82
Program Revenues:										
Charges for Services	\$ 3,420,742.32	\$ -	\$ -	\$ -	\$ 3,354,924.11	\$ 3,717,747.41	\$ 3,996,169.01	\$ 3,858,249.86	\$ 3,819,756.77	\$ 3,488,725.95
Instruction (Tuition)	-	-	-	-	101,328.62	172,390.83	132,027.54	139,871.37	139,871.37	215,262.20
Pupil Transportation	-	-	-	-	240,664.00	3,455,440.49	4,534,476.85	2,052,050.00	2,347,723.69	219,008.43
Operating Grants & Contributions	9,776,015.30	6,659,259.50	7,464,893.35	9,618,717.11	-	-	-	-	-	-
Total Governmental Activities	13,196,757.62	6,659,259.50	7,464,893.35	3,696,916.73	7,345,578.73	8,663,517.15	6,042,327.40	6,307,351.83	3,922,996.58	3,517,014.05
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	3,326.57	211,590.29	281,320.05	281,352.40	279,743.01	298,332.12	321,330.11	444,113.98	538,240.16	605,680.30
Operating Grants & Contributions	64,874.57	117,719.29	160,709.51	143,612.74	152,428.81	156,150.91	142,783.46	122,079.43	125,121.08	134,511.65
Total Business Type Activities	68,201.14	329,309.58	442,029.56	424,965.14	432,171.82	454,483.03	464,113.57	566,193.41	663,361.24	740,191.95
Program Revenues										
Total District Program Revenues	\$ 13,264,958.76	\$ 6,988,569.08	\$ 7,906,922.91	\$ 4,129,088.55	\$ 7,800,061.76	\$ 9,127,630.72	\$ 6,608,520.81	\$ 6,970,713.07	\$ 4,663,188.53	\$ 4,249,198.81
Net (Expense)/Revenue:										
Governmental Activities	\$ (23,449,527.87)	\$ (27,023,437.54)	\$ (28,049,126.51)	\$ (32,367,601.36)	\$ (28,494,555.12)	\$ (23,159,650.36)	\$ (22,019,392.58)	\$ (22,450,712.13)	\$ (20,799,933.87)	\$ (23,168,914.39)
Business-Type Activities	(43,697.26)	(8,306.97)	16,226.13	17,254.59	6,923.68	17,793.04	13,246.83	(30,196.31)	(56,483.48)	26,970.32

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total District-Wide Net Expense	\$ (23,493,225.13)	\$ (27,031,744.51)	\$ (28,032,900.38)	\$ (32,350,346.77)	\$ (28,487,631.44)	\$ (23,141,857.32)	\$ (22,006,145.75)	\$ (22,480,908.44)	\$ (20,856,417.35)	\$ (23,141,944.07)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 24,611,106.00	\$ 23,358,585.04	21,924,781.00	21,421,835.00	21,001,800.00	20,590,000.08	20,190,015.98	19,340,947.12	18,989,654.00	18,617,308.00
Taxes Levied for Debt Service	1,618,848.00	741,054.96	742,532.00	757,245.00	748,693.00	747,598.96	751,308.00	757,810.92	729,405.00	744,400.00
Grants & Contributions	1,786,015.86	1,401,924.00	1,330,650.00	1,156,022.97	-	-	-	-	-	-
Unrestricted Grants and Contributions	-	-	-	-	5,071,947.97	2,222,409.41	2,093,431.86	2,107,978.70	2,205,897.36	3,832,254.84
Investment Earnings	-	-	-	-	-	-	-	1,759.58	2,682.04	4,956.81
Insurance Reimbursement	-	-	-	-	-	-	-	-	4,691.94	-
Tuition Received	-	3,145,743.63	2,564,030.07	2,826,188.69	-	-	-	-	19,117.56	-
Miscellaneous Income	238,233.07	3,052,425.05	162,601.12	126,749.93	91,466.77	112,711.89	137,326.37	153,870.34	150,061.53	65,433.03
Transfer to Food Service	(35,292.04)	-	-	-	-	-	-	-	-	-
Total Governmental Activities	28,218,910.89	31,699,732.68	26,724,594.19	26,288,041.59	26,913,907.74	23,672,720.34	23,172,082.21	22,362,366.66	22,101,509.43	23,264,352.68
Business-Type Activities:										
Transfer to Food Service	35,292.04	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	35,292.04	-	-	-	-	-	-	-	-	-
Total District-Wide	\$ 28,254,202.93	\$ 31,699,732.68	\$ 26,724,594.19	\$ 26,913,907.74	\$ 23,672,720.34	\$ 23,172,082.21	\$ 22,362,366.66	\$ 22,101,509.43	\$ 23,264,352.68	\$ 22,782,270.36
Change in Net Position:										
Governmental Activities	\$ 4,769,383.02	\$ 4,676,295.14	\$ (1,324,532.32)	\$ (6,079,559.77)	\$ (1,580,647.38)	\$ 513,069.98	\$ 1,152,689.63	\$ (88,345.47)	\$ 1,301,575.56	\$ 95,438.29
Business-Type Activities	(8,405.22)	(8,306.97)	16,226.13	17,254.59	6,923.68	17,793.04	13,246.83	(30,196.31)	(56,483.48)	26,970.32
Total District	\$ 4,760,977.80	\$ 4,667,988.17	\$ (1,308,306.19)	\$ (6,062,305.18)	\$ (1,573,723.70)	\$ 530,863.02	\$ 1,165,936.46	\$ (118,541.78)	\$ 1,245,092.08	\$ 122,408.61

Source: CAFR Schedule A-2

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
*Unaudited*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Fund:</b>										
Restricted	\$ 5,256,990.75	\$ 2,269,127.32	\$ 1,275,978.87	\$ 2,417,563.46	\$ 2,824,135.18	\$ 3,308,858.15	\$ 2,657,509.79	\$ 3,558,985.69	\$ 3,100,684.27	\$ 1,743,339.20
Assigned	2,129,868.40	1,222,196.64	35,889.20	271,236.28	782,444.81	681,900.22	2,161,532.67	751,114.64	1,034,949.79	631,249.75
Unassigned	1,109,650.50	596,981.65	118,736.94	7,898.86	606,562.23	556,003.71	536,961.71	584,067.42	531,194.85	582,906.23
<b>Total General Fund</b>	<b>\$ 8,496,509.65</b>	<b>\$ 4,088,305.61</b>	<b>\$ 1,430,605.01</b>	<b>\$ 2,696,698.60</b>	<b>\$ 4,213,142.22</b>	<b>\$ 4,546,762.08</b>	<b>\$ 5,356,004.17</b>	<b>\$ 4,894,167.75</b>	<b>\$ 4,666,828.91</b>	<b>\$ 2,957,495.18</b>
<b>All Other Governmental Funds:</b>										
Restricted										
Debt Service Fund	\$ 4,900.61	\$ 0.72	\$ 0.76	\$ 1.26	\$ 1.26	\$ 0.76	\$ 1.80	\$ 1.30	\$ 0.38	\$ 27,987.88
Capital Projects Fund	5,535,950.76	14,858,608.82	1,949,008.86	29,135.51	21,250.42	21,250.42	253,881.81	22,342.55	447,266.23	482,871.69
Special Revenue Fund	3,361,393.10	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	656,212.47	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 8,902,244.47</b>	<b>\$ 14,858,609.54</b>	<b>\$ 1,949,009.62</b>	<b>\$ 29,136.77</b>	<b>\$ 677,464.15</b>	<b>\$ 21,251.18</b>	<b>\$ 253,883.61</b>	<b>\$ 22,343.85</b>	<b>\$ 447,266.61</b>	<b>\$ 510,859.57</b>

Source: CAFR Schedule B-1  
 \*For the year ended June 30, 2021, Net Position was reclassified due to GASB 84

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues</b>										
Tax Levy	\$ 26,229,954.00	\$ 24,099,640.00	\$ 22,667,313.00	\$ 22,179,080.00	\$ 21,750,493.00	\$ 21,337,599.04	\$ 20,941,323.98	\$ 20,098,758.04	\$ 19,719,059.00	\$ 19,361,708.00
Tuition Changes	3,324,396.46	3,145,743.63	2,564,030.07	2,826,188.69	3,357,924.11	3,717,747.41	3,996,169.01	3,858,249.86	3,819,756.77	3,488,725.95
Transportation Fees	96,345.86	245,945.48	87,043.95	83,001.50	101,328.62	172,390.83	132,871.29	132,027.54	139,871.37	215,262.20
Interest Earnings	253,118.14	50,032.77	103,276.61	55,910.38	91,466.77	112,711.89	137,326.37	153,870.34	150,061.53	113,677.77
Miscellaneous	7,389,204.61	6,128,074.26	5,699,654.15	5,010,759.33	4,710,899.48	4,363,013.10	3,845,390.53	3,593,878.43	3,902,040.73	69,253.07
State Sources	689,358.48	464,898.04	520,321.76	570,659.80	601,712.49	533,442.80	534,324.18	566,150.27	651,580.32	3,262,176.21
Federal Sources	37,982,377.55	34,134,334.18	31,641,639.54	30,725,579.70	30,613,824.47	30,236,905.07	29,587,405.36	28,404,694.06	28,385,051.76	27,187,349.26
<b>Total Revenues</b>										
<b>Expenditures</b>										
Instruction:										
Regular Instruction	9,549,496.23	9,342,697.45	9,149,682.37	9,335,214.74	9,224,368.25	8,835,059.57	8,777,426.20	8,721,626.05	7,907,968.68	7,885,679.26
Special Education Instruction	1,558,056.38	1,315,969.00	1,280,638.45	1,251,555.60	1,137,004.06	1,117,447.79	1,188,448.20	1,071,221.66	1,089,032.32	1,080,826.14
Other Special Instruction	-	-	-	-	546,775.64	488,289.32	418,897.64	387,082.19	400,070.98	412,226.31
Other Instruction	1,196,711.96	1,278,758.60	1,462,604.17	1,637,767.41	1,146,733.19	1,101,034.79	1,023,977.73	913,672.58	996,920.27	847,508.35
Support Services:										
Tuition	1,814,190.00	1,860,863.68	1,627,597.12	1,483,105.69	1,486,419.80	1,426,192.04	1,263,233.58	1,470,994.74	1,304,222.47	1,178,396.15
Attendance & Social Work Services	385,351.15	389,149.28	386,938.34	373,393.97	-	-	-	-	-	-
Health Services	139,180.00	182,685.17	179,598.00	121,511.36	-	-	-	-	-	-
Student & Instruction Related Services	2,701,221.61	2,792,088.59	2,786,452.07	2,830,049.54	3,223,693.57	3,026,828.78	3,071,099.14	3,037,522.25	2,948,427.59	2,983,067.57
Other Administrative Services	652,362.98	681,449.18	790,104.08	751,771.75	741,732.33	687,600.84	630,684.24	673,806.25	673,264.68	661,478.93
Central Services	522,755.58	534,851.75	538,729.65	459,532.23	480,463.34	465,070.06	436,154.32	438,479.49	418,632.12	435,967.77
Administration Information	239,184.15	217,208.09	206,655.80	200,355.18	157,280.98	128,188.80	197,712.56	171,997.38	137,646.54	105,593.90
Technology Services	637,252.36	654,445.70	642,627.78	619,354.30	630,393.09	632,505.67	613,532.67	633,560.60	577,587.48	603,677.41
School Administrative Services	2,283,602.74	1,966,884.25	2,270,127.06	2,936,259.91	2,766,290.13	2,532,973.62	2,348,530.59	2,597,160.44	1,845,459.10	2,506,522.41
Plant Operations & Maintenance	1,136,348.79	1,205,962.21	1,730,274.80	1,757,186.57	1,720,107.76	1,509,274.88	1,438,371.15	1,445,221.28	1,313,757.18	1,349,730.35
Pupil Transportation	8,886,873.95	8,265,932.44	8,160,289.46	7,481,164.40	6,670,816.08	6,119,794.85	5,617,894.89	5,615,936.01	6,124,702.18	5,806,705.74
Unallocated Benefits	-	-	-	-	-	-	-	7,530.96	14,112.96	19,612.84
Special Schools	-	-	-	-	-	-	-	-	-	-
Business and Other Support Services:										
Capital Outlay	9,298,465.30	7,616,170.27	993,945.63	199,607.58	263,673.11	2,460,918.58	1,116,758.77	658,656.10	253,923.44	939,344.38
Debt Service:										
Principal	675,000.00	650,000.00	620,000.00	610,000.00	575,000.00	550,000.00	535,000.00	520,000.00	500,000.00	485,000.00
Interest & Other Charges	1,234,264.39	130,118.00	161,595.50	186,308.00	173,692.50	197,600.00	216,307.50	237,810.00	257,392.50	269,125.00
<b>Total Expenditures</b>	42,910,317.57	39,085,233.66	32,987,860.28	32,234,138.23	30,944,443.83	31,278,779.59	28,894,029.18	28,602,277.98	26,763,120.49	27,570,462.51
Other Financing Sources/(Uses):										
Capital Leases (Non-budgeted)	-	2,768,200.00	300,000.00	-	-	-	-	-	-	-
FEMA Reimbursements	-	-	-	-	-	-	-	-	-	4,691.94
Insurance Reimbursements	-	-	-	-	-	-	-	-	-	19,117.56
Proceeds on Bonds	-	19,450,000.00	-	-	-	-	-	-	-	-
Proceeds of Bond Anticipation Notes	-	(1,700,000.00)	1,700,000.00	-	-	-	-	-	-	-
Transfers In	87,066.66	29,135.51	800,000.00	-	-	-	-	-	-	-
Transfers Out	(122,358.70)	(29,135.51)	(800,000.00)	-	-	-	-	-	-	-
<b>Total Other Financing Sources/(Uses)</b>	(35,292.04)	20,518,200.00	2,000,000.00	-	-	-	-	-	23,809.50	-
<b>Net Change in Fund Balances</b>	\$ (4,963,232.06)	\$ 15,567,200.52	\$ 653,779.26	\$ (1,508,558.53)	\$ (330,619.36)	\$ (1,041,874.52)	\$ 693,376.18	\$ (197,583.92)	\$ 1,645,740.77	\$ (383,113.25)
Debt Service as a Percentage of Noncapital Expenditures	4.66%	2.04%	2.43%	2.53%	2.48%	2.45%	2.67%	2.72%	2.91%	2.81%

Source: CAFR Schedule B-2

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

*Unaudited*

<u>FISCAL YEAR ENDING JUNE 30,</u>	<u>REFUND OF PRIOR YEAR EXPENDITURES</u>	<u>RENTALS</u>	<u>INTEREST ON INVESTMENTS</u>	<u>INTEREST ON CAPITAL RESERVE</u>	<u>TUITION OTHER</u>	<u>TRANSPORTATION FEES</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
2021	\$ -	\$ 1,202.00	\$ -	\$ -	\$ 3,324,396.46	\$ 96,345.86	\$ 60,509.87	\$ 3,482,454.19
2020	-	5,989.00	-	-	3,145,743.63	84,445.89	193,790.16	3,429,968.68
2019	-	24,447.99	-	-	2,564,030.07	-	138,153.13	2,726,631.19
2018	-	4,078.00	-	12,463.73	2,826,188.69	83,001.50	27,206.70	2,952,938.62
2017	-	5,160.00	-	-	3,364,042.28	92,210.45	45,351.59	3,506,764.32
2016	-	1,803.00	-	-	3,717,747.41	172,390.83	37,672.30	3,929,613.54
2015	-	8,433.88	-	-	3996169.01	132,871.29	89,009.94	4,226,484.12
2014	10,394.11	61,887.50	125.00	1,634.58	3,858,249.86	132,027.54	66,203.95	4,130,522.54
2013	14,026.83	59,979.00	250.00	2,432.04	3,819,756.77	139,871.37	25,747.12	4,062,063.13
2012	14,746.15	4,780.50	4,444.09	636.77	3,488,725.95	215,262.20	25,291.28	3,753,886.94

Source: District Records



**Revenue Capacity Information**

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

**RED BANK BOROUGH**

Year Ending December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment
2012	24,247,600.00	1,355,504,971.00	-	-	663,883,700.00	49,873,800.00	143,218,400.00
2013	27,456,500.00	1,341,471,541.00	-	-	663,668,500.00	44,789,400.00	142,412,000.00
2014	26,904,400.00	1,304,980,421.00	-	-	656,484,700.00	43,564,600.00	153,793,800.00
2015	27,662,000.00	1,232,412,421.00	-	-	619,175,000.00	38,353,100.00	151,200,400.00
2016	15,255,500.00	1,200,435,700.00	-	-	651,025,800.00	28,665,200.00	175,123,800.00
2017	15,285,900.00	1,223,134,500.00	-	-	645,228,700.00	28,360,900.00	202,216,200.00
2018	17,859,600.00	1,240,059,300.00	-	-	642,746,900.00	25,633,900.00	201,964,200.00
2019	20,303,100.00	1,272,362,000.00	-	-	695,004,700.00	23,570,600.00	212,216,000.00
2020	20,953,800.00	1,293,632,000.00	-	-	720,612,300.00	23,306,000.00	214,324,300.00
2021	22,777,000.00	1,376,161,600.00	-	-	731,620,000.00	23,495,700.00	219,568,900.00

	Total Assessed Value	Less: Tax - Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2012	R \$ 2,594,234,441.00	\$ 374,436,500.00	\$ 10,572,944.00	\$ 2,230,370,885.00	\$ 2,233,687,962.00	0.616
2013	2,559,849,221.00	374,121,300.00	8,348,145.00	2,194,076,066.00	2,143,209,232.00	0.683
2014	2,447,063,421.00	378,260,500.00	6,675,440.00	2,075,478,361.00	2,013,589,296.00	0.422
2015	2,449,148,800.00	378,642,800.00	6,567,944.00	2,077,073,944.00	1,990,213,711.00	0.445
2016	2,490,060,800.00	375,834,600.00	7,593,910.00	2,121,820,110.00	2,075,371,065.00	0.438
2017	2,128,263,900.00	-	8,082,581.00	2,136,346,481.00	2,070,506,000.00	0.438
2018	2,223,456,400.00	-	7,916,257.00	2,231,372,657.00	2,128,263,900.00	0.454
2019	2,272,828,400.00	-	8,320,188.00	2,281,148,588.00	2,231,776,788.00	0.483
2020	2,272,828,400.00	-	8,612,415.00	2,281,440,815.00	2,281,440,815.00	0.526
2021	2,373,623,200.00	-	9,405,487.00	2,383,028,687.00	2,383,028,687.00	0.519

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment (R) 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
- R Reassessment of property values
- N/A At the time of CAFR Completion, this data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**  
*Unaudited*

**LITTLE SILVER BOROUGH**

Year Ending December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment
2012	11,934,400.00	1,152,141,400.00	3,376,500.00	15,500.00	84,456,800.00	\$ -	\$ -
2013	15,317,400.00	1,233,714,800.00	4,051,200.00	17,300.00	100,897,600.00	-	-
2014	24,062,400.00	1,330,815,200.00	4,128,500.00	17,300.00	100,937,900.00	-	-
2015	18,214,300.00	1,453,902,900.00	4,339,100.00	17,300.00	110,084,100.00	-	-
2016	9,345,600.00	1,501,675,100.00	4,035,000.00	17,300.00	113,702,100.00	-	-
2017	8,067,100.00	1,535,922,600.00	4,066,300.00	17,300.00	114,869,100.00	-	-
2018	8,367,500.00	1,555,782,800.00	4,105,500.00	17,700.00	118,690,000.00	-	-
2019	6,400,400.00	1,604,282,700.00	1,846,600.00	12,000.00	123,843,751.00	-	387,000.00
2020	6,359,600.00	1,601,415,500.00	4,201,400.00	18,300.00	127,383,051.00	-	-
2021	6,098,200.00	1,658,127,600.00	4,230,300.00	21,900.00	127,494,561.00	-	-

	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2012	1,319,281,100.00	67,356,500.00	989,441.00	1,252,914,041.00	1,621,138,834.00	0.934
2013	1,443,275,500.00	89,277,200.00	1,395,197.00	1,355,393,497.00	1,577,836,354.00	0.882
2014	1,554,919,100.00	94,957,800.00	974,140.00	1,460,935,440.00	1,719,005,830.00	0.834
2015	1,683,533,600.00	96,975,900.00	1,217,399.00	1,587,775,099.00	1,587,775,099.00	0.457
2016	1,628,775,100.00	-	1,180,677.00	1,629,955,777.00	1,628,775,100.00	0.439
2017	1,662,942,400.00	-	1,155,753.00	1,664,098,153.00	1,662,942,400.00	0.439
2018	1,686,963,500.00	-	1,167,167.00	1,688,130,667.00	1,687,350,500.00	0.424
2019	1,736,708,402.00	(64,049.00)	1,176,084.00	1,737,948,535.00	1,736,385,451.00	0.431
2020	1,739,377,851.00	-	1,248,792.00	1,740,626,643.00	1,740,626,643.00	0.449
2021	1,795,972,561.00	-	1,271,215.00	1,797,243,776.00	1,797,243,866.00	0.435

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment (R) 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
- R Reassessment of property values



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)**

*Unaudited*

**RED BANK BOROUGH**

Year Ending December 31,	School District Direct Rate				Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6)		Local School Rate	Monmouth County		
			Total Direct School Tax Rate	Borough of Red Bank				
2012	0.562	0.026	0.588	0.523	0.385	0.261	1.757	
2013	0.593	0.023	0.616	0.555	0.384	0.255	1.810	
2014	0.657	0.026	0.683	0.543	0.396	0.247	1.869	
2015	0.407	0.015	0.422	0.574	0.770	0.267	2.033	
2016	0.429	0.016	0.445	0.551	0.796	0.282	2.074	
2017	0.423	0.015	0.438	0.561	0.802	0.275	2.076	
2018	0.467	0.016	0.483	0.589	0.827	0.283	2.182	
2019	0.467	0.016	0.483	0.637	0.814	0.277	2.211	
2020	0.510	0.016	0.526	0.654	0.814	0.278	2.272	
2021	0.503	0.016	0.519	0.654	0.814	0.278	2.265	

Source: Municipal Tax Assessor

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

The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the

Net Valuation taxable.

Rates for debt service are based on each year's requirements.

At the time of CAFR Completion, this data was not yet available

a

b

N/A

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)**

*Unaudited*

**LITTLE SILVER BOROUGH**

Year Ending December 31,	School District Direct Rate				Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct School Tax Rate	Borough of Little Silver	Local School Rate	Monmouth County		
2012	0.849	0.033	0.882	0.498	0.510	0.000	1.890	
2013	0.803	0.031	0.834	0.469	0.482	0.365	2.150	
2014	0.441	0.016	0.457	0.441	0.791	0.320	2.009	
2015	0.424	0.015	0.439	1.679	0.429	0.305	2.852	
2016	0.424	0.015	0.439	0.434	0.830	0.295	1.998	
2017	0.416	0.015	0.431	0.437	0.831	0.296	1.995	
2018	0.410	0.015	0.044	0.434	0.831	0.296	1.998	
2019	0.417	0.014	0.431	0.447	0.821	0.291	1.990	
2020	0.435	0.014	0.449	0.456	0.833	0.289	2.027	
2021	0.422	0.013	0.435	0.456	0.833	0.289	2.013	

Source: Municipal Tax Assessor

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

The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

<sup>a</sup> Rates for debt service are based on each year's requirements.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)**

*Unaudited*

**SHREWSBURY BOROUGH**

Year Ending December 31,	School District Direct Rate				Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Direct School Tax Rate	Borough of Shrewsbury	Local School Rate	Monmouth County		
2012	N/A	N/A	0.934	0.802	0.554	0.387	2.694	
2013	0.721	0.028	0.749	0.819	0.463	0.307	2.168	
2014	0.733	0.029	0.762	0.649	0.521	0.325	2.271	
2015	0.481	0.018	0.499	0.663	0.521	0.325	1.977	
2016	0.461	0.017	0.478	0.632	0.684	0.299	2.100	
2017	0.459	0.016	0.475	0.639	0.710	0.296	2.115	
2018	0.480	0.017	0.497	0.634	0.716	0.296	2.141	
2019	0.478	0.016	0.494	0.064	0.727	0.289	2.145	
2020	0.502	0.016	0.518	0.615	0.708	0.282	2.123	
2021	0.507	0.016	0.523	0.615	0.708	0.282	2.128	

Source: Municipal Tax Assessor

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

The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

a Rates for debt service are based on each year's requirements.



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**  
*Unaudited*

**RED BANK BOROUGH**

	2021			2012		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1		1			1	
Taxpayer 2		2			2	
Taxpayer 3		3			3	
Taxpayer 4		4			4	
Taxpayer 5		5			5	
Taxpayer 6		6			6	
Taxpayer 7		7			7	
Taxpayer 8		8			8	
Taxpayer 9		9			9	
Taxpayer 10		10			10	
Total	\$ -			\$ -		

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**  
*Unaudited*

**LITTLE SILVER BOROUGH**

	2021			2012		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1		1			1	
Taxpayer 2		2			2	
Taxpayer 3		3			3	
Taxpayer 4		4			4	
Taxpayer 5		5			5	
Taxpayer 6		6			6	
Taxpayer 7		7			7	
Taxpayer 8		8			8	
Taxpayer 9		9			9	
Taxpayer 10		10			10	
Total	\$ -			\$ -		

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**  
*Unaudited*

**SHREWSBURY BOROUGH**

	2021			2012		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1		1			1	
Taxpayer 2		2			2	
Taxpayer 3		3			3	
Taxpayer 4		4			4	
Taxpayer 5		5			5	
Taxpayer 6		6			6	
Taxpayer 7		7			7	
Taxpayer 8		8			8	
Taxpayer 9		9			9	
Taxpayer 10		10			10	
Total	\$ -		\$ -	\$ -		\$ -

**DATA NOT AVAILABLE**

Source: Municipal Tax Assessor

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
*Unaudited***

Year Ended December 31,	Taxes Levied for the Fiscal Year	Collector Within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	19,361,708.00	19,361,708.00	100.00%	-
2013	19,361,708.00	19,361,708.00	100.00%	-
2014	20,098,758.04	20,098,758.04	100.00%	-
2015	20,941,323.98	20,941,323.98	100.00%	-
2016	21,337,599.04	21,337,599.04	100.00%	-
2017	21,750,493.00	21,750,493.00	100.00%	-
2018	22,179,080.00	22,179,080.00	100.00%	-
2019	22,667,313.00	22,667,313.00	100.00%	-
2020	24,099,640.00	24,099,640.00	100.00%	-
2021	26,229,954.00	26,229,954.00	100.00%	-

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

- a School taxes are collected by the Municipal Tax 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.

**DEBT CAPACITY INFORMATION**

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

Fiscal Year Ending June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)			
2012	5,800,000.00	-	-	5,800,000.00	N/A	N/A
2013	5,300,000.00	-	-	5,300,000.00	N/A	241.29
2014	4,780,000.00	-	-	4,780,000.00	0.47%	217.99
2015	4,245,000.00	-	-	4,245,000.00	N/A	188.77
2016	3,695,000.00	-	-	3,695,000.00	N/A	166.08
2017	3,120,000.00	-	-	3,120,000.00	N/A	140.69
2018	2,510,000.00	-	-	2,510,000.00	N/A	113.00
2019	1,890,000.00	197,157.25	1,700,000.00	3,787,157.25	N/A	170.75
2020	20,690,000.00	99,973.31	-	20,789,973.31	N/A	940.98
2021	20,015,000.00	-	-	20,015,000.00	N/A	918.08

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

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

b Includes Early Retirement Incentive Plan ("ERIP") refunding  
N/A At the time of CAFR completion, data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

Fiscal Year <u>Ending June 30,</u>	<u>General Bonded Debt Outstanding</u>		Percentage of Actual Taxable Value <sup>a</sup> of <u>Property</u>	Per <u>Capita</u> <sup>b</sup>
	<u>General Obligation Bonds</u>	<u>Net General Bonded Debt Outstanding</u>		
2012	5,800,000.00	5,800,000.00	0.14%	N/A
2013	5,300,000.00	5,300,000.00	0.12%	241.29
2014	4,780,000.00	4,780,000.00	0.10%	217.99
2015	4,245,000.00	4,245,000.00	0.09%	188.77
2016	3,695,000.00	3,695,000.00	0.08%	166.08
2017	3,120,000.00	3,120,000.00	0.08%	166.08
2018	2,510,000.00	2,510,000.00	5.00%	113.36
2019	1,890,000.00	1,890,000.00	0.04%	85.52
2020	20,690,000.00	20,690,000.00	0.40%	936.45
2021	20,015,000.00	20,015,000.00	0.38%	918.08

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

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

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



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2021  
*Unaudited***

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>a</sup>	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Red Bank Borough	15,435,960.19	100.00%	\$ 15,435,960.19
Little Silver Borough	7,927,797.76	100.00%	7,927,797.76
Shrewsbury Borough	7,107,138.58	100.00%	7,107,138.58
Monmouth County General Obligation Debt:			
Red Bank Borough	512,159,169.67	1.87%	9,571,878.30
Little Silver Borough	512,159,169.67	1.41%	7,218,964.53
Shrewsbury Borough	512,159,169.67	1.00%	<u>5,108,261.21</u>
Subtotal, Overlapping Debt			52,370,000.56
Red Bank Regional High School District Direct Debt			<u>20,015,000.00</u>
Total Direct and Overlapping Debt			<u><u>\$ 72,385,000.56</u></u>

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

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 Red Bank Borough, Little Silver Borough and Shrewsbury Borough. This process recognized that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
*Unaudited***

	<u>Total</u>	<u>Red Bank Borough</u>	<u>Little Silver Borough</u>	<u>Shrewsbury Borough</u>	
Legal Debt Margin Calculation for Fiscal Year 2020					
Equalized Valuation Basis					
2020	\$ 5,044,840,634.00	\$ 2,181,501,084.00	\$1,691,545,159.00	\$1,171,794,391.00	
2019	5,248,501,656.00	2,292,646,666.00	1,766,859,162.00	1,188,995,828.00	
2018	5,044,840,634.00	2,181,501,084.00	1,691,545,159.00	1,171,794,391.00	
(A)	<u>\$ 15,338,182,924.00</u>	<u>\$ 6,655,648,834.00</u>	<u>\$5,149,949,480.00</u>	<u>\$ 3,532,584,610.00</u>	
(A/3)	\$ 5,112,727,641.33				
Average Equalized Valuation of Taxable Property					
Debt Limit (3% of Average Equalization Value) a	153,381,829.24				
Total Net Debt Applicable To Limit	<u>20,015,000.00</u>				
Legal Debt Margin	<u>\$ 133,366,829.24</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 155,098,529.00	\$ 95,143,791.63	\$ 95,143,792.00	\$ 92,558,030.67	\$ 93,145,678.62
Total Net Debt Applicable To Limit	6,285,000.00	5,800,000.00	5,300,000.00	4,780,000.00	4,245,000.00
Legal Debt Margin	\$ 148,813,529.00	\$ 89,343,791.63	\$ 89,843,792.00	\$ 87,778,030.67	\$ 88,900,678.62
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.05%	6.10%	5.57%	5.16%	4.56%
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 93,706,072.24	\$ 95,737,050.17	\$ 14,637,056,706.00	\$ 152,611,815.67	\$ 153,381,829.24
Total Net Debt Applicable To Limit	3,695,000.00	3,120,000.00	2,510,000.00	24,108,200.00	20,015,000.00
Legal Debt Margin	\$ 90,011,072.24	\$ 92,617,050.17	\$ 14,634,546,706.00	\$ 128,503,615.67	\$ 133,366,829.24
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.94%	3.26%	1.71%	15.80%	13.05%

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

a Limit set by N.J.S.A. 18A:24-19 for a 9 through 12 District; other percentage limits would be applicable for other District types.

## **DEMOGRAPHIC AND ECONOMIC STATISTICS**

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
*Unaudited***

**RED BANK BOROUGH**

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2012	12,275	772,944,475	62,969	11.30%
2013	12,240	779,222,880	63,662	N/A
2014	12,248	821,461,112	67,069	4.60%
2015	12,193	856,326,583	70,231	4.30%
2016	12,114	875,212,272	72,248	3.40%
2017	12,117	913,561,215	75,395	N/A
2018	12,071	965,414,438	79,978	3.20%
2019	12,035	N/A	N/A	4.20%
2020	11,966	N/A	N/A	2.70%
2021	12,936			

Source:

<sup>a</sup> Population information provided by the Monmouth County Planning Board 2009 Demographics

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data ¶ At the time of CAFR completion, data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
*Unaudited***

**LITTLE SILVER BOROUGH**

<u>Year</u>	<u>Population</u> <sup>a</sup>	<u>Personal Income</u> <sup>b</sup>	<u>Per Capita Personal Income</u> <sup>c</sup>	<u>Unemployment Rate</u> <sup>d</sup>
2012	5,969	375,861,961	62,969	6.10%
2013	5,956	379,170,872	63,662	6.40%
2014	5,952	399,194,688	67,069	4.70%
2015	5,911	415,135,441	70,231	4.40%
2016	5,913	427,202,424	72,248	3.70%
2017	5,895	444,453,525	75,395	3.40%
2018	5,907	472,430,046	79,978	3.00%
2019	5,974	N/A	N/A	2.80%
2020	5,782	N/A	N/A	2.00%
2021	6,131			

Source:

<sup>a</sup> Population information provided by the Monmouth County Planning Board 2009 Demographics

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided At the time of CAFR completion, data was not yet available

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
*Unaudited***

**SHREWSBURY BOROUGH**

<u>Year</u>	<u>Population</u> <sup>a</sup>	<u>Personal Income</u> <sup>b</sup>	<u>Per Capita Personal Income</u> <sup>c</sup>	<u>Unemployment Rate</u> <sup>d</sup>
2012	3,801	239,345,169	62,969	2.60%
2013	3,865	246,053,630	63,662	N/A
2014	4,047	271,428,243	67,069	N/A
2015	4,131	290,124,261	70,231	3.50%
2016	4,122	297,806,256	72,248	3.40%
2017	4,130	311,381,350	75,395	N/A
2018	4,122	329,669,316	79,978	3.00%
2019	4,085	N/A	N/A	3.00%
2020	4,053	N/A	N/A	2.10%
2021	4,184			

Source:

<sup>a</sup> Population information provided by the Monmouth County Planning Board 2009 Demographics

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data p At the time of CAFR completion, data was not yet available





**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
*Unaudited***

**LITTLE SILVER BOROUGH**

<u>Employer</u>	2021			2012		
	<u>Employees</u>	Rank (Optional)	Percentage of Total Municipal Employment	<u>Employees</u>	Rank (Optional)	Percentage of Total Municipal Employment
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
				<b>DATA NOT AVAILABLE</b>		
<b>Total</b>	-		-	-		-

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
*Unaudited***

**SHREWSBURY BOROUGH**

<u>Employer</u>	2021			2012		
	<u>Employees</u>	Rank (Optional)	Percentage of Total Municipal Employment	<u>Employees</u>	Rank (Optional)	Percentage of Total Municipal Employment
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
				<b>DATA NOT AVAILABLE</b>		
<b>Total</b>	-		-	-		-

**OPERATING INFORMATION**

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

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**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

Function/Program	FISCAL YEAR ENDING JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction:	129	129	130	132	132	132	130	132	133	135
Support Services:										
Student and Instruction Related Services	35	35	34	34	34	32	35	36	36	36
General Administration	3	3	3	3	3	3	3	3	3	3
School Administrative Services	7	7	8	8	8	8	9	9	9	9
Central Services	5	5	5	5	5	5	5	5	5	5
Administrative Information Technology	2	3	3	2	2	3	3	3	3	3
Plant Operations and Maintenance	11	12	12	12	12	11	11	11	11	11
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>193</b>	<b>195</b>	<b>196</b>	<b>197</b>	<b>197</b>	<b>195</b>	<b>197</b>	<b>200</b>	<b>201</b>	<b>203</b>

Source: District Personnel Records

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

School Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Middle School			Senior High School	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>d</sup>	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	School	School					
2012	1,171	25,876,993.15	22,338.97	-3.87%	125	N/A	N/A	1:9.3	1,149.0	1,092.0	2.91%	95.10%	
2013	1,180	25,751,805.00	22,098.20	-1.08%	126	N/A	N/A	1:9.4	1,176.0	1,113.2	1.94%	94.68%	
2014	1,165	27,185,811.88	21,823.56	-1.24%	126	N/A	N/A	1:9.3	1,169.0	1,112.0	-0.11%	95.12%	
2015	1,210	27,025,962.91	23,335.46	6.93%	126	N/A	N/A	1:9.3	1,200.5	1,143.7	2.74%	95.27%	
2016	1,191	28,070,261.01	22,335.51	2.35%	126	N/A	N/A	1:9.3	1,185.0	1,227.0	10.34%	103.54%	
2017	1,178	29,932,078.22	23,568.65	1.00%	127	N/A	N/A	0.0	1,197.0	1,136.0	-7.42%	94.90%	
2018	1,216	31,277,285.65	25,409.23	107.81%	127	N/A	N/A	0.0	1,172.0	1,114.0	-1.94%	95.05%	
2019	1,208	27,503,324.87	25,721.45	101.23%	127	N/A	N/A	0.0	1,176.4	1,116.0	0.18%	94.87%	
2020	1,248	27,208,424.00	25,721.45	100.00%	128	N/A	N/A	1:9.8	1,247.3	1,205.6	6.02%	99.97%	
2021	1,274	29,494,580.94	23,151.16	90.01%	128	N/A	N/A	1:9.9	1,261.1	1,171.0	1.11%	99.92%	

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).

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
*Unaudited***

District/Building	FISCAL YEAR ENDING JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
High School:										
Red Bank Regional High School (1975)										
Square Feet	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Capacity (Students)	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346	1,346
Enrollment	1,136	1,180	1,165	1,165	1,165	1,178	1,216	1,216	1,248	1,274
Other:										
Athletic Building (1980)										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Central Administration (1975)										
Square Feet	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Self-Contained Special Education School (1995)										
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Fitness Center (2015)										
Square Feet	-	-	-	-	3,000	3,000	3,000	3,000	3,000	3,000

Number of Schools at June 30, 2020  
Senior High School = 1  
Other = 0

Source: District Facilities Office

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

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED MAINTENANCE**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

UNDISTRIBUTED EXPENDITURES - REQUIRED  
 MAINTENANCE FOR SCHOOL FACILITIES

	Project # (s)	Red Bank Regional High School	Total
2012	N/A	859,005.27	859,005.27
2013	N/A	475,519.11	475,519.11
2014	N/A	606,937.69	606,937.69
2015	N/A	480,400.12	480,400.12
2016	N/A	709,625.58	709,625.58
2017	N/A	732,530.45	732,530.45
2018	N/A	973,811.00	973,811.00
2019	N/A	579,284.00	579,284.00
2020	N/A	366,969.20	366,969.20
2021	N/A	587,656.00	587,656.00
Total School Facilities		<u>\$ 6,371,738.42</u>	<u>\$ 6,371,738.42</u>

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

Source: District records



**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2021**  
*Unaudited*

<u>Company</u>	<u>Type of Coverage</u>	<u>Premium</u>	<u>Coverage</u>	<u>Deductible</u>
<b>COMMERCIAL PACKAGE POLICY</b>		\$96,668		
New Jersey School Insurance Group	<b>Property Blanket Building &amp; Contents</b>		\$500,000,000	\$2,500
	Blanket Extra Expense		\$50,000,000	\$2,500
	Electronic Data Processing Equipment and Software		\$1,000,000	\$1,000
	Boiler & Machinery		Included	
	<b>Comprehensive General Liability</b>			
	Per Occurrence		\$11,000,000	
	General Aggregate		\$11,000,000	
	Employee Benefit Liability		\$11,000,000	\$1,000
	Automotive Liability		\$11,000,000	
	Site Pollution		\$11,000,000	\$50,000
New Jersey School Insurance Group	<b>School Board Legal Liability</b>	\$43,758	\$1,000,000	\$5,000
New Jersey School Insurance Group	<b>Worker's Compensation</b>	\$123,408	\$3,000,000	
	<b>Surety Bonds</b>			
Selective	BA/BS	\$700	\$250,000	
Selective	Payroll Administrator	\$280	\$100,000	
New Jersey School Insurance Group	Employee Dishonesty	Incl in Pkg	\$500,000	\$1,000
Fireman's Fund	<b>NJ CAP - Excess</b>	\$7,115	\$11,000,000	
Catlin&US Fire	<b>Student Accident</b>	\$155,578	\$1,000,000	

Source: Boynton & Boynton/Alliant

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**SINGLE AUDIT SECTION**

Fourth Section

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Certified Public Accountants + Advisors

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## EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Red Bank Regional High School District  
County of Monmouth  
Little Silver, NJ 07739

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Red Bank Regional High School District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 14, 2022.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Red Bank Regional High 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 the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Red Bank Regional High School District's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, #897

Lakewood, New Jersey  
February 14, 2022



Certified Public Accountants + Advisors

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## EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Red Bank Regional High School District  
County of Monmouth  
Little Silver, NJ 07739

#### Report on Compliance for Each Major State Program

We have audited the Red Bank Regional School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2021. The Red Bank Regional School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned

#### Management's Responsibility

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

#### Auditor's Responsibility

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

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

## Opinion on Each Major Federal and State Program

In our opinion, the Red Bank Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, #897

Lakewood, New Jersey  
February 14, 2022



RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2021 (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR
<b>U.S. Department of Health and Human Services:</b> Passed Through New Jersey Department of Human Services: Medicaid Cluster: Medicaid Assistance Program (SEM)	93.778	1805NJSMAP	100-054-7540-211	2,844.86	7/1/20-6/30/21	\$ -	-	2,844.86	(2,844.86)	-	-	-	\$ -	-
Total Medicaid Cluster				2,844.86				2,844.86	(2,844.86)					
<b>Total U.S. Department of Health and Human Services</b>														
<b>U.S. Department of Agriculture:</b> Passed Through New Jersey Department of Agriculture: School Breakfast Program COVID-19 National School Breakfast Program	10.553 10.553	201NJ04N1099 201NJ04N1099	100-010-3350-028 100-010-3350-028	14,014.26 565.00	7/1/20-6/30/21 7/1/20-6/30/21	-	-	12,536.22 565.00	(14,014.26) (565.00)	-	-	-	(1,478.04)	-
National School Lunch Program COVID-19 National School Lunch Program Healthy Hunger-Free Kids Act COVID-19 National School Lunch Program HHHKA Food Distribution Program (Noncash Assistance)	10.555 10.555 10.555 10.555 10.555	201NJ04N1099 201NJ04N1099 201NJ04N1099 201NJ04N1099 201NJ04N1099	100-010-3350-028 100-010-3350-028 100-010-3350-026 100-010-3350-026 Unavailable	39,938.42 1,429.65 791.98 28.35 5,623.85	7/1/20-6/30/21 7/1/20-6/30/21 7/1/20-6/30/21 7/1/20-6/30/21 7/1/20-6/30/21	-	-	31,335.81 1,429.65 621.39 28.35 5,623.85	(39,938.42) (1,429.65) (791.98) (28.35) (5,623.85)	-	-	-	(1,478.04) (8,602.61) (170.59)	-
Total Child Nutrition Cluster				39,938.42				39,939.05	(47,812.25)				(8,773.20)	
<b>Total U.S. Department of Agriculture</b>								52,140.27	(62,391.51)				(10,251.24)	
<b>U.S. Department of Education:</b> Passed Through New Jersey Department of Education: Title I - Part A Title I - Part A Title II - Part A, Supporting Effective Instruction Title II - Part A, Supporting Effective Instruction Title III - English Language Acquisition Title III - English Language Acquisition	84.010 84.010 84.367 84.367 84.365 84.365	S010A210030 S010A200030 S367A210029 S367A200029 S365A210030 S365A200030	100-034-5064-194 100-034-5064-194 100-034-5063-290 100-034-5063-290 100-034-5064-187 100-034-5064-187	126,372.00 109,522.00 24,694.00 34,944.00 10,720.00 29.00	7/1/20-9/30/21 7/1/19-9/30/20 7/1/20-9/30/21 7/1/19-9/30/20 7/1/20-9/30/21 7/1/19-9/30/20	(3,137.24) (3,137.24)	-	60,317.76 3,137.24 63,455.00	(82,781.81) - (82,781.81)	-	0.24 - 0.24	-	(22,463.81) - (22,463.81)	-
Special Education Cluster: IDEA: Part B IDEA: Part B Total Special Education Cluster	84.027 84.027	H027A210100 H027A200100	100-034-5065-016 100-034-5065-016	381,888.00 362,556.00	7/1/20-9/30/21 7/1/19-9/30/20	(75,332.57) (75,332.57)	-	217,398.00 75,333.00 292,731.00	(376,794.99) - (376,794.99)	-	- (2.43) (2.43)	-	(159,396.99) - (159,396.99)	-
CARES Emergency Relief Grant	84.425D	S425D200027	100-034-5120-517	85,173.00	3/13/20-9/30/22	-	-	48,804.00	(121,110.15)	-	-	-	(72,306.15)	-
COVID Relief Funds	20.019	SLT0007	100-034-5120-517	156,724.00	3/13/20-9/30/22	-	-	72,626.00	(72,625.50)	-	(0.50)	-	(2,686.50)	-
<b>Total U.S. Department of Education</b>								506,714.00	(686,513.62)		13,565.90		(26,128.165)	
<b>Total Expenditures of Federal Awards</b>								\$ 561,699.13	(751,749.99)		\$ 13,565.90		\$ (271,532.89)	

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



**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2021**

**Note 1. Basis of Presentation**

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

**Note 2. Summary of Significant Accounting Policies**

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2021. 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, 2021.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2021 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$5,512.00 for the general fund and \$83,107.76 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 2,844.86	\$ 6,360,090.81	\$ 6,362,935.67
Special Revenue Fund	686,513.62	777,759.80	1,464,273.42
Debt Service Fund	-	251,354.00	251,354.00
Food Service Fund	62,391.51	2,268.34	64,659.85
Total Awards & Financial Assistance	<u>\$ 751,749.99</u>	<u>\$ 7,391,472.95</u>	<u>\$ 8,143,222.94</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

The Red Bank Regional High School District had no loan balances outstanding at June 30, 2021.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

1) Material weakness(es) identified? \_\_\_\_\_ yes       X       no

2) Significant deficiency(ies) identified? \_\_\_\_\_ yes       X       none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes       X       no

**Federal Awards**

Internal control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ yes       X       no

2) Significant deficiency(ies) identified? \_\_\_\_\_ yes       X       none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? \_\_\_\_\_ yes       X       no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	H027A190100	I.D.E.A. Part B
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs \$ 750,000.00

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes       X       no

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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

**State Financial Assistance**

Dollar threshold used to determine Type A programs	\$	750,000.00
Auditee qualified as low-risk auditee?	<u>  X  </u> yes	<u>      </u> no
Internal control over major programs:		
1) Material weakness(es) identified?	<u>      </u> yes	<u>  X  </u> no
2) Significant deficiency(ies) identified?	<u>      </u> yes	<u>  X  </u> 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 Circular 15-08?	<u>      </u> yes	<u>  X  </u> no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid Public:
495-034-5120-084	Equalization Aid
495-034-5120-085	Security Aid
495-034-5120-089	Adjustment Aid
	Special Education Categorical Aid

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

**Section II - Financial Statement Findings**

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

None.

**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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

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

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.



**RED BANK REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2021**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

N/A - No Prior Year Federal Single Audit

State Financial Assistance

No Prior Year Findings.