

**SOUTHERN REGIONAL SCHOOL DISTRICT**

Manahawkin, New Jersey  
County of Ocean

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**OF THE**

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**MANAHAWKIN, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Prepared by**

**Southern Regional School District  
School Business Administrator/Board Secretary**

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**INTRODUCTORY SECTION**

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# SOUTHERN REGIONAL HIGH SCHOOL DISTRICT OF OCEAN COUNTY

February 20, 2023

Mrs. Heather Tatur, President  
Members of the Board of Education  
Southern Regional High School District  
Manahawkin, New Jersey 08050

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Southern Regional School District for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Southern Regional School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, 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 district as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

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

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School 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 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

## **REPORTING ENTITY AND ITS SERVICES**

The Southern Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular and vocational as well as special education for children with special needs. The School District's enrollment, as of October 15<sup>th</sup>, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2021-2022	2,811	-0.88%
2020-2021	2,836	-0.67%
2019-2020	2,855	-0.07%
2018-2019	2,857	0.67%
2017-2018	2,838	-1.18%
2016-2017	2,872	-0.17%
2015-2016	2,877	-2.51%
2014-2015	2,951	-1.53%
2013-2014	2,997	0.64%
2012-2013	2,978	-1.06%

## **ECONOMIC CONDITION AND OUTLOOK**

Residential development in Stafford Township is in its last stages; new housing starts are on the decline each year. Residential development in the Island communities has stabilized in recent years with most of the development being larger seasonal residences replacing older existing seasonal residences. It is anticipated that this development in the Island communities will continue for the short term as the housing stock is updated. The area was impacted by Super Storm Sandy and the resulting coastal flooding. The ratable base has fully recovered from this impact as realized by the ratable assessments in each town exceeding the pre-storm totals.

The district has fully recovered from the minor financial impact related to the COVID-19 pandemic. The district believes that it is well positioned financially for the duration of its long term budgetary planning period.

## **MAJOR INITIATIVES**

The Southern Regional School District has long been recognized as an incredibly comprehensive, innovative and challenging school system, which prides itself in its multitude of programs, progressive initiatives and boundless energy. Driven by an extremely qualified and competent faculty, Southern Regional is determined to be a leadership force in education.

Southern Regional offers over 200 courses from which students can select. The courses are designed to appeal to a wide variety of student interests. Eighteen Advanced Placement courses are offered in English, History, Mathematics, Science, Art, Music and World Languages. Twenty-three dual enrollment courses are offered in conjunction with Stockton University and Ocean County Community College to allow students to earn college credit while still enrolled in high school. Technology-related courses, from the traditional to the highly technical, focus on problem solving, experimental design, and creativity. The Health and Physical Education program are electives, based with a strong emphasis on lifelong wellness and making intelligent lifestyle choices. Project Adventure, an outdoor education program, is also offered. The special needs of our students are addressed as

## **MAJOR INITIATIVES (continued)**

well. We offer self-contained, autistic, resource, adaptive success and in-class support programs. ESL (English as a Second Language) programs are offered for eligible students. In addition to the academic programs, Southern Regional offers students over seventy co-curricular and more than forty-five interscholastic programs. Through the Guidance and Student Assistance Programs, Southern Regional provides opportunities and support systems, which counsel and assist students in making choices that will direct them to a more productive and successful experience. Southern Regional High School is a school “Committed to Excellence” in our faculty, staff, students and community. To this end, the District hopes to construct a learning environment in which its students are encouraged to serve, challenged to grow and empowered to succeed.

## **INTERNAL ACCOUNTING CONTROLS**

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

As part of the School 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.

## **BUDGETARY CONTROLS**

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

## **ACCOUNTING SYSTEM AND REPORTS**

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

**OTHER INFORMATION**

*INDEPENDENT AUDIT*

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet 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*. The auditor’s report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the Single Audit section of this report.

*AWARDS*

The Southern Regional School District continues to be judged as the lighthouse district in the area by leading the way on many fronts. Southern’s SAT scores are amongst the top in Ocean County. For eleven of the past twelve years a Southern graduate has received a prestigious military academy appointment. In several of these eleven years, multiple military appointments have been awarded to Southern graduates. Southern graduates continue to populate the most prestigious colleges and universities in the country. Southern teachers are distinguished professionals who have received awards too numerous to mention. Southern’s music program is considered one of the finest in the area. The Autism program draws students from throughout the region. The Marching Band has accomplished State championship status multiple times during the last several years. The middle school’s Literacy and Lunch program has become a model for middle schools throughout the area. The State of NJ has identified the Southern Regional School District to be a High Performing School District for every year that the NJ QSAC state monitoring program has been in existence.

**ACKNOWLEDGEMENTS**

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

Respectfully Submitted,

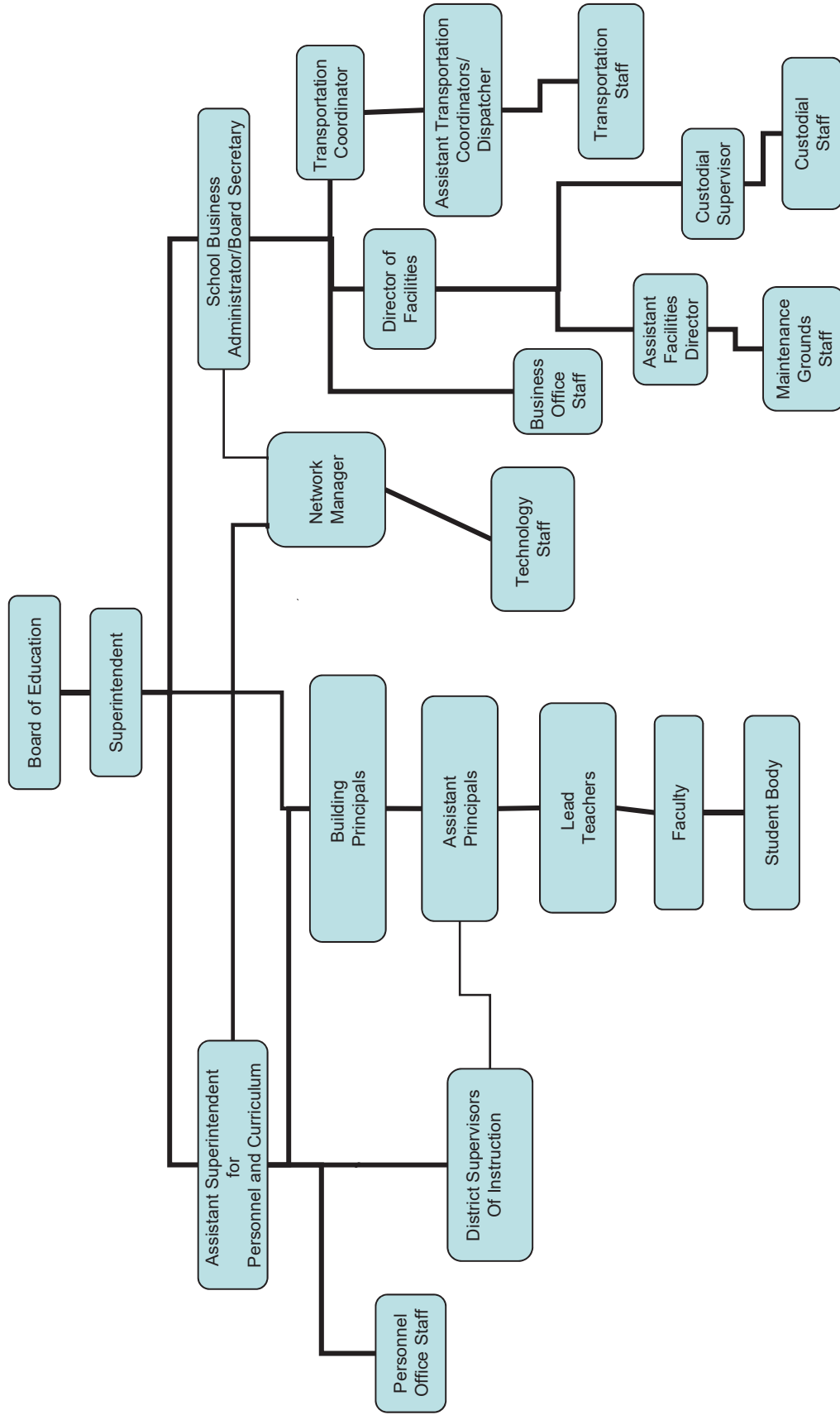
*Craig Henry*

Mr. Craig Henry  
Superintendent

*Steven Terhune*

Mr. Steven Terhune  
School Business Administrator/  
Board Secretary

# Southern Regional School District Organization Chart



**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Manahawkin, New Jersey 08050**

**ROSTER OF OFFICIALS**

**June 30, 2022**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>TERM EXPIRES</b>
--	---------------------

Keith Weidenhof, President	2025
Heather Tatur, Vice President	2023
Steve Berkheiser	2025
James Donahower	2025
Thomas Serpico	2024
Paul Sharkey	2023
Scott Waters	2025
Kelly Zuzic	2024
Terry Deakyne	2025
Kevin Lyons	2025

**OTHER OFFICIALS**

Craig Henry, Superintendent

Megan Vile, Assistant Superintendent

Steven Terhune, Business Administrator/Board Secretary

Kevin O'Shea, Treasurer of School Monies

Laura Benson, Board Attorney



**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Manahawkin, New Jersey 08050**

**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

Michael Holt, CPA, PSA  
Holt McNally & Associates, Inc.  
618 Stokes Road  
Medford, NJ 08055

**ARCHITECTS**

Garrison Architects  
406 Lippincott Drive  
Marlton, NJ 08053

**ATTORNEYS**

Berry, Sahradnik, Kotzas & Benson  
212 Hooper Avenue  
Toms River, NJ 08754

Wilentz, Goldman & Spitzer, PA  
90 Woodbridge Center Drive, Suite 900  
Woodbridge, NJ 07095

Plosia Cohen LLC  
Chester Woods Complex  
385 Route 24, Suite 3G  
Chester, NJ 07930

**OFFICIAL DEPOSITORY**

Ocean First Bank  
975 Hooper Avenue  
Toms River, New Jersey 08753

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**FINANCIAL SECTION**

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**HOLT MCNALLY & ASSOCIATES**

Certified Public Accountants & Advisors

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Southern Regional School District  
County of Ocean  
Manahawkin, New Jersey

### Opinions

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 Southern Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2022, 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.

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 Southern Regional School District, County of Ocean, State of New Jersey, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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 *Governmental 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management 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, and for 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.

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[www.hmacpainc.com](http://www.hmacpainc.com)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any current known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Required Supplementary Information**

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

## **Supplementary 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 combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with the audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2023 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,

**HOLT MCNALLY & ASSOCIATES, INC.**

*Certified Public Accountants & Advisors*

A handwritten signature in black ink that reads "Michael Holt". The signature is written in a cursive, slightly slanted style.

Michael Holt  
Certified Public Accountant  
Public School Accountant, No. 1148

Medford, New Jersey  
February 20, 2023



**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

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**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

As management of the Southern Regional School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund and Community Education Fund.

**Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into two categories: *governmental funds and proprietary funds*.

**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Fund Financial Statements (continued)**

*Governmental funds* account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains two types of proprietary fund – the Enterprise Fund and Internal Service. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Financial Analysis of the School District as a Whole**

Table 1 on the following page provides a summary of the School Districts net position for the fiscal year 2022 compared to fiscal year 2021.

**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Financial Analysis of the School District as a Whole (continued)**

**Table 1**  
**Summary of Net Position**

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ (Decrease)	Percentage Change
Current & Other Assets	\$ 30,749,053	\$ 30,931,816	\$ (182,763)	-0.6%
Capital Assets, Net	40,586,191	36,261,842	4,324,349	11.9%
Total Assets	<u>71,335,244</u>	<u>67,193,658</u>	4,141,586	6.2%
Deferred Outflow of Resources	<u>1,361,662</u>	<u>2,363,502</u>	(1,001,840)	-42.4%
Current and other Liabilities	1,759,865	1,891,185	(131,320)	-6.9%
Noncurrent Liabilities	15,519,784	19,779,653	(4,259,869)	-21.5%
Total Liabilities	<u>17,279,649</u>	<u>21,670,839</u>	(4,391,190)	-20.3%
Deferred Inflow of Resources	<u>7,263,162</u>	<u>6,877,061</u>	386,101	5.6%
Net Position:				
Net Investment in Capital Assets	40,586,191	36,261,842	4,324,349	11.9%
Restricted	24,035,617	24,939,239	(903,622)	-3.6%
Unrestricted (Deficit)	(16,467,713)	(20,191,820)	3,724,107	-18.4%
Total Net Position	<u>\$ 48,154,095</u>	<u>\$ 41,009,260</u>	<u>\$ 7,144,835</u>	17.4%

Table 2 on the following page shows the changes in net position for fiscal year 2022 compared to fiscal year 2021.

**Table 2**  
**Summary of Changes in Net Position**

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ (Decrease)	Percentage Change
<b>Revenues:</b>				
Program Revenues:				
Charges for Services	\$ 156,233	\$ 81,017	\$ 75,216	92.8%
Operating Grants & Contributions	15,069,972	21,242,506	(6,172,534)	-29.1%
General Revenues:				
Property Taxes	48,371,243	47,650,013	721,230	1.5%
Federal & State Aid	3,955,774	3,555,031	400,743	11.3%
Tuition	7,068,408	7,334,695	(266,287)	-3.6%
Other General Revenues	2,488,491	1,390,266	1,098,225	79.0%
Special Items:				
(Loss) on Fixed Asset Appraisal	-	(91,550)	91,550	-100.0%
Total Revenues	<u>77,110,121</u>	<u>81,161,977</u>	<u>(4,051,856)</u>	-5.0%
<b>Function/Program Expenditures:</b>				
Instruction	47,576,762	47,689,512	(112,750)	-0.2%
Tuition	495,002	632,574	(137,572)	-21.7%
Student & Instruction Related Services	6,724,850	9,339,719	(2,614,869)	-28.0%
General Administrative Services	965,893	1,119,362	(153,469)	-13.7%
School Administrative Services	1,707,010	2,530,697	(823,687)	-32.5%
Central Services	662,485	1,000,456	(337,971)	-33.8%
Other Administrative Services	416,764	559,191	(142,427)	-25.5%
Plant Operations & Maintenance	6,230,641	7,862,251	(1,631,610)	-20.8%
Pupil Transportation	4,053,860	5,552,274	(1,498,414)	-27.0%
Interest & Other Charges	-	38,250	(38,250)	-100.0%
Food Service/Community Education	1,132,019	456,738	675,281	147.8%
Total Expenditures	<u>69,965,286</u>	<u>76,781,024</u>	<u>(6,815,738)</u>	-8.9%
Change In Net Position	7,144,835	4,380,953	2,763,882	63.1%
Net Position - Beginning	41,009,260	36,628,308	4,380,953	12.0%
Net Position - Ending	<u>\$ 48,154,095</u>	<u>\$ 41,009,260</u>	<u>\$ 7,144,835</u>	17.4%

**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Governmental Activities**

During the fiscal year 2022, the net position of governmental activities increased by \$6,814,001 or 17%. The primary reason for the increase was cost reductions in labor costs due to retirements and staff reductions and operational efficiencies.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$47,697,519, with an unrestricted deficit balance of \$16,866,309. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 4% of its adopted budget as unassigned fund balance.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3**  
**GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (With GASB 68)	\$	(16,871,867)
Plus: PERS Pension Liability		10,870,082
Less: Deferred Outflows Related to Pensions		(1,361,662)
Plus: Deferred Inflows Related to Pensions		<u>7,263,162</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>(100,285)</u>

**Business-Type Activities**

During the fiscal year 2022, the net position of business-type activities increased by \$330,834 or 263%. The primary reason was increases in reimbursement rates as well as additional federal aid.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$456,576.

**General Fund Budgeting Highlights**

Final budgeted revenues was \$59,224,063, which was unchanged from the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$1,218,097.

Final budgeted appropriations was \$67,834,149, which was an increase of \$4,843,697 from the original budget. The increase is due to the board approval of a transfer to the Capital Projects fund. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$7,757,476.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$22,015,032 at June 30, 2022.

**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Governmental Funds**

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$29,718,181, a decrease of \$330,629 from the prior year.

*General fund* - During the current fiscal year, the fund balance of the School District's general fund increased by \$307,759 to \$21,717,985 at June 30, 2022, compared to a decrease of \$19,338 in fund balance in the prior fiscal year.

*Special revenue fund* – The special revenue fund balance increased by \$70,355 to \$692,539.

*Capital projects fund* - During the current fiscal year, the fund balance of the School District's capital projects fund decreased by \$708,743 to \$7,307,631 at June 30, 2022, compared to an increase of \$3,639,792 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the capital projects fund is as follows:

- The District continues to implement its capital improvement plans which result in Fund changes depending on the phasing of planned projects.

*Debt service fund* - There was no change in fund balance for the debt service fund.

**Proprietary Funds**

*Food service fund* - During the current fiscal year, the net position of the School District's food service fund increased by \$328,784 to \$448,334 at June 30, 2022, compared to an increase of 58,236 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- Increased reimbursement rates and additional federal funding.

*Community education fund* - During the current fiscal year, the net position of the School District's community education fund increased by \$2,050 to \$8,242 at June 30, 2022.

*Workers compensation fund* - During the current fiscal year, the net position of the School District's workers compensation fund increased by \$41 to \$469 at June 30, 2022, compared to an increase of \$32 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position is as follows:

- Interest earned on cash balances.

**Capital Assets**

The School District's capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$40,586,191 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, vehicles and machinery and equipment. There was a net increase in the School District's investment in capital assets for the current fiscal year in the amount of \$4,324,349. This increase is primarily due to ongoing construction projects. Table 4 shows fiscal 2022 balances compared to 2021.

**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Capital Assets (continued):**

**Table 4**  
**Summary of Capital Assets**

<u>Capital Asset</u>	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 2,525,711	\$ 2,525,711	\$ -	0.0%
Construction in Progress	12,072,484	7,831,306	4,241,178	54.2%
Building and Improvements	47,767,511	47,093,211	674,300	1.4%
Vehicles	7,473,099	6,916,766	556,333	8.0%
Machinery and Equipment	12,264,580	11,488,856	775,724	6.8%
Capital Assets, Gross	82,103,385	75,855,851	6,247,534	8.2%
Accumulated Depreciation	(41,517,194)	(39,594,009)	(1,923,185)	4.9%
Capital Assets, Net	<u>\$ 40,586,191</u>	<u>\$ 36,261,842</u>	<u>\$ 4,324,349</u>	11.9%

Depreciation expense for the year was \$1,923,185. Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

**Debt Administration**

**Long-term debt** – At the end of the current fiscal year, the School District had no bonded debt outstanding.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

**Factors on the School District's Future**

Overall, the School District has a strong financial position to address normal course of business fluctuations in its day-to-day financial operations. The School District has also continued its Capital Projects planning and funding process to properly maintain the facilities and grounds entrusted to it by the taxpayers. During the 2017-2018 school year the School District retired the remaining long-term bonds and do not anticipate a need to issuing any new bonded debt for the foreseeable future.

The School District faces an uncertain impact on two areas outside of its control. The first area is the short-term and long-term obligations under the Pension Funds managed by the State of NJ. Any changes in the plans or statutes could have a positive or negative impact on the financial operations of the school district. The second area is State Aid provided to the district by the State of NJ. It is anticipated that the State of NJ will alter the funding levels received by the school district in the near term. Based on the impact realized by the school district in the 2022-2023 school year the district anticipates that these changes will likely have a positive impact on the financial position of the school district.

**Contacting the School Districts Financial Management**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Steven Terhune, School Business Administrator/Board Secretary at Southern Regional School District, 105 Cedar Bridge Road, Manahawkin, NJ 08050. Please also visit our website at [www.srsd.net](http://www.srsd.net).



**BASIC FINANCIAL STATEMENTS**

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A. District-Wide Financial Statements

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**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 10,332,269	\$ 390,437	\$ 10,722,706
Receivables, Net (Note 4)	4,457,634	55,026	4,512,660
Internal Balances	40,000	(40,000)	-
Inventory	-	9,459	9,459
Restricted Cash & Cash Equivalents	15,504,228	-	15,504,228
Capital Assets, Net (Note 5)			
Non-Depreciable	14,598,195	-	14,598,195
Depreciable	25,935,574	52,422	25,987,996
	<hr/>	<hr/>	<hr/>
Total Assets	70,867,900	467,344	71,335,244
DEFERED OUTFLOW OF RESOURCES			
Related to Pensions (Note 8)	1,361,662	-	1,361,662
	<hr/>	<hr/>	<hr/>
Total Deferred Outflow of Resources	1,361,662	-	1,361,662
	<hr/>	<hr/>	<hr/>
Total Assets and Deferred Outflow of Resources	72,229,562	467,344	72,696,906
LIABILITIES			
Accounts Payable	446,547	-	446,547
Due to Other Governments	1,208,659	-	1,208,659
Other Liabilities	90,816	-	90,816
Unearned Revenue	3,075	10,768	13,843
Noncurrent Liabilities (Note 7):			
Due Beyond One Year	15,519,784	-	15,519,784
	<hr/>	<hr/>	<hr/>
Total Liabilities	17,268,881	10,768	17,279,649
DEFERED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	7,263,162	-	7,263,162
	<hr/>	<hr/>	<hr/>
Total Deferred Inflow of Resources	7,263,162	-	7,263,162
	<hr/>	<hr/>	<hr/>
Total Liabilities and Deferred Inflow of Resources	24,532,043	10,768	24,542,811
NET POSITION			
Net Investment in Capital Assets	40,533,769	52,422	40,586,191
Restricted For:			
Capital Projects	14,426,641	-	14,426,641
Debt Service	26	-	26
Excess Surplus	1,269,551	-	1,269,551
Maintenance Reserve	5,887,920	-	5,887,920
Tuition Reserve	1,600,000	-	1,600,000
Unemployment Compensation	158,940	-	158,940
Scholarships	95,598	-	95,598
Student Activities	596,941	-	596,941
Unrestricted	(16,871,867)	404,154	(16,467,713)
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 47,697,519	\$ 456,576	\$ 48,154,095

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			TOTAL
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES		
Governmental Activities:								
Instruction:								
Regular	\$ 16,972,357	\$ -	\$ -	\$ (16,972,357)	\$ -	\$ -	\$ (16,972,357)	
Special Education	7,426,260	-	2,502,670	(4,923,590)	-	-	(4,923,590)	
Other Instruction	1,818,911	-	-	(1,818,911)	-	-	(1,818,911)	
Support Services:								
Tuition	495,002	-	-	(495,002)	-	-	(495,002)	
Student & Instruction Related Services	6,080,180	-	196,947	(5,883,233)	-	-	(5,883,233)	
Health Services	301,760	-	-	(301,760)	-	-	(301,760)	
Educational Media Services/School Library	342,910	-	-	(342,910)	-	-	(342,910)	
School Administrative Services	1,707,010	-	-	(1,707,010)	-	-	(1,707,010)	
General Administration	965,893	-	-	(965,893)	-	-	(965,893)	
Central Services	662,485	-	-	(662,485)	-	-	(662,485)	
Administrative Information Technology	416,764	-	-	(416,764)	-	-	(416,764)	
Plant Operations & Maintenance	6,230,641	-	-	(6,230,641)	-	-	(6,230,641)	
Pupil Transportation	4,053,860	-	-	(4,053,860)	-	-	(4,053,860)	
Unallocated Benefits	19,443,386	-	11,063,735	(8,379,651)	-	-	(8,379,651)	
Unallocated Depreciation	1,915,848	-	-	(1,915,848)	-	-	(1,915,848)	
Total Governmental Activities	68,833,267	-	13,763,352	(55,069,915)	-	-	(55,069,915)	

**SOUTHERN REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Business-Type Activities:					
Food Service	1,130,059	152,223	1,306,620	-	328,784
Community Education	1,960	4,010	-	-	2,050
Total Business-Type Activities	1,132,019	156,233	1,306,620	-	330,834
Total Primary Government	\$ 69,965,286	\$ 156,233	\$ 15,069,972	(55,069,915)	(54,739,081)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes				48,371,243	48,371,243
Federal & State Aid Not Restricted				3,955,774	3,955,774
Tuition Charges				7,068,408	7,068,408
Transportation				739,550	739,550
Investment Earnings				2,041	2,041
Miscellaneous Income				1,746,900	1,746,900
Total General Revenues, Special Items, Extraordinary Items & Transfers				61,883,916	61,883,916
Change In Net Position				6,814,001	330,834
Net Position - Beginning				40,883,518	125,742
Net Position - Ending				\$ 47,697,519	\$ 456,576
					\$ 48,154,095

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

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## B. Fund Financial Statements

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## Governmental Funds

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2022**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
Cash & Cash Equivalents	\$ 4,210,367	\$ 94,489	\$ 5,006,208	\$ 26	\$ 9,311,090
Cash Held with Fiscal Agent	1,009,497	-	-	-	1,009,497
Receivables from Other Governments	1,414,079	742,132	2,301,423	-	4,457,634
Interfund Accounts Receivable	109,039	-	-	-	109,039
Restricted Cash & Cash Equivalents	15,504,228	-	-	-	15,504,228
	<hr/>				
Total Assets	<u>\$ 22,247,210</u>	<u>\$ 836,621</u>	<u>\$ 7,307,631</u>	<u>\$ 26</u>	<u>\$ 30,391,488</u>
<b>LIABILITIES &amp; FUND BALANCES</b>					
Liabilities:					
Accounts Payable	17,178	\$ -	\$ -	\$ -	\$ 17,178
Intergovernmental Payable:					
State	-	75,043	-	-	75,043
Interfund Accounts Payable	-	69,039	-	-	69,039
Payroll Deductions and Withholdings Payable	288,217	-	-	-	288,217
Unemployment Compensation Claims Payable	129,939	-	-	-	129,939
Unearned Revenue	3,075	-	-	-	3,075
Other Liabilities	90,816	-	-	-	90,816
	<hr/>				
Total Liabilities	529,225	144,082	-	-	673,307
Fund Balances:					
Restricted for:					
Maintenance Reserve	5,887,920	-	-	-	5,887,920
Capital Reserve Account	7,857,368	-	-	-	7,857,368
Tuition Reserve	1,600,000	-	-	-	1,600,000
Excess Surplus	1,269,551	-	-	-	1,269,551
Unemployment Fund	158,940	-	-	-	158,940
Capital Projects Fund	-	-	6,569,273	-	6,569,273
Debt Service Fund	-	-	-	26	26
Scholarships	-	95,598	-	-	95,598
Student Activities	-	596,941	-	-	596,941
Assigned to:					
Other Purposes	1,129,309	-	738,358	-	1,867,667
Designated for Subsequent Year	778,441	-	-	-	778,441
Unassigned:					
General Fund	3,036,456	-	-	-	3,036,456
	<hr/>				
Total Fund Balances	21,717,985	692,539	7,307,631	26	29,718,181
	<hr/>				
Total Liabilities & Fund Balances	<u>\$ 22,247,210</u>	<u>\$ 836,621</u>	<u>\$ 7,307,631</u>	<u>\$ 26</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$81,623,500 and the accumulated depreciation is \$41,089,731. \$ 40,533,769

Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.

Deferred Outflows related to pensions	1,361,662
Deferred Inflows related to pensions	(7,263,162)

Internal service funds are used by the School District to charge the costs of the School District self-insured worker's compensation to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities. 469

Accrued pension contributions for the June 30, 2022 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. (1,133,616)

Long-term liabilities, including net pension liability and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (15,519,784)

Net position of Governmental Activities \$ 47,697,519

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 48,371,243	\$ -	\$ -	\$ -	\$ 48,371,243
Tuition	7,068,408	-	-	-	7,068,408
Transportation	739,550	-	-	-	739,550
Interest Earned on Capital Reserve Funds	1,000	-	-	-	1,000
Interest Earned on Maintenance Reserve Funds	1,000	-	-	-	1,000
Miscellaneous	247,457	1,499,443	-	-	1,746,900
Total Local Sources	56,428,658	1,499,443	-	-	57,928,101
State Sources	16,520,942	24,625	-	-	16,545,567
Federal Sources	41,646	2,674,992	-	-	2,716,638
Total Revenues	72,991,246	4,199,060	-	-	77,190,306
Expenditures:					
Current Expense:					
Regular Instruction	16,972,357	-	-	-	16,972,357
Special Education Instruction	5,856,700	1,569,560	-	-	7,426,260
Other Instruction	1,818,911	-	-	-	1,818,911
Support Services:					
Tuition	495,002	-	-	-	495,002
Student & Instruction Related Services	4,454,145	1,626,035	-	-	6,080,180
Health Services	301,760	-	-	-	301,760
Educational Media Services/					
School Library	342,910	-	-	-	342,910
General Administrative	965,893	-	-	-	965,893
School Administrative Services	1,707,010	-	-	-	1,707,010
Central Services	662,485	-	-	-	662,485
Administrative Information Technology	416,764	-	-	-	416,764
Plant Operations & Maintenance	5,973,619	-	-	-	5,973,619
Pupil Transportation	4,053,860	-	-	-	4,053,860
Employee Benefits	11,192,553	-	-	-	11,192,553
On Behalf TPAF Pension and Social					
Security Contributions	12,606,814	-	-	-	12,606,814
Capital Outlay	1,330,269	933,110	4,241,178	-	6,504,557
Total Expenditures	69,151,052	4,128,705	4,241,178	-	77,520,935
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	3,840,194	70,355	(4,241,178)	-	(330,629)
Other Financing Sources/(Uses):					
Transfers In	-	-	3,532,435	-	3,532,435
Transfers Out	(3,532,435)	-	-	-	(3,532,435)
Total Other Financing Sources & Uses	(3,532,435)	-	3,532,435	-	-
Net Change in Fund Balances	307,759	70,355	(708,743)	-	(330,629)
Fund Balances July 1,	21,410,226	622,184	8,016,374	26	30,048,810
Fund Balances June 30,	\$ 21,717,985	\$ 692,539	\$ 7,307,631	\$ 26	\$ 29,718,181

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (From B-2 & B-5) \$ (330,588)

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 capital outlays exceeded depreciation in the period.

Depreciation Expense	\$	(1,915,848)	
Deletions and Adjustments		(222,335)	
Capital Outlays		6,469,870	4,331,687

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.

2,876,962

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 (+).

(64,060)

Change in Net Position of Governmental Activities

\$ 6,814,001

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

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## Proprietary Funds

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 FOR FISCAL YEAR ENDED JUNE 30, 2022**

ASSETS	BUSINESS-TYPE ACTIVITIES		GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND	TOTAL
	ENTERPRISE FUNDS FOOD SERVICE FUND	COMMUNITY EDUCATION		
Current Assets:				
Cash & Cash Equivalents	\$ 382,195	\$ 8,242	\$ 11,682	\$ 402,119
Receivables from Other Governments	55,026	-	-	55,026
Inventories	9,459	-	-	9,459
Total Current Assets	446,680	8,242	11,682	466,604
Fixed Assets:				
Equipment	479,885	-	-	479,885
Accumulated Depreciation	(427,463)	-	-	(427,463)
Total Fixed Assets	52,422	-	-	52,422
Total Assets	499,102	8,242	11,682	519,026
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	-	11,213	11,213
Unearned Revenue	10,768	-	-	10,768
Interfund Payable	40,000	-	-	40,000
Total Current Liabilities	50,768	-	11,213	61,981
Total Liabilities	50,768	-	11,213	61,981
NET POSITION				
Investment in Capital Assets Unrestricted	52,422 395,912	- 8,242	- 469	52,422 404,623
Total Net Position	\$ 448,334	\$ 8,242	\$ 469	\$ 457,045

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN FUND NET POSITION  
 FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES			TOTAL
	ENTERPRISE FUND		GOVERNMENTAL	
	FOOD SERVICE FUND	COMMUNITY EDUCATION	ACTIVITIES- INTERNAL SERVICE FUND	
Operating Revenue:				
Daily Sales - Reimbursable Programs	\$ 137,851	\$ -	\$ -	\$ 137,851
Daily Sales - Nonreimbursable Programs	6,728	-	-	6,728
Refunds	-	-	10,684	10,684
Special Functions	7,402	-	-	7,402
Miscellaneous Income	242	4,010	-	4,252
Total Operating Revenues	152,223	4,010	10,684	166,917
Operating Expenses:				
Salaries	289,776	1,960	-	291,736
Employee Benefits	54,629	-	-	54,629
Supplies and Materials	-	-	-	-
Other Purchased Services	74,226	-	-	74,226
Cleaning, Repair & Maintenance Services	11,082	-	-	11,082
Claims	-	-	10,684	10,684
Depreciation	7,337	-	-	7,337
Miscellaneous Other Expenses	57,121	-	-	57,121
Cost of Sales - Reimbursable Programs	540,505	-	-	540,505
Cost of Sales - Non-Reimbursable Programs	95,383	-	-	95,383
Total Operating Expenses	1,130,059	1,960	10,684	1,142,703
Operating (Loss)/Gain	(977,836)	2,050	-	(975,786)
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	23,795	-	-	23,795
Federal Sources:				
National School Lunch Program	1,013,883	-	-	1,013,883
Food Distribution Program	51,660	-	-	51,660
National Breakfast Program	216,040	-	-	216,040
Pandemic EBT Admin Cost Reimbursement	1,242	-	-	1,242
Interest Revenue	-	-	41	41
Total Nonoperating Revenues	1,306,620	-	41	1,306,661
Change in Net Position	328,784	2,050	41	330,875
Net Position - Beginning of Year	119,550	6,192	428	126,170
Total Net Position - End of Year	\$ 448,334	\$ 8,242	\$ 469	\$ 457,045

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES			TOTAL
	ENTERPRISE FUND		GOVERNMENTAL	
	FOOD SERVICE FUND	COMMUNITY EDUCATION	ACTIVITIES- INTERNAL SERVICE FUND	
Cash Flows From Operating Activities:				
Receipts from Customers/Vendors	\$ 158,265	\$ 4,010	\$ 10,684	\$ 172,959
Payments to Employees	(289,776)	(1,960)	(17,919)	(309,655)
Payments for Employee Benefits	(54,629)	-	-	(54,629)
Payments to Suppliers	(774,297)	-	-	(774,297)
Net Cash Provided/(Used) by Operating Activities	(960,437)	2,050	(7,235)	(965,622)
Cash Flows From Noncapital Financing Activities:				
Cash Received From State & Federal Reimbursements	1,315,972	-	-	1,315,972
Net Cash Provided by Noncapital Financing Activities	1,315,972	-	-	1,315,972
Cash Flows From Investing Activities:				
Interest & Dividends	-	-	41	41
Net Cash Provided by Investing Activities	-	-	41	41
Net Increase/(Decrease) in Cash & Cash Equivalents	355,535	2,050	(7,194)	350,391
Cash & Cash Equivalents, July 1	26,660	6,192	18,876	51,728
Cash & Cash Equivalents, June 30	\$ 382,195	\$ 8,242	\$ 11,682	\$ 402,119

**RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:**

Cash Provided/(Used) by Operating Activities:				
Operating Income/(Loss)	\$ (977,836)	\$ 2,050	\$ -	\$ (975,786)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:				
Depreciation Expense	7,337	-	-	7,337
Change in Assets & Liabilities:				
(Increase)/Decrease in Inventory	4,020	-	-	4,020
Increase/(Decrease) in Unearned Revenue	6,042	-	-	6,042
Increase/(Decrease) in Claims Payable	-	-	(7,235)	(7,235)
Total Adjustments	17,399	-	(7,235)	10,164
Net Cash Provided/(Used) by Operating Activities	\$ (960,437)	\$ 2,050	\$ (7,235)	\$ (965,622)

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

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**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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# SOUTHERN REGIONAL SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

### Note 1. Summary of Significant Accounting Policies

#### **Basis of Presentation**

The financial statements of the Southern Regional School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). 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 Southern Regional School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board consists of ten members elected to three-year terms and is responsible for the fiscal control of the District. The terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels seven through twelve at its two schools. The Southern Regional School District has an approximate enrollment at June 30, 2022 of 2,811 students.

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

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

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

#### **Component Units**

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2022.

# SOUTHERN REGIONAL SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

### Note 1. Summary of Significant Accounting Policies (continued):

#### **Government-Wide Financial Statements**

The 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 District accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying 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 District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

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.

#### **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. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

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 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 District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

#### **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. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been

# SOUTHERN REGIONAL SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

### Note 1. Summary of Significant Accounting Policies (continued):

combined with the governmental activities in the Government-Wide financial statements.

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.

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.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 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 taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. 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 assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or

## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### Note 1. Summary of Significant Accounting Policies (continued):

within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements.

The District reports the following major governmental funds:

**General Fund** - The general fund is the general operating fund of the 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 non-instructional equipment which are classified in the Capital Outlay sub-fund.

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

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

**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 the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### Note 1. Summary of Significant Accounting Policies (continued):

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

**Internal Service Fund** - The internal service fund is used to account for the financial transactions related to the worker's compensation program of the School District

The District reports the following major proprietary funds:

**Food Service Fund** – This fund accounts for the revenues and expenses pertaining to the District's cafeteria operations.

**Community Education Fund**- The community education fund accounts for the financial transactions related to the community education operations of the School District.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

#### **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 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 last state aid payment for budgetary purposes only and the special revenue



## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### **Note 1. Summary of Significant Accounting Policies (continued):**

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 District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

#### **Encumbrances**

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

Open encumbrances in the special revenue fund for which the 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 and Cash Equivalents**

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

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.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued):**

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.

*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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**Tuition Payable/Receivable**

Tuition rates for the fiscal year end June 30, 2022 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been 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 District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances.

**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 value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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.

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

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### Note 1. Summary of Significant Accounting Policies (continued):

##### Compensated Absences

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

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 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.



## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### Note 1. Summary of Significant Accounting Policies (continued):

##### Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2022.
- Assigned – This classification includes amounts that are constrained by the 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. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- 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 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 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 in the following three components:

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

## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### Note 1. Summary of Significant Accounting Policies (continued):

- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

#### **Impact of Recently Issued Accounting Principles**

##### Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

Statement No. 87, Leases. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. The District has evaluated the effects of GASB Statement No. 87 and has determined the provisions of this Statement do not need to be applied due to the immaterial effect on the government-wide financial statements.

##### Recently Issued Accounting Pronouncements

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

Statement No. 96, Subscription-Based Information Technology Arrangements. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 101, Compensated Absences. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

#### **Bond Premiums, Discounts and Issuance Costs**

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Deferred Loss on Refunding Debt**

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

**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, 2022, the District's bank balance of \$27,828,926 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 24,981,776
Uninsured and Uncollateralized	<u>2,847,150</u>
	<u>\$ 27,828,926</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 2. Deposits and Investments (continued)**

**Investments**

The District had no investments at June 30, 2022.

**Note 3. Reserve Accounts**

**Capital Reserve**

A capital reserve account was established by the 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 District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (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, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$ 7,388,803
Increased by:	
Interest	1,000
Deposits approved by Board	<u>4,000,000</u>
	11,389,803
Decreased by:	
Budget Withdrawals	<u>(3,532,435)</u>
Ending Balance, June 30, 2022	<u>\$ 7,857,368</u>

The LRFP balance of local support costs of uncompleted capital projects at June 30, 2022 is \$21,236,439. The withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's Long Rang Facilities Plan.

**Tuition Reserve**

A tuition reserve account was established on June 5, 2012 for the accumulation of funds for use as tuition expenditures in subsequent fiscal years. The tuition reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There is a balance of \$1,600,000 at June 30, 2022. Of this balance, \$800,000 is the 2021-2022 reserve amount and \$800,000 is the 2022-2023 reserve amount.

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

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

Beginning Balance, July 1, 2021	\$ 1,600,000
Increased by:	
Deposits approved by Board	<u>800,000</u>
	2,400,000.00
Decreased by:	
Budget Withdrawals	<u>(800,000)</u>
Ending Balance, June 30, 2022	<u><u>\$ 1,600,000</u></u>

**Maintenance Reserve**

The School District established a maintenance reserve account on June 5, 2012 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, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$ 4,886,920
Increased by:	
Interest Earnings	1,000
Deposits approved by Board	<u>1,000,000</u>
Ending Balance, June 30, 2022	<u><u>\$ 5,887,920</u></u>

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the District's individual major, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>			<u>Total Governmental Activities</u>	<u>Proprietary Funds</u>		<u>Total Business-Type Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>		<u>Food Service Fund</u>		
Federal Awards	\$ -	\$ 742,132	\$ -	\$ 742,132	\$ 54,025		\$ 54,025
State Awards	1,025,984	-	2,301,423	3,327,407	1,001		1,001
Other	388,095	-	-	388,095	-		-
<b>Total</b>	<b>\$ 1,414,079</b>	<b>\$ 742,132</b>	<b>\$ 2,301,423</b>	<b>\$ 4,457,634</b>	<b>\$ 55,026</b>		<b>\$ 55,026</b>

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2022 was as follows:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2022</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,525,711	\$ -	\$ -	\$ 2,525,711
Construction in Progress	7,831,306	4,241,178	-	12,072,484
<b>Total Capital Assets not being depreciated</b>	<b>10,357,017</b>	<b>4,241,178</b>	<b>-</b>	<b>14,598,195</b>
Capital Assets being depreciated:				
Building Improvements	47,093,211	674,300	-	47,767,511
Vehicles	6,916,766	618,011	(61,678)	7,473,099
Equipment	11,008,971	936,381	(160,657)	11,784,695
<b>Total Capital Assets being depreciated</b>	<b>65,018,948</b>	<b>2,228,692</b>	<b>(222,335)</b>	<b>67,025,305</b>
Less: Accumulated Depreciation:	(39,173,883)	(2,012,731)	96,883	(41,089,731)
<b>Total Accumulated Depreciation</b>	<b>(39,173,883)</b>	<b>(2,012,731)</b>	<b>96,883</b>	<b>(41,089,731)</b>
<b>Total Capital Assets being depreciated, net</b>	<b>25,845,065</b>	<b>215,961</b>	<b>(125,452)</b>	<b>25,935,574</b>
<b>Total Governmental Activities Capital Assets, net</b>	<b>\$ 36,202,082</b>	<b>\$ 4,457,139</b>	<b>\$ (125,452)</b>	<b>\$ 40,533,769</b>

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 5. Capital Assets (continued):**

	<b>Balance July 1, <u>2021</u></b>	<b><u>Additions</u></b>	<b><u>Retirements and Transfers</u></b>	<b>Balance June 30, <u>2022</u></b>
<b>Business-Type Activities:</b>				
Equipment	\$ 479,885	\$ -	\$ -	\$ 479,885
	<u>479,885</u>	<u>-</u>	<u>-</u>	<u>479,885</u>
Less: Accumulated Depreciation:				
Equipment	(420,126)	(7,337)	-	(427,463)
	<u>(420,126)</u>	<u>(7,337)</u>	<u>-</u>	<u>(427,463)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 59,759</u>	<u>\$ (7,337)</u>	<u>\$ -</u>	<u>\$ 52,422</u>

Depreciation expense was not allocated among the various functions/programs of the District.

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

Individual fund receivables/payables balances at June 30, 2022 are as follows:

<b><u>Fund</u></b>	<b><u>Interfund Receivables</u></b>	<b><u>Interfund Payables</u></b>
General Fund	\$ 109,039	\$ -
Special Revenue Fund	-	69,039
Food Service Fund	-	40,000
	<u>\$ 109,039</u>	<u>\$ 109,039</u>

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.

<b><u>Fund</u></b>	<b><u>Transfers In</u></b>	<b><u>Transfers Out</u></b>
General Fund	\$ -	\$ 3,532,435
Capital Projects Fund	3,532,435	-
	<u>\$ 3,532,435</u>	<u>\$ 3,532,435</u>

The purpose of the interfund transfers were for short term borrowing.

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due <u>Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 4,585,642	\$ 64,060	\$ -	\$ 4,649,702	\$ -
Net Pension Liability	15,194,011	-	4,323,929	10,870,082	-
	<u>\$ 19,779,653</u>	<u>\$ 64,060</u>	<u>\$ 4,323,929</u>	<u>\$ 15,519,784</u>	<u>\$ -</u>

For governmental activities, compensated absences and net pension liability are liquidated by the general fund.

**Note 8. Pension Plans**

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

**Plan Description** - The State of New Jersey, 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 annual financial statements, which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-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.

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 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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.



**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 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 2021, the State's pension contribution was less than the actuarial determined amount.

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

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2022, the School District reported a liability of \$10,870,082 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. 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, 2020, to the measurement date of June 30, 2021. 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, 2021. The School District's proportion measured as of June 30, 2021, was 0.0917577%, which was a decrease of 0.001414% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense/(benefit) of (\$1,799,742) in the government-wide financial statements. This pension expense/(benefit) was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 171,435	\$ 77,817
Changes of Assumptions	56,611	3,869,820
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	2,863,465
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	-	452,060
School District Contributions Subsequent to Measurement Date	1,133,616	-
	\$ 1,361,662	\$ 7,263,162

\$1,133,616 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. 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:

<b>Year Ending Dec 31,</b>	<b>Amount</b>
2022	\$ (2,740,996)
2023	(1,957,065)
2024	(1,334,384)
2025	(1,003,060)
2026	389
	\$ (7,035,116)

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:

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

	<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, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
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
June 30, 2021	-	5.13
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
June 30, 2021	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

**A. Public Employees’ Retirement System (PERS) (continued):**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions:

Inflation		
Price		2.75%
Wage		3.25%
Salary Increases:		
Through 2026		2.00 - 6.00% Based on Years of Service
Thereafter		3.00 - 7.00% Based on Years of Service
Investment Rate of Return		7.00%
Mortality Rate Table		
PERS		Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
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-2021.

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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, 2021 are summarized in the following table:

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 100% 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 projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, 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:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's Proportionate Share of the Net Pension Liability	\$ 14,960,646	\$ 10,870,082	\$ 7,612,871

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

**Balances at June 30, 2022 and June 30, 2021**

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
District's portion of the Plan's total Net Pension Liability	0.091758%	0.093173%

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

**Plan Description** - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (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 State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.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

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

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. 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. For fiscal year 2021, 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 \$99,982,421. The School District's proportionate share was \$-0-.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.207970%, which was a decrease of 0.0006433% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the School District recognized \$2,352,630 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2021 measurement date.

**Actuarial Assumptions** – The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

Inflation	
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 Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 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, 2021) 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, 2021 are summarized in the following table:



**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments 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 7.00% 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:

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 8. Pension Plans (continued):**

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

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	118,295,905	99,982,421	84,600,245
	<u>\$ 118,295,905</u>	<u>\$ 99,982,421</u>	<u>\$ 84,600,245</u>

**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, 2022 and 2021:

**Balances at June 30, 2022 and June 30, 2021**

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,458,228
Collective Deferred Inflows of Resources	27,363,797,906	14,591,988,841
Collective Net Pension Liability	48,165,991,182	65,993,498,688
District's portion of the Plan's total Net Pension Liability	0.20797%	0.20861%

## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### 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 is 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.

##### Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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.

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

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

Total Nonemployer OPEB Liability:           \$     60,007,650,970

**Inflation Rate:**                                   2.50%

	<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
Salary Increases:			
Through 2026	1.55 - 4.45% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	2.75 - 5.65% based on years of service	3.00 - 7.00% based on years of service	Not Applicable

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabilities. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

**OPEB Obligation and OPEB Expense** - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$153,806,123. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.25631%, which was an increase of 0.0049% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$6,940,309 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, 2021 measurement date.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

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

trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.50% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2021 was 2.16%. 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, 2021, 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, 2021</b>		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 184,235,590.08	\$ 153,806,123	\$ 129,844,744
State of New Jersey's Total Non- employer Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

**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, 2021, 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:

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

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

	<u>June 30, 2021</u>		
	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate *</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 124,506,556	\$ 153,806,123	\$ 193,153,276
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,388,417	\$ 60,007,650,970	\$ 75,358,991,782

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

**Additional Information**

Collective balances of the Local Group at June 30, 2021 are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in Proportion Differences between Expected & Actual Experience	\$ -	\$ -
Change in Assumptions	9,045,886,863	18,009,362,976
Contributions Made in Fiscal Year Year Ending 2022 After June 30, 2021 Measurement Date **	TBD	-
	<u>\$ 19,225,423,829</u>	<u>\$ 24,447,624,783</u>

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

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

<u>Fiscal Year Ending June 30,</u>	
2022	\$ (1,182,303,041)
2023	(1,182,303,041)
2024	(1,182,303,041)
2025	(1,182,303,041)
2026	(840,601,200)
Thereafter	<u>347,612,410</u>
	<u>\$ (5,222,200,954)</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

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

**Plan Membership**

At June 30, 2020, the Program membership consisted of the following:

	June 30, 2020
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	150,427
	364,328

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

**Total OPEB Liability**

Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Difference Between Expected & Actual Experience	(11,385,071,658)
Changes of Benefit Terms	(63,870,842)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	(1,226,213,382)
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	67,809,962,608
Total OPEB Liability (Ending)	\$ 60,007,650,970
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	415.98%

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

As previously mentioned, the 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 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, 2022, the on-behalf payments for normal costs, post-retirement medical costs, and non-contributory insurance were \$8,783,773, \$2,052,245 and \$2,024, respectively.

**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 11. Risk Management**

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

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ -	\$ 1,946	\$ 1,118	\$ 158,940
2020-2021	74,324	-	74,003	158,112
2019-2020	52,980	-	42,467	157,791

**Property and Liability Insurance** – The 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 Annual Comprehensive Financial Report.

**Joint Insurance Pool** – The 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 Environmental Impairment Liability School Board Legal Liability Employers Liability	General & Automobile Liability Workers’ Compensation Excess Liability Comprehensive Crime Coverage
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**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The 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 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, 2022 may be impaired. In the opinion of the 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 District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.



**SOUTHERN REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (continued)**

**Note 12. Contingencies (continued)**

**Economic Dependency** – The 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 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:

Lincoln Investment Planning	Primerica	AXA Equitable
MetLife	Vanguard	

**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, 2022, the liability for compensated absences reported was \$4,649,702.

**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 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 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 District.

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

## SOUTHERN REGIONAL SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

#### **Note 15. Tax Abatements (continued)**

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 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, 2022 was \$1,269,551.

#### **Note 17. Fund Balances**

**General Fund** – Of the \$21,717,985 General Fund balance at June 30, 2022, \$7,857,368 has been restricted for the Capital Reserve Account; \$5,887,920 has been restricted for the Maintenance Reserve Account; \$1,600,000 has been restricted for the Tuition Reserve Account; \$158,940 has been restricted for the Unemployment Reserve Account; \$1,269,551 has been restricted for current year excess surplus; \$778,411 is assigned to designated for subsequent year's expenditures; \$1,129,309 has been assigned to other purposes; and \$3,036,456 has been unassigned.

**Special Revenue Fund** – Of the \$692,539 Special Revenue Fund balance at June 30, 2022, \$596,941 is restricted for future student activities and \$95,598 is restricted for future scholarships.

**Capital Projects Fund** – Of the \$7,307,631 Capital Projects Fund balance at June 30, 2022, \$6,569,273 is restricted for capital projects and \$738,358 is assigned to other purposes.

**Debt Service Fund** – Of the \$26 Debt Service Fund balance at June 30, 2022, \$26 is restricted for future debt service payments.

#### **Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The District's governmental activities had a deficit in unrestricted net position in the amount of \$(16,871,867). The primary causes of the deficit are the District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees' Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

#### **Note 19. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and February 20, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### C. Budgetary Comparison Schedules

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Revenues:</b>						
Local Tax Levy	10-1210	\$ 48,371,243	\$ -	\$ 48,371,243	\$ 48,371,243	\$ -
Tuition from Individuals	10-1310	7,011,961	-	7,011,961	7,011,961	-
Tuition from Other LEA's Within the State	10-1320	-	-	-	56,447	56,447
Transportation	10-1420	700,000	-	700,000	739,550	39,550
Interest on Capital Reserve Funds	10-1511	1,000	-	1,000	1,000	-
Interest on Maintenance Reserve Funds	10-1512	1,000	-	1,000	1,000	-
Miscellaneous Revenues	10-1990	80,000	-	80,000	247,457	167,457
<b>Total Local Sources</b>		<b>56,165,204</b>	<b>-</b>	<b>56,165,204</b>	<b>56,428,658</b>	<b>263,454</b>
<b>State Sources:</b>						
Categorical Security Aid	10-3177	204,023	-	204,023	204,023	-
Categorical Transportation Aid	10-3121	630,356	-	630,356	630,356	-
Categorical Special Education Aid	10-3132	2,207,041	-	2,207,041	2,207,041	-
Extraordinary Aid	10-3131	-	-	-	923,766	923,766
Non-Public Transportation Aid	10-3190	-	-	-	6,670	6,670
<b>Nonbudgeted:</b>						
On-Behalf TPAF Pension Contributions		-	-	-	8,783,773	8,783,773
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	2,052,245	2,052,245
On-Behalf TPAF Long Term Disability Insurance Contributions		-	-	-	2,024	2,024
Reimbursed TPAF Social Security Contribution		-	-	-	1,768,772	1,768,772
<b>Total State Sources</b>		<b>3,041,420</b>	<b>-</b>	<b>3,041,420</b>	<b>16,578,670</b>	<b>13,537,250</b>
<b>Federal Sources:</b>						
Medicaid Reimbursement	10-4200	17,439	-	17,439	41,646	24,207
<b>Total Federal Sources</b>		<b>17,439</b>	<b>-</b>	<b>17,439</b>	<b>41,646</b>	<b>24,207</b>
<b>Total Revenues</b>		<b>59,224,063</b>	<b>-</b>	<b>59,224,063</b>	<b>73,048,974</b>	<b>13,824,911</b>
<b>Expenditures:</b>						
<b>Current Expense:</b>						
<b>Instruction - Regular Programs:</b>						
<b>Salaries of Teachers:</b>						
Grades 6 - 8	11-130-100-101	5,309,924	(25,000)	5,284,924	5,118,876	166,048
Grades 9 - 12	11-140-100-101	10,590,686	(61,437)	10,529,249	10,266,479	262,770
<b>Home Instruction:</b>						
Salaries of Teachers	11-150-100-101	165,000	101,460	266,460	256,789	9,671
<b>Regular Programs - Undistributed Instruction:</b>						
Other Salaries for Instruction	11-190-100-106	66,538	-	66,538	66,538	-
Purchased Technical Services	11-190-100-340	96,375	-	96,375	91,342	5,033
Other Purchased Services	11-190-100-500	257,450	(111,068)	146,382	78,788	67,594
General Supplies	11-190-100-610	1,901,500	(113,738)	1,787,762	974,168	813,594
Textbooks	11-190-100-640	193,129	(5,623)	187,506	87,506	100,000
Miscellaneous Expenditures	11-190-100-890	53,030	1,218	54,248	31,871	22,377
<b>Total Regular Programs</b>		<b>18,633,632</b>	<b>(214,188)</b>	<b>18,419,444</b>	<b>16,972,357</b>	<b>1,447,087</b>
<b>Special Education:</b>						
<b>Learning and/or Language Disabilities:</b>						
Salaries of Teachers	11-204-100-101	346,843	8,513	355,356	349,383	5,973
Other Salaries for Instruction	11-204-100-106	37,832	-	37,832	37,832	-
General Supplies	11-204-100-610	9,000	2,651	11,651	8,312	3,339
Textbooks	11-204-100-640	1,900	-	1,900	-	1,900
Other Objects	11-204-100-800	6,850	-	6,850	1,351	5,499
<b>Total Learning and/or Language Disabilities</b>		<b>402,425</b>	<b>11,164</b>	<b>413,589</b>	<b>396,878</b>	<b>16,711</b>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Behavior Disabilities:</b>						
Salaries of Teachers	11-209-100-101	360,771	(8,513)	352,258	308,430	43,828
Other Salaries for Instruction	11-209-100-106	169,622	-	169,622	164,656	4,966
Other Purchased Services	11-209-100-500	200	-	200	-	200
General Supplies	11-209-100-610	10,000	-	10,000	4,656	5,344
Textbooks	11-209-100-640	500	-	500	-	500
Other Objects	11-209-100-800	1,000	-	1,000	-	1,000
<b>Total Behavioral Disabilities</b>		<b>542,093</b>	<b>(8,513)</b>	<b>533,580</b>	<b>477,742</b>	<b>55,838</b>
<b>Resource Room:</b>						
Salaries of Teachers	11-213-100-101	4,029,141	-	4,029,141	3,867,807	161,334
Other Salaries for Instruction	11-213-100-106	249,164	-	249,164	179,582	69,582
General Supplies	11-213-100-610	6,000	-	6,000	3,664	2,336
Textbooks	11-213-100-640	7,500	-	7,500	930	6,570
<b>Total Resource Room</b>		<b>4,291,805</b>	<b>-</b>	<b>4,291,805</b>	<b>4,051,983</b>	<b>239,822</b>
<b>Special Education Instruction:</b>						
Salaries of Teachers	11-214-100-101	233,404	1,966	235,370	235,370	-
Other Salaries for Instruction	11-214-100-106	696,233	-	696,233	600,120	96,113
Purchased Professional/Education Services	11-214-100-320	89,900	-	89,900	86,032	3,868
Other Purchased Services	11-214-100-500	2,000	-	2,000	1,589	411
General Supplies	11-214-100-610	7,400	-	7,400	6,986	414
<b>Total Special Education Instruction</b>		<b>1,028,937</b>	<b>1,966</b>	<b>1,030,903</b>	<b>930,097</b>	<b>100,806</b>
<b>Total Special Education</b>		<b>6,265,260</b>	<b>4,617</b>	<b>6,269,877</b>	<b>5,856,700</b>	<b>413,177</b>
<b>Basic Skills/Remedial Instruction:</b>						
Other Salaries for Instruction	11-230-100-106	15,000	-	15,000	14,142	858
General Supplies	11-230-100-610	2,195	495	2,690	966	1,724
Textbooks	11-230-100-640	2,930	-	2,930	-	2,930
<b>Total Basic Skills/Remedial Instruction</b>		<b>20,125</b>	<b>495</b>	<b>20,620</b>	<b>15,108</b>	<b>5,512</b>
<b>Bilingual Education - Instruction:</b>						
General Supplies	11-240-100-610	1,000	-	1,000	999	1
Textbooks	11-240-100-640	1,000	-	1,000	535	465
<b>Total Bilingual Education - Instruction:</b>		<b>2,000</b>	<b>-</b>	<b>2,000</b>	<b>1,534</b>	<b>466</b>
<b>School Sponsored Co-Curricular Activities:</b>						
Salaries	11-401-100-100	388,283	-	388,283	359,384	28,899
Other Objects	11-401-100-800	45,080	(7,161)	37,919	31,711	6,208
<b>Total School Sponsored Co-Curricular Activities</b>		<b>433,363</b>	<b>(7,161)</b>	<b>426,202</b>	<b>391,095</b>	<b>35,107</b>
<b>School Sponsored Athletics - Instruction:</b>						
Salaries	11-402-100-100	1,099,811	27,406	1,127,217	1,097,210	30,007
Other Purchased Services	11-402-100-500	6,000	(3,113)	2,887	428	2,459
Travel	11-402-100-580	-	1,000	1,000	1,000	-
Supplies and Materials	11-402-100-600	133,680	5,447	139,127	125,912	13,215
Other Objects	11-402-100-800	246,500	(21,314)	225,186	186,556	38,630
<b>Total School Sponsored Athletics Instruction</b>		<b>1,485,991</b>	<b>9,426</b>	<b>1,495,417</b>	<b>1,411,106</b>	<b>84,311</b>
<b>Total Other Instructional Programs</b>		<b>1,941,479</b>	<b>2,760</b>	<b>1,944,239</b>	<b>1,818,843</b>	<b>125,396</b>
<b>Summer School - Instruction:</b>						
Other Salaries of Instruction	11-422-100-106	-	68	68	68	-
<b>Total Summer School - Instruction</b>		<b>-</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>-</b>
<b>Total Instruction</b>		<b>26,840,371</b>	<b>(206,743)</b>	<b>26,633,628</b>	<b>24,647,968</b>	<b>1,985,660</b>
<b>Undistributed Expenditures:</b>						
<b>Instruction :</b>						
Tuition to Other LEAs Within the State - Regular	11-000-100-561	32,000	(24,045)	7,955	-	7,955
Tuition to Other LEAs Within the State - Special	11-000-100-562	-	35,250	35,250	23,711	11,539
Tuition to County Vocational District/Regular Day Schools	11-000-100-563	105,300	-	105,300	90,636	14,664
Tuition to County Special Services District/Regional Day Schools	11-000-100-565	209,350	39,210	248,560	21,563	226,997
Tuition to Private School for the Disabled - State	11-000-100-566	605,936	139,042	744,978	359,092	385,886
Tuition - Other	11-000-100-569	31,000	-	31,000	-	31,000
<b>Total Undistributed Expenditures - Instruction</b>		<b>983,586</b>	<b>189,457</b>	<b>1,173,043</b>	<b>495,002</b>	<b>678,041</b>



**SOUTHERN REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Attendance &amp; Social Work Services:</b>						
Salaries	11-000-211-100	134,306	(10,800)	123,506	105,686	17,820
Supplies and Materials	11-000-211-600	1,000	-	1,000	916	84
<b>Total Attendance &amp; Social Work Services</b>		<b>135,306</b>	<b>(10,800)</b>	<b>124,506</b>	<b>106,602</b>	<b>17,904</b>
<b>Health Services:</b>						
Salaries	11-000-213-100	269,546	365	269,911	264,137	5,774
Purchased Professional & Technical Services	11-000-213-300	31,000	-	31,000	30,500	500
Other Purchased Services	11-000-213-500	900	-	900	-	900
Supplies and Materials	11-000-213-600	10,000	-	10,000	7,123	2,877
<b>Total Health Services</b>		<b>311,446</b>	<b>365</b>	<b>311,811</b>	<b>301,760</b>	<b>10,051</b>
<b>Other Support Services - Students - Related Services:</b>						
Salaries of Teachers	11-000-216-100	417,129	(18,298)	398,831	354,216	44,615
Purchased Professional/Education Services	11-000-216-320	-	7,689	7,689	7,689	-
Supplies and Materials	11-000-216-600	1,500	-	1,500	1,053	447
<b>Total Other Support Services - Students - Related Services</b>		<b>418,629</b>	<b>(10,609)</b>	<b>408,020</b>	<b>362,958</b>	<b>45,062</b>
<b>Other Support Services - Students - Extra Services:</b>						
Salaries	11-000-217-100	855,138	18,827	873,965	873,965	-
<b>Total Other Support Services - Students - Extra Services</b>		<b>855,138</b>	<b>18,827</b>	<b>873,965</b>	<b>873,965</b>	<b>-</b>
<b>Other Support Services - Students - Regular:</b>						
Salaries of Other Professional Staff	11-000-218-104	1,117,117	4,698	1,121,815	1,097,212	24,603
Salaries of Secretarial & Clerical Assistants	11-000-218-105	163,305	-	163,305	157,675	5,630
Other Salaries	11-000-218-110	37,500	(4,210)	33,290	32,599	691
Other Purchased Services	11-000-218-500	700	-	700	199	501
Supplies and Materials	11-000-218-600	12,500	2,798	15,298	14,448	850
Other Objects	11-000-218-800	7,000	-	7,000	6,079	921
<b>Total Other Support Services - Students - Regular</b>		<b>1,338,122</b>	<b>3,286</b>	<b>1,341,408</b>	<b>1,308,212</b>	<b>33,196</b>
<b>Other Support Services - Students - Special Services:</b>						
Salaries of Other Professional Staff	11-000-219-104	1,090,811	(6,946)	1,083,865	1,007,159	76,706
Salaries of Secretarial & Clerical Assistants	11-000-219-105	163,762	-	163,762	152,970	10,792
Other Salaries	11-000-219-110	26,500	-	26,500	24,097	2,403
Purchased Professional/Education Services	11-000-219-320	28,776	12,446	41,222	37,977	3,245
Other Purchased Services	11-000-219-500	1,000	-	1,000	40	960
Supplies and Materials	11-000-219-600	4,581	120	4,701	4,068	633
Other Objects	11-000-219-800	3,943	50	3,993	1,911	2,082
<b>Total Other Support Services - Students - Special Services</b>		<b>1,319,373</b>	<b>5,670</b>	<b>1,325,043</b>	<b>1,228,222</b>	<b>96,821</b>
<b>Improvement of Instruction Services/Other Support Services - Instructional Staff:</b>						
Salaries of Supervisors of Instruction	11-000-221-102	430,216	-	430,216	408,725	21,491
Salaries of Secretarial & Clerical Assistants	11-000-221-105	171,357	(3,011)	168,346	165,461	2,885
<b>Total Improvement of Instruction Services/Other Support Services - Instructional Staff</b>		<b>601,573</b>	<b>(3,011)</b>	<b>598,562</b>	<b>574,186</b>	<b>24,376</b>
<b>Educational Media Services/School Library:</b>						
Salaries	11-000-222-100	311,630	3,011	314,641	314,641	-
Other Purchased Services	11-000-222-500	150	-	150	-	150
Supplies and Materials	11-000-222-600	42,155	6,060	48,215	26,879	21,336
Other Objects	11-000-222-800	1,500	787	2,287	1,390	897
<b>Total Educational Media Services/School Library</b>		<b>355,435</b>	<b>9,858</b>	<b>365,293</b>	<b>342,910</b>	<b>22,383</b>
<b>Support Services General Administration:</b>						
Salaries	11-000-230-100	574,462	6,720	581,182	579,859	1,323
Legal Services	11-000-230-331	45,000	(2,685)	42,315	33,985	8,330
Audit Services	11-000-230-332	40,000	-	40,000	37,250	2,750
Other Purchased Professional Services	11-000-230-339	38,500	94,774	133,274	16,790	116,484
Communications/Telephone	11-000-230-530	130,000	2,500	132,500	110,277	22,223
Other Purchased Services	11-000-230-590	178,800	-	178,800	149,564	29,236
Supplies & Materials	11-000-230-610	10,500	(194)	10,306	807	9,499
Miscellaneous Expenditures	11-000-230-890	21,250	1,107	22,357	13,570	8,787
BOE Membership Dues & Fees	11-000-230-895	25,000	-	25,000	23,791	1,209
<b>Total Support Services General Administration</b>		<b>1,063,512</b>	<b>102,222</b>	<b>1,165,734</b>	<b>965,893</b>	<b>199,841</b>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Support Services School Administration:</b>						
Salaries of Principals & Assistant Principals	11-000-240-103	1,153,783	(1,775)	1,152,008	1,097,737	54,271
Salaries of Other Professional Staff	11-000-240-104	-	-	-	-	-
Salaries of Secretarial & Clerical Assistants	11-000-240-105	519,978	12,575	532,553	524,810	7,743
Purchased Technical Services	11-000-240-300	-	100,000	100,000	-	100,000
Other Purchased Services	11-000-240-500	200	-	200	-	200
Supplies and Materials	11-000-240-600	43,600	-	43,600	21,024	22,576
Other Objects	11-000-240-800	96,000	1,998	97,998	63,439	34,559
<b>Total Support Services School Administration</b>		<b>1,813,561</b>	<b>112,798</b>	<b>1,926,359</b>	<b>1,707,010</b>	<b>219,349</b>
<b>Central Services:</b>						
Salaries	11-000-251-100	602,879	-	602,879	588,252	14,627
Purchased Professional Services	11-000-251-330	26,000	96,000	122,000	22,389	99,611
Purchased Technical Services	11-000-251-340	27,500	-	27,500	26,410	1,090
Other Purchased Services	11-000-251-592	26,000	-	26,000	13,514	12,486
Supplies & Materials	11-000-251-600	9,000	-	9,000	6,766	2,234
Other Objects	11-000-251-890	5,500	-	5,500	5,154	346
<b>Total Central Services</b>		<b>696,879</b>	<b>96,000</b>	<b>792,879</b>	<b>662,485</b>	<b>130,394</b>
<b>Administrative Information Technology:</b>						
Salaries	11-000-252-100	323,935	553	324,488	324,488	-
Purchased Technical Services	11-000-252-340	62,400	-	62,400	62,186	214
Other Purchased Services	11-000-252-500	1,000	-	1,000	-	1,000
Supplies & Materials	11-000-252-600	30,000	1,896	31,896	30,090	1,806
<b>Total Administrative Information Technology</b>		<b>417,335</b>	<b>2,449</b>	<b>419,784</b>	<b>416,764</b>	<b>3,020</b>
<b>Allowance Maintenance for School Facilities:</b>						
Salaries	11-000-261-100	942,887	576	943,463	914,739	28,724
Cleaning, Repair & Maintenance Services	11-000-261-420	1,006,119	20,387	1,026,506	765,787	260,719
General Supplies	11-000-261-610	362,296	14,398	376,694	338,734	37,960
<b>Total Allowance Maintenance for School Facilities</b>		<b>2,311,302</b>	<b>35,361</b>	<b>2,346,663</b>	<b>2,019,260</b>	<b>327,403</b>
<b>Other Operation &amp; Maintenance of Plant Services:</b>						
Salaries	11-000-262-100	1,069,361	-	1,069,361	1,027,649	41,712
Salaries of Non-Instructional Aides	11-000-262-107	75,000	-	75,000	52,248	22,752
Cleaning, Repair & Maintenance Services	11-000-262-420	68,700	910	69,610	53,811	15,799
Other Purchased Property Services	11-000-262-490	210,000	(10,000)	200,000	128,082	71,918
Insurance	11-000-262-520	300,000	10,000	310,000	310,000	-
General Supplies	11-000-262-610	259,360	33,856	293,216	238,406	54,810
Energy (Natural Gas)	11-000-262-621	240,000	-	240,000	238,501	1,499
Energy (Electricity)	11-000-262-622	990,000	60,000	1,050,000	890,535	159,465
Other Objects	11-000-262-800	15,000	5,320	20,320	19,929	391
<b>Total Other Operation &amp; Maintenance of Plant Services</b>		<b>3,227,421</b>	<b>100,086</b>	<b>3,327,507</b>	<b>2,959,161</b>	<b>368,346</b>
<b>Care &amp; Upkeep of Grounds:</b>						
Salaries	11-000-263-100	280,978	(16,364)	264,614	257,947	6,667
Cleaning, Repair & Maintenance Services	11-000-263-420	163,800	(10,245)	153,555	94,089	59,466
General Supplies	11-000-263-610	195,600	9,887	205,487	188,336	17,151
<b>Total Care &amp; Upkeep of Grounds</b>		<b>640,378</b>	<b>(16,722)</b>	<b>623,656</b>	<b>540,372</b>	<b>83,284</b>
<b>Security:</b>						
Salaries	11-000-266-100	247,438	46,090	293,528	293,528	-
Purchased Professional & Technical Services	11-000-266-300	175,000	(10,225)	164,775	161,298	3,477
<b>Total Security</b>		<b>422,438</b>	<b>35,865</b>	<b>458,303</b>	<b>454,826</b>	<b>3,477</b>
<b>Total Operation &amp; Maintenance of Plant Services</b>		<b>6,601,539</b>	<b>154,590</b>	<b>6,756,129</b>	<b>5,973,619</b>	<b>782,510</b>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
<b>Student Transportation Services:</b>						
Salaries of Non-Instructional Aides	11-000-270-107	137,236	1,032	138,268	138,267	1
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,978,544	(876)	1,977,668	1,941,900	35,768
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	350,000	(20)	349,980	324,900	25,080
Cleaning, Repair & Maintenance Services	11-000-270-420	300,000	(19,787)	280,213	240,719	39,494
Aid in Lieu of Payments - Nonpublic	11-000-270-503	-	38,044	38,044	38,044	-
<b>Contracted Services</b>						
Between Home & School - Vendors	11-000-270-511	-	662,811	662,811	627,784	35,027
Contracted Services (Other Than Between Education Students) - ESC/CTSA	11-000-270-518	350,000	(350,000)	-	-	-
Miscellaneous Purchased Services - Transportation	11-000-270-593	110,000	-	110,000	110,000	-
Supplies and Materials	11-000-270-610	770,000	(83,477)	686,523	609,165	77,358
Transportation Supplies	11-000-270-615	-	-	-	-	-
Other Objects	11-000-270-800	45,000	754	45,754	23,081	22,673
<b>Total Student Transportation Services</b>		<b>4,040,780</b>	<b>248,481</b>	<b>4,289,261</b>	<b>4,053,860</b>	<b>235,401</b>
<b>Unallocated Benefits - Employee Benefits:</b>						
Social Security Contributions	11-000-291-220	875,000	59,737	934,737	917,162	17,575
Other Retirement Benefits - PERS	11-000-291-241	1,250,000	(150,000)	1,100,000	1,074,590	25,410
Other Retirement Benefits - Regular	11-000-291-249	70,000	1,961	71,961	48,410	23,551
Worker's Compensation	11-000-291-260	650,000	(157,000)	493,000	477,909	15,091
Health Benefits	11-000-291-270	10,508,100	(205,520)	10,302,580	8,294,359	2,008,221
Tuition Reimbursement	11-000-291-280	120,000	1,887	121,887	99,895	21,992
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	588,418	-	588,418	280,228	308,190
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>14,061,518</b>	<b>(448,935)</b>	<b>13,612,583</b>	<b>11,192,553</b>	<b>2,420,030</b>
<b>Nonbudgeted:</b>						
On-Behalf TPAF Pension Contribution		-	-	-	8,783,773	(8,783,773)
On-Behalf TPAF Post-Retirement Medical Contribution		-	-	-	2,052,245	(2,052,245)
On-Behalf TPAF Long Term Disability Insurance Contribution		-	-	-	2,024	(2,024)
Reimbursed TPAF Social Security Contribution		-	-	-	1,768,772	(1,768,772)
<b>Total Nonbudgeted</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>12,606,814</b>	<b>(12,606,814)</b>
<b>Total Undistributed Expenditures</b>		<b>35,013,732</b>	<b>470,648</b>	<b>35,484,380</b>	<b>43,172,815</b>	<b>(7,688,435)</b>
<b>Total Expenditures - Current Expense</b>		<b>61,854,103</b>	<b>263,905</b>	<b>62,118,008</b>	<b>67,820,783</b>	<b>(5,702,775)</b>
<b>Capital Outlay:</b>						
<b>Equipment:</b>						
Increase in Capital Reserve	10-604	1,000	-	1,000	-	1,000
Increase in Maintenance Reserve	10-606	1,000	-	1,000	-	1,000
<b>Regular Programs - Instruction:</b>						
School Sponsored & Other Instructional Programs	12-402-100-730	-	28,506	28,506	27,355	1,151
<b>Undistributed Expenditures:</b>						
Instruction	12-000-100-730	132,880	371,113	503,993	386,996	116,997
School Administration	12-000-240-730	10,000	-	10,000	-	10,000
Custodial Services	12-000-262-730	357,219	149,651	506,870	248,794	258,076
Care and Upkeep of Grounds	12-000-263-730	26,000	(91)	25,909	-	25,909
<b>Student Transportation:</b>						
School Buses - Regular	12-000-270-733	570,000	498,178	1,068,178	628,874	439,304
<b>Total Equipment</b>		<b>1,098,099</b>	<b>1,047,357</b>	<b>2,145,456</b>	<b>1,292,019</b>	<b>853,437</b>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Facilities Acquisition & Construction Services:						
Construction Services	12-000-401-450	38,250	-	38,250	38,250	-
Total Facilities Acquisition & Construction Services		38,250	-	38,250	38,250	-
Total Capital Outlay		1,136,349	1,047,357	2,183,706	1,330,269	853,437
Total Expenditures		62,990,452	1,311,262	64,301,714	69,151,052	(4,849,338)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(3,766,389)	(1,311,262)	(5,077,651)	3,897,922	8,975,573
Other Financing Sources/(Uses):						
Transfer of Capital Reserve to Capital Projects	12-000-400-931	-	(3,532,435)	(3,532,435)	(3,532,435)	-
Total Other Financing Sources/(Uses)		-	(3,532,435)	(3,532,435)	(3,532,435)	-
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses)		(3,766,389)	(4,843,697)	(8,610,086)	365,487	8,975,573
Fund Balances, July 1		21,649,545	-	21,649,545	21,649,545	-
Fund Balances, June 30		\$ 17,883,156	\$ (4,843,697)	\$ 13,039,459	\$ 22,015,032	\$ 8,975,573

**RECAPITULATION OF BUDGET TRANSFERS**

Prior Year Encumbrances	\$ 1,311,262
Transfer from Capital Reserve	<u>3,532,435</u>
Total	<u>\$ 4,843,697</u>

**RECAPITULATION OF FUND BALANCE:**

Restricted for:		
Capital Reserve		\$ 7,857,368
Maintenance Reserve		5,887,920
Tuition Reserve		1,600,000
Excess Surplus		1,269,551
Unemployment Compensation		158,940
Assigned to:		
Year-End Encumbrances		1,129,309
Designated for Subsequent Year's Expenditures		778,441
Unassigned Fund Balance		<u>3,333,503</u>
Subtotal		22,015,032
Reconciliation to Governmental Fund Statements (GAAP):		
Last Two State Aid Payments Not Recognized on GAAP Basis		<u>(297,047)</u>
Fund Balance Per Governmental Funds (GAAP)		<u>\$ 21,717,985</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
<b>Revenues:</b>					
Federal Sources	\$ 975,500	\$ 5,336,552	\$ 6,312,052	\$ 4,573,498	\$ (1,738,554)
State Sources	32,950	-	32,950	24,625	(8,325)
Local Sources	1,115,000	-	1,115,000	1,499,443	384,443
<b>Total Revenues</b>	<b>2,123,450</b>	<b>5,336,552</b>	<b>7,460,002</b>	<b>6,097,566</b>	<b>(1,362,436)</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers	-	482,787	482,787	343,458	139,329
Purchased Professional Technical Services	30,718	17,899	48,617	35,522	13,095
Other Professional Services	513,492	156,238	669,730	669,730	-
General Supplies	367,743	153,687	521,430	520,076	1,354
Textbooks	2,232	(431)	1,801	774	1,027
<b>Total Instruction</b>	<b>914,185</b>	<b>810,180</b>	<b>1,724,365</b>	<b>1,569,560</b>	<b>154,805</b>
<b>Support Services:</b>					
Salaries	50,000	90,000	140,000	84,831	55,169
Personal Services - Employee Benefits	18,265	207,707	225,972	91,623	134,349
Purchased Professional Services	10,000	(105)	9,895	9,895	-
Other Purchased Services	10,000	(2,396)	7,604	7,604	-
Supplies and Materials	5,000	(2,506)	2,494	2,494	-
Other Objects	1,000	(500)	500	500	-
Scholarships	115,000	-	115,000	186,134	(71,134)
Student Activities	1,000,000	-	1,000,000	1,242,954	(242,954)
<b>Total Support Services</b>	<b>1,209,265</b>	<b>292,200</b>	<b>1,501,465</b>	<b>1,626,035</b>	<b>(124,570)</b>
<b>Facilities Acquisition &amp; Construction Services:</b>					
Buildings	-	2,887,241	2,887,241	1,934,685	952,556
Instructional Equipment	-	321,440	321,440	321,440	-
Non-Instructional Equipment	-	1,025,491	1,025,491	575,491	450,000
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>4,234,172</b>	<b>4,234,172</b>	<b>2,831,616</b>	<b>1,402,556</b>
<b>Total Expenditures</b>	<b>2,123,450</b>	<b>5,336,552</b>	<b>7,460,002</b>	<b>6,027,211</b>	<b>1,432,791</b>
<b>Total Outflows</b>	<b>2,123,450</b>	<b>5,336,552</b>	<b>7,460,002</b>	<b>6,027,211</b>	<b>1,432,791</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	70,355	70,355
Fund Balances, July 1	622,184	-	622,184	622,184	-
Fund Balances, June 30	\$ 622,184	\$ -	\$ 622,184	\$ 692,539	\$ 70,355

**Recapitulation of Fund Balance:**

Restricted for:	
Scholarships	\$ 95,598
Student Activities	596,941
<b>Total Fund Balance</b>	<b>\$ 692,539</b>

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

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 73,048,974	\$ 6,097,566
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Federal Share	-	(1,898,506)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	239,319	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(297,047)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 72,991,246	\$ 4,199,060
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 69,151,052	\$ 6,027,211
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.		
Facilities Acquisition & Construction Services	-	(1,898,506)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 69,151,052	\$ 4,128,705

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.09176%	0.09317%	0.09326%	0.09418%	0.09434%	0.09919%	0.09991%	0.10028%	0.09610%
School District's proportionate share of the net pension liability	\$10,870,082	\$15,194,011	\$16,803,832	\$18,543,697	\$21,961,589	\$29,377,340	\$22,427,635	\$18,775,162	\$18,367,510
District's covered-employee payroll	\$6,973,365	\$6,732,167	\$6,603,290	\$6,595,769	\$6,508,328	\$6,587,503	\$7,630,036	\$7,640,555	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	155.88%	225.69%	254.48%	281.15%	337.44%	445.96%	293.94%	245.73%	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

SOUTHERN REGIONAL SCHOOL DISTRICT  
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,074,590	\$ 1,019,261	\$ 907,134	\$ 936,793	\$ 873,989	\$ 881,193	\$ 858,952	\$ 826,694	724,129
Contributions in relation to the contractually required contribution	(1,074,590)	(1,019,261)	(907,134)	(936,793)	(873,989)	(881,193)	(858,952)	(826,694)	(724,129)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 6,973,365	\$ 6,732,167	\$ 6,603,290	\$ 6,595,769	\$ 6,508,328	\$ 6,587,503	\$ 7,630,036	\$ 7,640,555	Unavailable
Contributions as a percentage of covered-employee payroll	15.41%	15.14%	13.74%	14.20%	13.43%	13.38%	11.26%	10.82%	N/A

\*\*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.



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

	2022	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%	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	99,982,421	137,370,006	130,528,131	137,625,054	143,836,424	170,595,322	136,265,190	116,015,121	107,510,677
	\$ 99,982,421	\$ 137,370,006	\$ 130,528,131	\$ 137,625,054	\$ 143,836,424	\$ 170,595,322	\$ 136,265,190	\$ 116,015,121	\$ 107,510,677
District's covered-employee payroll	\$ 24,448,507	\$ 24,123,537	\$ 23,585,878	\$ 22,841,848	\$ 22,308,163	\$ 22,248,437	\$ 23,452,825	\$ 22,556,801	\$ 21,660,777
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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	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.

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

M. Schedules Related to Accounting and Reporting for Other Postemployment Benefits (GASB 75)

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability Associated with the District</b>					
Service Cost	\$ 6,544,337	\$ 3,671,399	\$ 3,698,326	\$ 4,231,435	\$ 5,099,973
Interest Cost	3,989,893	3,808,091	4,708,928	5,051,741	4,366,278
Differences between Expected and Actual	(24,316,118)	28,177,504	(19,815,573)	(11,334,630)	-
Changes of Assumptions	151,741	31,140,324	1,588,785	(13,719,117)	(17,606,068)
Contributions: Member	102,002	89,956	96,962	110,485	118,047
Gross Benefit Payments	<u>(3,142,918)</u>	<u>(2,967,867)</u>	<u>(3,271,006)</u>	<u>(3,196,761)</u>	<u>(3,205,828)</u>
Net Change in Total OPEB Liability Associated with District	(16,671,063)	63,919,407	(12,993,578)	(18,856,847)	(11,227,598)
Total OPEB Liability Associated with District (Beginning)	<u>170,477,186</u>	<u>106,557,779</u>	<u>119,551,357</u>	<u>138,408,204</u>	<u>149,635,802</u>
Total OPEB Liability Associated with District (Ending)	<u>\$ 153,806,123</u>	<u>\$170,477,186</u>	<u>\$106,557,779</u>	<u>\$119,551,357</u>	<u>\$138,408,204</u>
District's Covered Employee Payroll	30,855,704	30,815,557	30,318,045	29,445,138	28,903,932
Net OPEB Liability Associated with District as a Percentage of Payroll	498.47%	553.22%	351.47%	406.01%	478.86%

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.

**SOUTHERN REGIONAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 5.40% as of June 30, 2021, to 7.00% as of June 30, 2022.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 7.00% as of June 30, 2021, to 7.00% as of June 30, 2022.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021.

**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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**SOUTHERN REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	NONPUBLIC NURSING SERVICES	NONPUBLIC TEXTBOOKS	NONPUBLIC TECHNOLOGY	NONPUBLIC CORRECTIVE SPEECH	NONPUBLIC SUPPLEMENTAL INSTRUCTION	AUXILIARY SERVICES NONPUBLIC COMPENSATORY EDUCATION	NONPUBLIC EXAM & CLASSIFICATION
Revenues:							
State Sources	\$ 2,921	\$ 774	\$ 1,132	\$ 1,860	\$ 5,006	\$ 8,600	\$ 4,332
Total Revenues	<u>\$ 2,921</u>	<u>\$ 774</u>	<u>\$ 1,132</u>	<u>\$ 1,860</u>	<u>\$ 5,006</u>	<u>\$ 8,600</u>	<u>\$ 4,332</u>
Expenditures:							
Instruction:							
Purchased Professional Services	\$ 2,921	\$ -	\$ 1,132	\$ 1,860	\$ 5,006	\$ 8,600	\$ 4,332
Textbooks	-	774	-	-	-	-	-
Total Instruction	<u>2,921</u>	<u>774</u>	<u>1,132</u>	<u>1,860</u>	<u>5,006</u>	<u>8,600</u>	<u>4,332</u>
Total Expenditures	<u>2,921</u>	<u>774</u>	<u>1,132</u>	<u>1,860</u>	<u>5,006</u>	<u>8,600</u>	<u>4,332</u>
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	IDEA PART B BASIC REGULAR	IDEA REGULAR ARP	CARES EDUCATION STABILIZATION	ESSER II	ESSER II ACCELERATED LEARNING	ESSER II MENTAL HEALTH	ESSER III
Revenues:							
Federal Sources	\$ 597,613	\$ 124,752	\$ 2,494	\$ 636,480	\$ 83,181	\$ 45,000	\$ 2,676,125
<b>Total Revenues</b>	<b>\$ 597,613</b>	<b>\$ 124,752</b>	<b>\$ 2,494</b>	<b>\$ 636,480</b>	<b>\$ 83,181</b>	<b>\$ 45,000</b>	<b>\$ 2,676,125</b>
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 4,500	\$ -	\$ -	\$ -	\$ 50,568	\$ -	\$ -
Purchased Professional/ Technical Services	3,685	971	-	-	7,015	-	-
Other Purchased Services	580,980	88,750	-	-	-	-	-
General Supplies	-	35,031	-	-	-	-	420,000
<b>Total Instruction</b>	<b>589,165</b>	<b>124,752</b>	<b>-</b>	<b>-</b>	<b>57,583</b>	<b>-</b>	<b>420,000</b>
Support Services:							
Salaries	-	-	-	39,831	-	45,000	-
Employee Benefits	344	-	-	21,158	25,598	-	-
Other Purchased Services	7,604	-	-	-	-	-	-
Supplies & Materials	-	-	2,494	-	-	-	-
Other Objects	500	-	-	-	-	-	-
<b>Total Support Services</b>	<b>8,448</b>	<b>-</b>	<b>2,494</b>	<b>60,989</b>	<b>25,598</b>	<b>45,000</b>	<b>-</b>
Facilities Acquisition & Construction Services:							
Buildings	-	-	-	-	-	-	1,934,685
Instructional Equipment	-	-	-	-	-	-	321,440
Non-Instructional Equipment	-	-	-	575,491	-	-	-
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>575,491</b>	<b>-</b>	<b>-</b>	<b>2,256,125</b>
<b>Total Expenditures</b>	<b>597,613</b>	<b>124,752</b>	<b>2,494</b>	<b>636,480</b>	<b>83,181</b>	<b>45,000</b>	<b>2,676,125</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	TITLE I PART A	TITLE II - PART A TEACHER & PRINCIPAL TRAINING & RECRUITING	TITLE IV	STUDENT ACTIVITIES	SCHOLARSHIPS	TOTAL
Revenues:						
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,625
Federal Sources	307,348	78,526	21,979	-	-	4,573,498
Local Sources	-	-	-	1,318,938	180,505	1,499,443
<b>Total Revenues</b>	<b>\$ 307,348</b>	<b>\$ 78,526</b>	<b>\$ 21,979</b>	<b>\$ 1,318,938</b>	<b>\$ 180,505</b>	<b>\$ 6,097,566</b>
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 225,248	\$ 47,333	\$ 15,809	\$ -	\$ -	\$ 343,458
Purchased Professional / Technical Services	-	-	-	-	-	35,522
Other Purchased Services	-	-	-	-	-	669,730
General Supplies	65,045	-	-	-	-	520,076
Textbooks	-	-	-	-	-	774
<b>Total Instruction</b>	<b>290,293</b>	<b>47,333</b>	<b>15,809</b>	<b>-</b>	<b>-</b>	<b>1,569,560</b>
Support Services:						
Salaries	-	-	-	-	-	84,831
Employee Benefits	17,055	21,298	6,170	-	-	91,623
Purchased Professional Services	-	9,895	-	-	-	9,895
Other Purchased Services	-	-	-	-	-	7,604
Supplies & Materials	-	-	-	-	-	2,494
Other Objects	-	-	-	-	-	500
Student Activities	-	-	-	1,242,954	-	1,242,954
Scholarships	-	-	-	-	186,134	186,134
<b>Total Support Services</b>	<b>17,055</b>	<b>31,193</b>	<b>6,170</b>	<b>1,242,954</b>	<b>186,134</b>	<b>1,626,035</b>
Facilities Acquisition & Construction Services:						
Building	-	-	-	-	-	1,934,685
Instructional Equipment	-	-	-	-	-	321,440
Non-Instructional Equipment	-	-	-	-	-	575,491
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,831,616</b>
<b>Total Expenditures</b>	<b>307,348</b>	<b>78,526</b>	<b>21,979</b>	<b>1,242,954</b>	<b>186,134</b>	<b>6,027,211</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	75,984	(5,629)	70,355
Fund Balance, July 1	-	-	-	520,957	101,227	622,184
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 596,941	\$ 95,598	\$ 692,539

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F. Capital Projects Fund

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES		UNEXPENDED BALANCE JUNE 30, 2022
			PRIOR YEAR	CURRENT YEAR	
Middle School Window Project	07/25/14	\$ 689,400	\$ 532,934	\$ -	\$ 156,466
High School Renovations	02/24/14	7,480,875	5,220,623	-	2,260,252
Boiler Project	07/01/18	1,063,650	787,068	-	276,582
Track Resurfacing	01/06/20	1,800,000	-	-	1,800,000
Paving and Drainage- High School	03/11/20	1,290,313	1,050,620	36,831	202,862
Middle School Front Entrance	03/17/21	726,471	53,905	528,213	144,353
High School Fields & HVAC	03/19/21	3,698,529	121,027	2,757,517	819,985
Middle School Improvements	12/08/21	656,640	-	647,707	8,933
High School Improvements	12/08/21	75,000	-	5,657	69,343
Administrative Building Improvements	12/08/21	325,000	-	21,168	303,832
High School Ground Improvements	02/09/22	2,292,000	-	122,693	2,169,307
Middle School HVAC	03/09/22	183,795	-	121,392	62,403
<b>Total</b>		<b>\$ 20,281,673</b>	<b>\$ 7,766,177</b>	<b>\$ 4,241,178</b>	<b>\$ 8,274,318</b>

Reconciliation of Fund Balance	
Unexpended Project Balances	\$ 8,274,318
Total Fund Balance	8,274,318
Less: Unexpended State Aid- ROD Grants	(966,687)
Total Fund Balance	<u>\$ 7,307,631</u>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2022**

Revenues and Other Financing Sources:	
Bond Proceeds and Transfers	\$ 3,532,435
	<u>3,532,435</u>
Total Revenues	<u>3,532,435</u>
Expenditures & Other Financing Uses:	
Other Financing Sources/(Uses):	
Other Purchased Professional and Technical Services	344,495
Construction Services	3,896,683
	<u>4,241,178</u>
Total Expenditures & Other Financing Sources/(Uses)	<u>4,241,178</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(708,743)
Fund Balance - Beginning	<u>8,983,061</u>
Fund Balance - Ending	<u><u>\$ 8,274,318</u></u>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MIDDLE SCHOOL WINDOW PROJECT  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources -- SCC Grant	\$ 275,760	\$ -	\$ 275,760	\$ 275,760
Bond Proceeds	413,640	-	413,640	413,640
<b>Total Revenues and Other Financing Sources</b>	<b>689,400</b>	<b>-</b>	<b>689,400</b>	<b>689,400</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	35,840	-	35,840	35,840
Construction Services	497,094	-	497,094	653,560
<b>Total Expenditures and Other Financing Uses</b>	<b>532,934</b>	<b>-</b>	<b>532,934</b>	<b>689,400</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 156,466</u>	<u>\$ -</u>	<u>\$ 156,466</u>	<u>\$ -</u>

Project Number	4950-060-14G2ZV
Grant Date	07/25/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	689,220
Revised Authorized Cost	689,400
Additional Authorized Cost	180
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	0.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HIGH SCHOOL RENOVATIONS  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources -- SCC Grant	\$ 2,992,350	\$ -	\$ 2,992,350	\$ 2,992,350
Bond Proceeds	1,188,525	-	1,188,525	1,188,525
Transfer from Capital Reserve	3,300,000	-	3,300,000	3,300,000
<b>Total Revenues and Other Financing Sources</b>	<b>7,480,875</b>	<b>-</b>	<b>7,480,875</b>	<b>7,480,875</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	388,979	-	388,979	388,979
Construction Services	4,831,644	-	4,831,644	7,091,896
<b>Total Expenditures and Other Financing Uses</b>	<b>5,220,623</b>	<b>-</b>	<b>5,220,623</b>	<b>7,480,875</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<b>\$ 2,260,252</b>	<b>\$ -</b>	<b>\$ 2,260,252</b>	<b>\$ -</b>

Project Number	4950-050-14-1001-G04
Grant Date	2/24/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	7,480,875
Revised Authorized Cost	7,480,875
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	69.79%
Original Target Completion Date	9/2017
Revised Target Completion Date	9/2017

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
BOILER PROJECT  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,063,650	\$ -	\$ 1,063,650	\$ 1,063,650
<b>Total Revenues and Other Financing Sources</b>	<b>1,063,650</b>	<b>-</b>	<b>1,063,650</b>	<b>1,063,650</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	50,907	-	50,907	85,092
Construction Services	736,161	-	736,161	978,558
Transfer to Capital Reserve	-	-	-	37,368
<b>Total Expenditures and Other Financing Uses</b>	<b>787,068</b>	<b>-</b>	<b>787,068</b>	<b>1,063,650</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 276,582	\$ -	\$ 276,582	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	570,000
Revised Authorized Cost	1,063,650
Additional Authorized Cost	493,650.00
Percentage Increase Over Original Authorized Cost	86.61%
Percentage Completion	74.00%
Original Target Completion Date	8/31/2019
Revised Target Completion Date	11/30/2020

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
TRACK RESURFACING  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,800,000	\$ -	\$ 1,800,000	\$ 1,800,000
Total Revenues and Other Financing Sources	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>	<u>1,800,000</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	-	-	289,346
Construction Services	-	-	-	1,510,654
Total Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,800,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 1,800,000</u>	<u>\$ -</u>	<u>\$ 1,800,000</u>	<u>\$ -</u>

Project Number	4950-050-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,800,000
Revised Authorized Cost	1,800,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original Target Completion Date	8/3/2020
Revised Target Completion Date	N/A



**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
PAVING AND DRAINAGE - HIGH SCHOOL  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,290,313	\$ -	\$ 1,290,313	\$ 1,290,313
<b>Total Revenues and Other Financing Sources</b>	<b>1,290,313</b>	<b>-</b>	<b>1,290,313</b>	<b>1,290,313</b>
Expenditures and Other Financing Uses:				
Construction Services	1,050,620	36,831	1,087,451	1,290,313
<b>Total Expenditures and Other Financing Uses</b>	<b>1,050,620</b>	<b>36,831</b>	<b>1,087,451</b>	<b>1,290,313</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 239,693	\$ (36,831)	\$ 202,862	\$ -

Project Number	4950-050-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,290,313
Revised Authorized Cost	1,290,313
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	84.28%
Original Target Completion Date	12/1/2021
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MIDDLE SCHOOL FRONT ENTRANCE  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 726,471	\$ -	\$ 726,471	\$ 726,471
	<hr/>			
Total Revenues and Other Financing Sources	726,471	-	726,471	726,471
	<hr/>			
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	53,905	13,566	67,471	53,905
Construction Services	-	514,647	514,647	672,566
	<hr/>			
Total Expenditures and Other Financing Uses	53,905	528,213.00	582,118	726,471
	<hr/>			
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 672,566	\$ (528,213)	\$ 144,353	\$ -
	<hr/> <hr/>			

Project Number	4950-050-21-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	550,000
Revised Authorized Cost	726,471
Additional Authorized Cost	176,471
Percentage Increase Over Original Authorized Cost	32.09%
Percentage Completion	80.13%
Original Target Completion Date	12/1/2021
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HIGH SCHOOL FIELDS & HVAC  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 3,698,529	\$ -	\$ 3,698,529	\$ 3,698,529
Total Revenues and Other Financing Sources	<u>3,698,529</u>	<u>-</u>	<u>3,698,529</u>	<u>3,698,529</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	121,027	14,748	135,775	121,027
Construction Services	-	2,742,769	2,742,769	3,577,502
Total Expenditures and Other Financing Uses	<u>121,027</u>	<u>2,757,517</u>	<u>2,878,544</u>	<u>3,698,529</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 3,577,502</u>	<u>\$ (2,757,517)</u>	<u>\$ 819,985</u>	<u>\$ -</u>

Project Number	4950-050-21-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	3,875,000
Revised Authorized Cost	3,698,529
Additional Authorized Cost	(176,471)
Percentage Increase Over Original Authorized Cost	-4.55%
Percentage Completion	77.83%
Original Target Completion Date	6/1/2022
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MIDDLE SCHOOL IMPROVEMENTS  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 656,640	\$ 656,640	\$ 656,640
Total Revenues and Other Financing Sources	-	656,640	656,640	656,640
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	166,704	166,704	166,704
Construction Services	-	481,003	481,003	489,936
Total Expenditures and Other Financing Uses	-	647,707	647,707	656,640
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 8,933	\$ 8,933	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	656,640
Revised Authorized Cost	656,640
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	98.64%
Original Target Completion Date	06/30/24
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HIGH SCHOOL IMPROVEMENTS  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
<b>Total Revenues and Other Financing Sources</b>	<b>-</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	5,616	5,616	5,616
Construction Services	-	41	41	69,384
<b>Total Expenditures and Other Financing Uses</b>	<b>-</b>	<b>5,657</b>	<b>5,657</b>	<b>75,000</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 69,343	\$ 69,343	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	75,000
Revised Authorized Cost	75,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	7.54%
Original Target Completion Date	06/30/24
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
ADMINISTRATION BUILDING IMPROVEMENTS  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 325,000	\$ 325,000	\$ 325,000
<b>Total Revenues and Other Financing Sources</b>	<b>-</b>	<b>325,000</b>	<b>325,000</b>	<b>325,000</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	21,168	21,168	21,168
Construction Services	-	-	-	303,832
<b>Total Expenditures and Other Financing Uses</b>	<b>-</b>	<b>21,168</b>	<b>21,168</b>	<b>325,000</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 303,832	\$ 303,832	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	325,000
Revised Authorized Cost	325,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	6.51%
Original Target Completion Date	6/30/2024
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HIGH SCHOOL GROUND IMPROVEMENTS  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 2,292,000	\$ 2,292,000	\$ 2,292,000
Total Revenues and Other Financing Sources	-	2,292,000	2,292,000	2,292,000
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	122,693	122,693	122,693
Construction Services	-	-	-	2,169,307
Total Expenditures and Other Financing Uses	-	122,693	122,693	2,292,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 2,169,307	\$ 2,169,307	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	2,292,000
Revised Authorized Cost	2,292,000
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	5.35%
Original Target Completion Date	6/30/24
Revised Target Completion Date	N/A

**SOUTHERN REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
MIDDLE SCHOOL HVAC  
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 183,795	\$ 183,795	\$ 183,795
Total Revenues and Other Financing Sources	<u>-</u>	<u>183,795</u>	<u>183,795</u>	<u>183,795</u>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	121,392	121,392	183,795
Total Expenditures and Other Financing Uses	<u>-</u>	<u>121,392</u>	<u>121,392</u>	<u>183,795</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ 62,403</u>	<u>\$ 62,403</u>	<u>\$ -</u>

Project Number	4950-060-22-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	183,795
Revised Authorized Cost	183,795
Additional Authorized Cost	-
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	66.05%
Original Target Completion Date	6/30/24
Revised Target Completion Date	N/A



## G. Proprietary Funds

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## Enterprise Funds

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF NET POSITION  
AS OF JUNE 30, 2022**

ASSETS	<u>BUSINESS-TYPE ACTIVITIES</u>		
	FOOD SERVICE FUND	COMMUNITY EDUCATION	TOTAL
Current Assets:			
Cash & Cash Equivalents	\$ 382,195	\$ 8,242	\$ 390,437
Accounts Receivable:			
State	1,002	-	1,002
Federal	54,024	-	54,024
Inventory	9,459	-	9,459
<b>Total Current Assets</b>	<b>446,680</b>	<b>8,242</b>	<b>454,922</b>
Noncurrent Assets:			
Furniture, Machinery & Equipment	479,885	-	479,885
Less: Accumulated Depreciation	(427,463)	-	(427,463)
<b>Total Noncurrent Assets</b>	<b>52,422</b>	<b>-</b>	<b>52,422</b>
<b>Total Assets</b>	<b>499,102</b>	<b>8,242</b>	<b>507,344</b>
LIABILITIES			
Current Liabilities:			
Unearned Revenue	10,768	-	10,768
Interfund Payable	40,000	-	40,000
<b>Total Current Liabilities</b>	<b>50,768</b>	<b>-</b>	<b>50,768</b>
<b>Total Liabilities</b>	<b>50,768</b>	<b>-</b>	<b>50,768</b>
NET POSITION			
Investment in Capital Assets	52,422	-	52,422
Unrestricted	395,912	8,242	404,154
<b>Total Net Position</b>	<b>\$ 448,334</b>	<b>\$ 8,242</b>	<b>\$ 456,576</b>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
AS OF JUNE 30, 2022**

	<u>BUSINESS-TYPE ACTIVITIES</u>		
	FOOD SERVICE FUND	COMMUNITY EDUCATION	TOTAL
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 137,851	\$ -	\$ 137,851
Daily Sales Nonreimbursable Programs	6,728	-	6,728
Special Functions	7,402	-	7,402
Miscellaneous	242	4,010	4,252
	<hr/>		
Total Operating Revenue	152,223	4,010	156,233
	<hr/>		
Operating Expenses:			
Salaries	289,776	1,960	291,736
Employee Benefits	54,629	-	54,629
Cleaning, Repair & Maintenance Services	11,082	-	11,082
Other Purchased Services	74,226	-	74,226
Depreciation	7,337	-	7,337
Miscellaneous	57,121	-	57,121
Cost of Sales - Reimbursable Programs	540,505	-	540,505
Cost of Sales - Non-Reimbursable Programs	95,383	-	95,383
	<hr/>		
Total Operating Expenses	1,130,059	1,960	1,132,019
	<hr/>		
Operating/(Loss)/Gain	(977,836)	2,050	(975,786)
	<hr/>		
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	23,795	-	23,795
Federal Sources:			
National School Lunch Program	1,013,883	-	1,013,883
Food Distribution Program	51,660	-	51,660
National School Breakfast Program	216,040	-	216,040
Pandemic EBT Admin Cost Reimbursement	1,242	-	1,242
	<hr/>		
Total Nonoperating Revenues/ (Expenses)	1,306,620	-	1,306,620
	<hr/>		
Net Income/(Loss)	328,784	2,050	330,834
Net Position - Beginning,	119,550	6,192	125,742
	<hr/>		
Total Net Position - Ending	\$ 448,334	\$ 8,242	\$ 456,576
	<hr/>		

**SOUTHERN REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
AS OF JUNE 30, 2022**

	<u>BUSINESS-TYPE ACTIVITIES</u>		
	FOOD SERVICE FUND	SUMMER CAMPS	TOTAL
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 158,265	\$ 4,010	\$ 162,275
Payments to Suppliers	(774,297)	-	(774,297)
Payments to Employees	(289,776)	(1,960)	(291,736)
Payments for Employee Benefits	(54,629)	-	(54,629)
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	(960,437)	2,050	(958,387)
	<hr/>		
Cash Flows From Non-Capital Financing Activities:			
Cash Received from State & Federal Reimbursements	1,315,972	-	1,315,972
	<hr/>		
Net Cash Provided by Non-Capital Financing Activities	1,315,972	-	1,315,972
	<hr/>		
Net Increase/(Decrease) in Cash & Cash Equivalents	355,535	2,050	357,585
Cash & Cash Equivalents, July 1	26,660	6,192	32,852
	<hr/>		
Cash & Cash Equivalents, June 30	\$ 382,195	\$ 8,242	\$ 390,437
	<hr/> <hr/>		
 <b>RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTI</b>			
Operating Income/(Loss)	\$ (977,836)	\$ 2,050	\$ (975,786)
Adjustments to Reconcile Operating Income/(Loss) in Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	7,337	-	7,337
Change in Assets & Liabilities:			
(Increase)/Decrease in Inventory	4,020	-	4,020
Increase/(Decrease) in Deferred Revenue	6,042	-	6,042
	<hr/>		
Total Adjustments	17,399	-	17,399
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	\$ (960,437)	\$ 2,050	\$ (958,387)
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Internal Service Fund

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2022**

	<u>GOVERNMENTAL ACTIVITIES</u> INTERNAL SERVICE FUND
<b>ASSETS</b>	
Current Assets:	
Cash & Cash Equivalents	\$ 11,682
Total Assets	<u>11,682</u>
<b>LIABILITIES</b>	
Claims Payable	<u>11,213</u>
Total Liabilities	<u>11,213</u>
<b>NET POSITION</b>	
Unrestricted	<u>469</u>
Total Net Position	<u><u>\$ 469</u></u>

**SOUTHERN REGIONAL SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
AS OF JUNE 30, 2022**

	<u>GOVERNMENTAL ACTIVITIES</u> INTERNAL SERVICE FUND
OPERATING REVENUE:	
Contributions	\$ 10,684
Total Operating Revenue	<u>10,684</u>
OPERATING EXPENSES:	
Claims	<u>10,684</u>
Total Operating Expenses	<u>10,684</u>
Operating (Loss)/Gain	<u>-</u>
NON OPERATING REVENUES:	
Interest Revenue	<u>41</u>
Total Non Operating Revenue	<u>41</u>
Net Income/(Loss)	<u>41</u>
Total Net Position - July 1	<u>428</u>
Total Net Position - June 30	<u><u>\$ 469</u></u>

EXHIBIT G-6  
**SOUTHERN REGIONAL SCHOOL DISTRICT**  
**INTERNAL SERVICE FUND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**AS OF JUNE 30, 2022**

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u> INTERNAL SERVICE FUND
Cash Flows From Operating Activities:	
Receipts from Vendors	\$ 10,684
Payments to Employees	<u>(17,919)</u>
Net Cash Provided/(Used) by Operating Activities	<u>(7,235)</u>
Cash Flows From Investing Activities:	
Interest Income	<u>41</u>
Net Cash Provided by Investing Activities	<u>41</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	<u>(7,194)</u>
Cash & Cash Equivalents, July 1	<u>\$ 18,876</u>
Cash & Cash Equivalents, June 30	<u><u>\$ 11,682</u></u>
 <b>RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) B'</b>	
Reconciliation of Operating Income (Loss) to Cash Provided/(Used) by Operating Activities:	\$ -
Operating Income (Loss)	
Adjustments to Reconcile Operating Income/(Loss) in Cash Provided/(Used) by Operating Activities:	
Change in Assets & Liabilities:	
Increase/(Decrease) in Claims Payable	<u>(7,235)</u>
Total Adjustments	<u>(7,235)</u>
Net Cash Provided/(Used) by Operating Activities	<u><u>\$ (7,235)</u></u>

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## I. Long-Term Debt

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**SOUTHERN REGIONAL SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				POSITIVE/ NEGATIVE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Fund Balance, July 1	26	-	26	26	-
Fund Balance, June 30	\$ 26	\$ -	\$ 26	\$ 26	\$ -

**SOUTHERN REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF COMPENSATED ABSENCES  
JUNE 30, 2022**

	OUTSTANDING				OUTSTANDING	
	BALANCE				BALANCE	
	2021	ADDITIONS	DELETIONS		2022	
Governmental Compensated Absences	\$ 4,585,642	\$ 64,060	\$ -	-	\$ 4,649,702	
Total Compensated Absences	<u>\$ 4,585,642</u>	<u>\$ 64,060</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 4,649,702</u>	

**STATISTICAL SECTION (Unaudited)**

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 40,533,769	\$ 36,202,082	\$ 35,692,410	\$ 34,480,582	\$ 27,614,073	\$ 24,134,579	\$ 23,371,388	\$ 2,362,258	\$ 23,912,510	\$ 19,955,273
Restricted	24,035,617	24,889,239	(48,600,968)	19,453,868	17,404,101	17,791,192	9,369,395	6,263,186	5,642,181	5,994,275
Unrestricted	(16,871,867)	(20,257,803)	(22,556,750)	(23,277,151)	(24,764,769)	(25,750,560)	(18,250,930)	206,634	25,718	400,501
<b>Total Governmental Activities</b>	<b>\$ 47,697,519</b>	<b>\$ 40,833,518</b>	<b>\$ (35,465,308)</b>	<b>\$ 30,657,299</b>	<b>\$ 20,253,405</b>	<b>\$ 16,175,211</b>	<b>\$ 14,489,853</b>	<b>\$ 8,832,078</b>	<b>\$ 29,580,409</b>	<b>\$ 26,350,049</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ 52,422	\$ 59,759	\$ 67,096	\$ 75,188	\$ 40,934	\$ 28,088	\$ 27,920	\$ 29,866	\$ 31,812	\$ 41,860
Unrestricted	404,154	65,983	(674)	16,224	66,271	108,003	123,510	128,761	180,062	167,068
<b>Total Business-Type Activities</b>	<b>\$ 456,576</b>	<b>\$ 125,742</b>	<b>\$ 66,422</b>	<b>\$ 91,412</b>	<b>\$ 107,205</b>	<b>\$ 136,091</b>	<b>\$ 151,430</b>	<b>\$ 158,627</b>	<b>\$ 211,874</b>	<b>\$ 208,928</b>
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 40,586,191	\$ 36,261,842	\$ 35,759,506	\$ 34,555,770	\$ 27,655,007	\$ 24,162,667	\$ 23,399,308	\$ 23,722,124	\$ 23,944,322	\$ 19,997,133
Restricted	24,035,617	24,939,238	22,329,622	19,453,842	17,414,101	17,791,192	9,369,395	6,263,186	5,642,181	5,994,275
Unrestricted	(16,467,713)	(20,191,820)	(22,577,444)	(23,260,927)	(24,698,498)	(25,642,557)	(18,127,420)	335,395	205,780	567,569
<b>Total District Net Position</b>	<b>\$ 48,154,095</b>	<b>\$ 41,009,260</b>	<b>\$ 35,511,684</b>	<b>\$ 30,748,685</b>	<b>\$ 20,370,610</b>	<b>\$ 16,311,302</b>	<b>\$ 14,641,283</b>	<b>\$ 30,320,705</b>	<b>\$ 29,792,283</b>	<b>\$ 26,558,977</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 16,972,357	\$ 32,956,949	\$ 29,890,588	\$ 32,315,192	\$ 18,731,677	\$ 19,182,801	\$ 18,489,286	\$ 19,091,978	\$ 15,030,411	\$ 14,372,685
Special Education	7,426,260	11,825,370	11,094,985	10,103,495	6,982,113	6,801,483	7,049,052	7,990,020	5,446,454	5,307,101
Other Special Instruction	-	-	-	-	-	-	-	-	-	-
Other Instruction	1,818,911	2,907,194	2,752,543	2,729,117	1,685,225	1,598,617	1,638,675	1,616,800	1,539,768	1,485,535
Support Services:										
Tuition	495,002	632,574	256,441	296,244	394,945	149,919	318,069	511,071	767,233	600,243
Student & Instruction Related Services	6,080,180	9,339,719	6,652,765	6,949,156	5,763,742	5,986,832	5,808,533	5,644,050	4,182,942	4,055,767
Health Services	301,760	-	-	-	-	-	-	-	-	-
Educational Media Services/School Library	342,910	-	-	-	-	-	-	-	-	-
School Administrative Services	1,707,010	2,530,697	2,172,031	2,324,640	2,140,788	2,171,609	2,080,591	1,946,543	2,055,092	2,001,903
General Administrative	963,893	1,119,362	1,170,865	1,165,139	992,498	1,062,092	916,905	880,399	770,084	782,126
Central Services	662,485	1,000,456	899,560	972,585	775,974	769,672	686,429	709,002	553,504	517,561
Administrative Information Technology	416,764	559,191	535,535	562,381	425,441	449,060	434,643	411,896	359,949	369,516
Plant Operations & Maintenance	6,230,641	7,862,250	7,051,845	7,438,059	6,172,943	5,585,388	5,545,534	5,286,919	4,509,825	4,426,510
Pupil Transportation	4,053,860	5,552,274	5,137,277	5,056,684	4,034,950	3,956,581	4,113,937	4,399,507	2,949,555	2,937,411
Employee Benefits	19,443,386	-	-	-	11,344,211	15,636,826	14,187,433	12,979,031	22,303,431	25,368,348
On Behalf TPAF Pension and Social Security Contributions	-	-	-	-	-	-	-	-	-	-
Special Schools	-	38,250	38,195	35,963	-	-	-	-	-	-
Adjustment to Capital Assets	-	-	-	-	-	-	-	-	-	-
Unallocated Depreciation	-	-	-	-	1,514,415	1,527,815	1,562,443	2,022,111	1,335,705	1,434,140
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Transfer to Enterprise Funds	1,915,848	-	27,000	125,285	-	-	-	-	-	-
Interest and Changes on Long Term Debt	-	-	-	-	48,890	52,909	7,262	104,369	142,177	327,649
Reduction of Capital Assets	-	-	-	-	-	281,582	560,105	102,258	(1,212,204)	663,525
Amortization of Debt Issuance Costs	-	-	-	-	-	-	-	-	7,059	323,334
<b>Total Governmental Activities Expenses</b>	<b>\$68,833,267</b>	<b>\$76,324,286</b>	<b>\$67,679,630</b>	<b>\$70,073,940</b>	<b>\$61,007,812</b>	<b>\$65,213,186</b>	<b>\$63,398,897</b>	<b>\$63,695,954</b>	<b>\$60,740,985</b>	<b>\$64,973,354</b>
Business-Type Activities:										
Food Service/Community Education	1,132,019	453,738	758,030	984,778	962,731	1,026,437	1,050,833	1,127,798	1,054,239	1,136,325
<b>Total Business-Type Activities Expense</b>	<b>1,132,019</b>	<b>453,738</b>	<b>758,030</b>	<b>984,778</b>	<b>962,731</b>	<b>1,026,437</b>	<b>1,050,833</b>	<b>1,127,798</b>	<b>1,054,239</b>	<b>1,136,325</b>
<b>Total District Expenses</b>	<b>\$ 69,965,286</b>	<b>\$ 76,778,024</b>	<b>\$ 68,437,660</b>	<b>\$ 71,058,718</b>	<b>\$ 61,970,543</b>	<b>\$ 66,239,623</b>	<b>\$ 64,449,730</b>	<b>\$ 64,823,752</b>	<b>\$ 61,795,224</b>	<b>\$ 66,109,679</b>

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services & Operating Grants	\$ 2,502,670	\$ 17,128,604	\$ 12,790,324	\$ 14,083,026	\$ 761,213	\$ 786,811	\$ 818,469	\$ 784,400	\$ 772,617	\$ 676,970
Instruction (Special Education)			867,601	1,262,884	71,968	83,135	69,576	104,444	103,104	117,634
Support Services:										
Student & Instruction & Related Services	196,947	3,730,841	867,601	1,262,884	71,968	83,135	69,576	104,444	103,104	117,634
Pupil Transportation	-	-	-	-	1,240,437	10,499,548	10,062,740	10,159,309	10,284,412	9,625,976
Employee Benefits	11,063,735	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>13,763,352</b>	<b>20,859,445</b>	<b>13,657,925</b>	<b>15,345,910</b>	<b>2,073,618</b>	<b>11,369,494</b>	<b>10,950,785</b>	<b>11,048,153</b>	<b>11,160,133</b>	<b>10,420,580</b>
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service/Community Education	156,233	81,017	442,856	595,711	618,045	651,233	671,189	729,009	736,254	767,694
Other Activities										
Operating Grants & Contributions	1,306,620	383,061	241,912	313,753	315,571	359,642	329,979	336,154	315,712	295,050
<b>Total Business Type Activities Program Revenues</b>	<b>1,462,853</b>	<b>464,078</b>	<b>684,768</b>	<b>909,464</b>	<b>933,616</b>	<b>1,010,875</b>	<b>1,001,168</b>	<b>1,065,163</b>	<b>1,051,966</b>	<b>1,062,744</b>
<b>Total District Program Revenues</b>	<b>\$ 15,226,205</b>	<b>\$ 21,323,523</b>	<b>\$ 14,342,693</b>	<b>\$ 16,255,374</b>	<b>\$ 3,007,234</b>	<b>\$ 12,380,369</b>	<b>\$ 11,951,953</b>	<b>\$ 12,113,316</b>	<b>\$ 12,212,099</b>	<b>\$ 11,483,324</b>
<b>Net/(Expense)/Revenue:</b>										
Governmental Activities	\$ (55,069,915)	\$ (55,464,841)	\$ (54,021,705)	\$ (54,728,030)	\$ (58,934,194)	\$ (53,843,692)	\$ (52,448,112)	\$ (52,647,801)	\$ (49,580,852)	\$ (54,552,774)
Business-Type Activities	330,834	10,340	(73,262)	(75,314)	(29,115)	(15,562)	(49,665)	(62,635)	(2,273)	(73,581)
<b>Total District-Wide Net Expense</b>	<b>\$ (54,739,081)</b>	<b>\$ (55,454,501)</b>	<b>\$ (54,094,967)</b>	<b>\$ (54,803,344)</b>	<b>\$ (58,963,309)</b>	<b>\$ (53,859,254)</b>	<b>\$ (52,497,777)</b>	<b>\$ (52,710,436)</b>	<b>\$ (49,583,125)</b>	<b>\$ (54,626,355)</b>

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Revenues &amp; Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 48,371,243	\$ 47,650,013	\$ 46,781,910	\$ 46,318,846	\$ 44,960,904	\$ 43,890,411	\$ 42,545,911	\$ 40,578,741	\$ 39,748,572	\$ 38,969,188
Taxes Levied for Debt Service	3,955,774	3,555,031	3,342,730	2,943,949	1,538,993	1,622,557	1,693,882	1,718,374	1,999,925	2,081,700
Unrestricted Grants & Contributions	7,068,408	7,334,695	767,932	8,103,900	8,968,178	2,490,675	2,736,972	2,368,375	2,277,711	5,669,425
Tuition Received	739,550	705,800	802,109	1,025,148	924,054	1,052,188	971,960	7,557,267	7,549,689	7,358,075
Transportation Fees	2,041	-	-	-	-	6,101	3,567	938,127	978,794	936,940
Investment Earnings	1,746,900	684,465	260,076	173,904	104,155	81,831	65,815	126,615	170,859	373,431
Miscellaneous Income	-	(91,550)	(35,044)	(136,263)	-	-	-	-	-	(59,333)
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Transfers	-	(52,000)	-	-	-	-	(2,000)	-	-	(15,536)
<b>Total Governmental Activities</b>	<b>61,883,916</b>	<b>59,786,454</b>	<b>51,919,713</b>	<b>58,675,674</b>	<b>63,022,388</b>	<b>55,529,050</b>	<b>55,213,397</b>	<b>53,287,690</b>	<b>52,727,868</b>	<b>55,315,137</b>
Business-Type Activities:										
Investment Earnings	-	-	-	-	229	223	244	335	458	44
Capital Asset Adjustment	-	-	-	(2,971)	-	-	-	-	-	(29,403)
Transfers/Other	-	52,000	48,253	125,557	-	-	42,224	8,523	4,761	49,409
<b>Total Business-Type Activities</b>	<b>-</b>	<b>52,000</b>	<b>48,253</b>	<b>122,586</b>	<b>229</b>	<b>223</b>	<b>42,468</b>	<b>8,858</b>	<b>5,219</b>	<b>20,050</b>
<b>Total District-Wide</b>	<b>\$ 61,883,916</b>	<b>\$ 59,838,454</b>	<b>\$ 51,967,966</b>	<b>\$ 58,798,260</b>	<b>\$ 63,022,617</b>	<b>\$ 55,529,273</b>	<b>\$ 55,255,865</b>	<b>\$ 53,296,548</b>	<b>\$ 52,733,087</b>	<b>\$ 55,335,187</b>
<b>Change in Net Position:</b>										
Governmental Activities	\$ 6,814,001	\$ 4,321,613	\$ (2,101,992)	\$ 3,947,644	\$ 4,088,194	\$ 1,685,358	\$ 2,765,285	\$ 639,889	\$ 3,147,016	\$ 762,363
Business-Type Activities	330,834	62,340	(25,009)	47,272	(28,886)	(15,339)	(7,197)	(53,777)	2,946	(53,531)
<b>Total District</b>	<b>\$ 7,144,835</b>	<b>\$ 4,383,953</b>	<b>\$ (2,127,001)</b>	<b>\$ 3,994,916</b>	<b>\$ 4,059,308</b>	<b>\$ 1,670,019</b>	<b>\$ 2,758,088</b>	<b>\$ 586,112</b>	<b>\$ 3,149,962</b>	<b>\$ 708,832</b>



**SOUTHERN REGIONAL HIGH SCHOOL DISTRICT  
FUND BALANCES AND GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Fund:</b>										
Restricted	\$ 16,773,779	\$ 16,300,655	\$ 17,953,013	\$ 14,797,749	\$ 13,543,234	\$ 8,449,262	\$ 9,278,889	\$ 6,259,328	\$ 4,299,332	\$ 599,275
Assigned	\$ 1,907,750	\$ 2,010,831	\$ 1,640,980	\$ 816,265	\$ 604,931	\$ 572,043	\$ 430,164	\$ -	\$ -	\$ -
Unrestricted	3,036,456	3,098,740	1,677,779	1,533,695	1,344,016	1,343,788	1,102,947	1,679,874	2,131,005	2,520,396
<b>Total General Fund</b>	<b>\$ 21,717,985</b>	<b>\$ 13,299,185</b>	<b>\$ 10,753,909</b>	<b>\$ 8,951,989</b>	<b>\$ 7,194,944</b>	<b>\$ 5,405,826</b>	<b>\$ 4,858,403</b>	<b>\$ 4,336,295</b>	<b>\$ 4,000,220</b>	<b>\$ 4,680,524</b>
<b>All Other Governmental Funds:</b>										
Restricted	\$ 8,000,196	\$ 8,638,584	\$ 4,376,609	\$ 4,656,093	\$ 3,870,867	\$ 4,560,014	\$ 121,789	\$ 40,400	\$ 1,342,849	\$ 1
<b>Total All Other Governmental Funds</b>	<b>\$ 8,000,196</b>	<b>\$ 597,575</b>	<b>\$ 220,839</b>	<b>\$ 220,840</b>	<b>\$ 340,775</b>	<b>\$ 367,353</b>	<b>\$ 58,421</b>	<b>\$ 138,423</b>	<b>\$ 217,920</b>	<b>\$ 223,942</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues:</b>										
Taxes Local	\$ 48,371,243	\$ 47,650,013	\$ 46,781,910	\$ 46,565,036	\$ 46,499,897	\$ 45,512,968	\$ 44,239,793	\$ 42,297,115	\$ 41,748,497	\$ 41,050,888
Tuition Charges	7,068,408	7,334,695	7,677,932	8,103,900	6,506,479	6,385,287	7,195,290	7,557,267	7,549,689	7,358,075
Transportation	739,550	705,800	802,109	1,025,148	925,054	1,052,188	971,960	938,127	978,794	936,940
Interest Earnings	2,000	-	-	-	19,560	6,002	3,468	2,120	2,103	1,203
Miscellaneous	1,746,900	684,434	260,029	167,503	104,155	81,831	65,815	12,615	170,859	393,431
State Sources	16,545,567	13,363,422	11,397,517	10,796,831	8,937,259	7,844,497	7,316,222	6,397,356	6,775,706	5,562,022
Federal Sources	2,716,638	1,584,041	915,625	1,036,572	864,100	907,926	907,128	900,656	907,543	902,007
<b>Total Revenue</b>	<b>77,190,306</b>	<b>71,322,405</b>	<b>67,835,122</b>	<b>67,694,990</b>	<b>63,856,504</b>	<b>61,790,699</b>	<b>60,699,676</b>	<b>58,219,256</b>	<b>58,133,191</b>	<b>56,204,566</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	16,972,357	20,018,032	19,757,552	20,801,040	18,731,677	19,182,801	18,489,286	19,091,978	15,030,411	14,372,685
Special Education Instruction	7,426,260	7,182,723	7,333,738	6,503,542	6,982,113	6,801,483	7,049,052	7,990,020	5,446,454	5,307,101
Other Instruction	1,818,911	1,765,828	1,819,419	1,756,712	1,685,225	1,598,617	1,638,675	1,616,800	1,539,768	1,485,535
<b>Undistributed:</b>										
Tuition	495,002	516,320	227,189	256,501	394,945	149,919	318,069	511,071	767,233	600,243
Attendance & Social Work Services	105,686	7,088,261	5,387,205	5,499,725	5,763,742	5,986,832	5,808,533	5,644,050	4,182,942	4,055,767
Health Services	301,760	-	-	-	-	-	-	-	-	-
Related Services	1,988,993	-	-	-	-	-	-	-	-	-
Extraordinary Services	873,965	-	-	-	-	-	-	-	-	-
<b>Support Services - Students:</b>										
Regular	1,308,212	-	-	-	-	-	-	-	-	-
Special	1,228,222	-	-	-	-	-	-	-	-	-
Improvement of Instruction	574,186	-	-	-	-	-	-	-	-	-
Educational Media Services	342,910	-	-	-	-	-	-	-	-	-
Other Support Services	-	1,808,027	1,778,084	1,846,187	1,201,415	1,218,732	1,121,072	1,120,898	913,453	887,077
General Administration	965,893	913,646	1,037,306	1,008,827	992,498	1,062,092	916,905	880,399	770,084	782,126
School Administration	1,707,010	2,065,607	1,924,271	2,012,772	2,140,788	2,171,609	2,080,591	1,946,543	2,055,092	2,001,903
Central Administration	662,485	-	-	-	-	-	-	-	-	-

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenditures (continued):										
Administration Information Technology	416,764	-	-	-	-	-	-	-	-	-
Allowable Maintenance for School Facilities	2,019,260	-	-	-	-	-	-	-	-	-
Operation & Maintenance of Plant Services	3,957,297	6,417,040	6,261,680	6,521,893	6,248,055	5,555,641	5,677,472	5,411,015	4,639,831	4,513,592
Student Transportation	4,053,860	4,531,881	4,551,275	4,378,291	4,034,950	3,956,581	4,113,937	4,399,507	2,949,555	2,937,411
Unallocated Benefits	11,192,553	13,400,339	11,015,318	11,217,428	9,268,577	8,605,750	7,542,305	6,842,199	17,803,557	16,132,166
On Behalf TPAF Pension and Social Security Contributions	12,606,814	-	-	-	-	-	-	-	-	-
Capital Outlay	6,504,557	2,220,643	2,580,306	4,603,245	1,989,496	1,075,286	1,271,217	1,244,935	882,083	1,434,300
Debt Service Expenditures:										
Principal	-	-	251,950	489,453	1,750,264	1,565,000	1,625,000	1,680,000	1,755,000	1,645,000
Interest	-	38,250	38,250	39,505	57,250	57,563	93,375	126,425	139,214	442,812
Total Expenditures	77,520,935	67,964,576	63,961,523	66,933,102	61,238,977	58,985,889	57,743,473	58,503,825	58,872,663	56,595,705
	77,520,935									
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(330,629)	3,357,829	3,873,599	761,888	2,617,527	2,804,810	2,956,203	(284,569)	(739,472)	(391,139)
Other Financing Sources/(Uses):										
Capital Leases (Non-Budgeted)	-	-	-	-	-	-	-	-	-	-
Transfers Out	(3,532,435)	(6,573,372)	(1,827,000)	(3,664,356)	-	(3,300,000)	(413,730)	495,000	(1,434,000)	647,664
Transfers In	3,532,435	6,521,372	1,800,000	3,539,071	1,823,432	3,300,000	413,730	780,928	2,868,000	(21,243)
Total Other Financing Sources/(Uses)	-	(52,000)	(27,000)	(125,285)	1,823,432	-	-	493,000	1,434,000	632,128
Net Change in Fund Balances	(\$330,629)	\$3,305,829	\$3,846,599	\$636,603	\$4,440,959	\$2,804,810	\$2,956,203	\$208,431	\$694,528	\$240,989
Debt Service as a Percentage of Noncapital Expenditures	0%	0%	0%	1%	3%	3%	3%	3%	3%	4%

Source: District Records

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON			
	INVESTMENTS	MISCELLANEOUS	TOTAL	
2022	2,000	\$ 247,457	\$ 249,457	
2021	2,000	98,622	100,622	
2020	1,000	259,029	260,029	
2019	10,147	163,619	173,766	
2018	19,163	104,155	123,318	
2017	6,002	81,374	87,376	
2016	3,378	65,808	69,186	
2015	-	126,608	126,608	
2014	16,404	147,623	164,027	
2013	9,348	365,583	374,931	

Source: District records

**SOUTHERN REGIONAL SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

**BARNEGAT LIGHT**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	APARTMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2022	\$ 29,641,500	\$ 976,808,500	\$ 37,150,100	\$ 1,156,800	\$ 1,044,756,900	\$ 130,424,700	\$ 1,175,181,600	0.1800
2021	29,373,900	954,585,800	37,150,100	1,156,800	1,022,266,600	130,404,700	1,152,671,300	0.2490
2020	31,120,000	942,012,200	37,694,300	1,156,800	1,011,983,300	130,404,700	1,142,388,000	0.2610
2019	29,678,400	945,058,800	35,725,300	1,156,800	1,011,619,300	130,404,700	1,142,024,000	0.2330
2018	33,208,200	935,636,500	36,303,852	1,156,800	1,006,305,352	130,319,700	1,136,625,052	0.2350
2017	33,681,500	929,111,400	36,664,300	1,156,800	1,000,614,000	130,119,700	1,130,733,700	0.2490
2016	33,406,600	928,665,600	37,204,437	1,156,800	1,000,433,437	129,937,700	1,130,371,137	0.1830
2015	33,984,208	925,762,300	37,315,700	1,156,800	998,219,008	129,954,000	1,128,173,008	0.2000
2014	37,240,700	919,616,400	37,246,200	1,156,800	995,260,100	129,954,000	1,125,214,100	0.2000
2013	31,333,800	926,010,800	37,501,200	1,156,800	996,002,600	129,954,000	1,125,956,600	0.2890

**BEACH HAVEN**

2022	\$ 61,305,600	\$ 1,943,651,900	\$ 122,338,900	\$ 14,137,900	\$ 2,141,434,300	\$ 69,912,500	\$ 2,211,346,800	0.2980
2021	60,491,800	1,933,830,300	124,719,200	14,137,900	2,133,179,200	62,945,700	2,196,124,900	0.2940
2020	60,600,600	1,911,509,700	128,845,800	14,137,900	2,115,094,000	64,237,600	2,179,331,600	0.3270
2019	63,815,500	1,897,035,300	128,623,200	15,022,900	2,104,496,900	60,685,600	2,165,182,500	0.3020
2018	70,975,900	1,864,116,800	130,675,110	15,022,900	2,080,790,710	60,685,600	2,141,476,310	0.3560
2017	71,041,500	1,850,883,300	131,104,600	15,022,900	2,068,052,300	60,685,600	2,128,737,900	0.3060
2016	72,703,300	1,495,079,300	104,787,941	11,888,900	1,684,459,441	50,361,200	1,734,820,641	0.3010
2015	71,052,100	1,484,137,800	104,037,792	11,888,900	1,671,116,592	51,801,708	1,722,918,300	0.3810
2014	74,759,100	1,468,222,600	104,037,792	11,888,900	1,658,908,392	51,675,508	1,710,583,900	0.3810
2013	55,884,100	1,480,412,700	104,652,392	13,936,500	1,654,885,692	52,226,208	1,707,111,900	0.3510

**SOUTHERN REGIONAL SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

**HARVEY CEDARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	APARTMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2022	\$ 27,400,200	\$ 1,277,630,600	\$ 15,109,300	\$ -	\$ 1,320,140,100	\$ 47,598,600	\$ 1,367,738,700	0.2860
2021	23,515,200	1,259,334,200	15,109,300	-	1,297,958,700	47,561,200	1,345,519,900	0.2760
2020	23,515,200	1,259,334,200	15,109,300	-	1,297,958,700	47,561,200	1,345,519,900	0.2760
2019	23,480,400	1,247,576,600	15,109,300	-	1,286,166,300	47,561,200	1,333,727,500	0.2670
2018	22,040,800	1,243,889,400	15,109,300	-	1,281,039,500	43,045,600	1,324,085,100	0.2590
2017	31,136,600	1,212,703,200	15,124,254	-	1,258,964,054	43,045,600	1,302,009,654	0.2730
2016	33,832,500	1,193,289,400	14,959,100	-	1,242,081,000	43,090,400	1,285,171,400	0.2510
2015	27,826,900	1,196,388,500	14,228,550	-	1,238,443,950	43,090,400	1,281,534,350	0.2780
2014	18,457,500	1,262,792,400	14,062,600	-	1,295,312,500	43,819,900	1,339,132,400	0.3300
2013	20,466,200	1,199,702,200	14,340,500	-	1,234,508,900	43,819,900	1,278,328,800	0.3300

**LONG BEACH TOWNSHIP**

2022	\$ 290,510,700	\$ 10,077,612,600	\$ 139,853,400	\$ 1,865,000	\$ 10,509,841,700	\$ 126,436,700	\$ 10,636,278,400	0.2510
2021	215,393,500	10,090,886,400	148,862,700	1,865,000	10,457,007,600	123,342,100	10,580,349,700	0.2410
2020	215,393,500	10,090,886,400	148,862,700	1,865,000	10,457,007,600	123,342,100	10,580,349,700	0.2410
2019	228,418,600	7,699,298,965	136,455,400	3,317,300	8,067,490,265	94,538,100	8,162,028,365	0.3010
2018	240,661,400	7,602,874,965	137,495,200	4,239,500	7,985,271,065	95,445,300	8,080,716,365	0.3150
2017	250,261,600	7,513,702,465	140,767,793	4,239,500	7,908,971,358	96,687,700	8,005,659,058	0.2910
2016	231,570,900	7,472,986,765	140,232,400	4,951,800	7,849,741,865	95,011,800	7,944,753,665	0.2360
2015	246,475,000	7,383,362,865	145,412,322	4,953,200	7,780,203,387	93,033,700	7,873,237,087	0.2650
2014	259,653,500	7,294,716,515	141,317,600	5,015,200	7,700,702,815	93,032,400	7,793,735,215	0.3160
2013	275,901,100	7,186,784,875	145,320,900	5,015,200	7,613,022,075	92,443,600	7,705,465,675	0.3160

**SOUTHERN REGIONAL SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

**SHIP BOTTOM BOROUGH**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	APARTMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2022	\$ 27,417,600	\$ 1,258,930,600	\$ 131,459,900	\$ 3,149,400	\$ 1,420,957,500	\$ 72,243,400	\$ 1,493,200,900	0.2490
2021	26,217,600	1,238,906,800	132,131,807	3,149,400	1,400,405,607	71,654,007	1,472,059,614	0.2670
2020	22,933,400	1,220,973,300	130,902,399	3,149,400	1,377,958,499	71,359,507	1,449,318,006	0.2740
2019	26,230,300	1,194,142,000	115,402,140	3,149,400	1,338,923,840	71,359,507	1,410,283,347	0.2880
2018	27,642,400	1,178,083,700	115,537,551	3,149,400	1,324,413,051	71,037,107	1,395,450,158	0.3010
2017	35,815,000	1,156,328,700	116,839,700	3,149,400	1,312,132,800	70,971,307	1,383,104,107	0.2520
2016	33,876,200	983,853,300	115,437,726	2,659,900	1,135,827,126	54,215,000	1,190,042,126	0.2180
2015	41,059,900	961,920,500	114,620,700	2,659,900	1,120,261,000	52,352,100	1,172,613,100	0.2470
2014	35,066,700	950,796,400	115,001,600	2,639,900	1,103,504,600	51,821,300	1,155,325,900	0.2470
2013	23,964,400	961,839,400	115,859,800	2,639,900	1,104,303,500	52,097,600	1,156,401,100	0.2600

**STAFFORD TOWNSHIP**

2022	\$ 56,379,900	\$ 3,763,330,600	\$ 525,854,200	\$ 12,921,100	\$ 4,358,485,800	\$ 424,706,400	\$ 4,783,192,200	0.9430
2021	64,393,500	3,697,384,400	523,311,200	12,921,100	4,298,010,200	417,274,828	4,715,285,028	0.9570
2020	65,127,900	3,646,224,400	535,994,600	12,321,100	4,259,668,000	405,645,628	4,665,313,628	0.9590
2019	72,800,000	3,591,719,700	535,289,700	10,201,100	4,210,010,500	395,152,828	4,605,163,328	0.9420
2018	70,768,300	3,546,662,300	540,809,311	9,983,500	4,168,223,411	394,369,228	4,562,592,639	0.9540
2017	77,666,700	3,316,100,000	494,529,500	5,301,000	3,893,597,200	390,037,828	4,283,635,028	0.9910
2016	82,398,900	3,264,430,450	496,908,050	5,301,000	3,849,038,400	381,450,901	4,230,489,301	0.2360
2015	81,794,000	3,207,651,650	501,336,900	5,301,000	3,796,083,550	381,306,101	4,177,389,651	0.9510
2014	83,046,000	3,072,774,600	503,958,200	5,289,100	3,665,067,900	380,220,251	4,045,288,151	0.9510
2013	85,750,100	3,000,279,200	504,026,100	5,289,100	3,595,344,500	386,615,851	3,981,960,351	0.9700

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

**SURF CITY**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	TOTAL ASSESSED VALUE	TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE
2022	\$ 37,061,700	\$ 1,872,394,100	\$ 82,435,900	\$ 1,991,891,700	\$ 64,455,800	\$ 916,904	\$ 2,057,264,404	0.3350
2021	33,053,600	1,853,669,500	82,576,400	1,969,299,500	63,355,600	916,904	2,033,572,004	0.2820
2020	26,852,000	1,836,211,100	82,587,100	1,945,650,200	63,525,500	916,904	2,010,092,604	0.2570
2019	38,486,500	1,803,572,700	82,876,900	1,924,936,100	63,547,500	817,895	1,989,301,495	0.2500
2018	16,654,900	1,503,368,695	76,744,795	1,596,768,390	50,437,900	-	1,647,206,290	0.3020
2017	18,006,800	1,485,102,800	76,553,120	1,579,662,720	50,404,100	-	1,630,066,820	0.3120
2016	27,681,500	1,460,346,700	78,219,977	1,566,248,177	50,197,700	-	1,616,445,877	0.3010
2015	27,429,100	1,448,886,900	80,490,500	1,556,806,500	50,197,700	-	1,607,004,200	0.2740
2014	26,178,900	1,441,394,000	79,948,100	1,547,521,000	50,197,700	-	1,597,718,700	0.2800
2013	15,529,600	1,451,038,000	79,932,600	1,546,500,200	49,753,200	-	1,596,253,400	0.2790



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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE	
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF BARNEGAT LIGHT		COUNTY LIBRARY			COUNTY OPEN SPACE
				OCEAN COUNTY	COUNTY LIBRARY	OCEAN COUNTY	COUNTY LIBRARY		
2022	0.0440	0.1360	0.1800	0.2510	0.3480	0.0350	0.0130	0.8270	
2021	0.0450	0.2040	0.2490	0.2460	0.3440	0.0380	0.0130	0.8900	
2020	0.0470	0.2140	0.2610	0.2410	0.3500	0.0390	0.0120	0.9030	
2019	0.0470	0.1860	0.2330	0.2360	0.3500	0.0390	0.0120	0.8700	
2018	0.0460	0.1890	0.2350	0.2260	0.3440	0.0380	0.0120	0.8550	
2017	0.0460	0.1890	0.2350	0.2260	0.3440	0.0380	0.0120	0.8550	
2016	0.0460	0.2030	0.2490	0.2270	0.3570	0.0390	0.0130	0.8850	
2015	0.0440	0.1830	0.2270	0.2220	0.3620	0.0390	0.0120	0.8620	
2014	0.0380	0.1620	0.2000	0.2220	0.3570	0.0390	0.0130	0.8310	
2013	0.0450	0.2440	0.2890	0.2050	0.3570	0.0400	0.0130	0.8150	

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE	
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	BOROUGH OF BEACH HAVEN		COUNTY LIBRARY			COUNTY OPEN SPACE
				OCEAN COUNTY	COUNTY LIBRARY	OCEAN COUNTY	COUNTY LIBRARY		
2022	0.0970	0.2010	0.2980	0.4240	0.3880	N/A	0.0150	1.1250	
2021	0.0960	0.1980	0.2940	0.4200	0.3700	N/A	0.0130	1.0970	
2020	0.0960	0.2310	0.3270	0.3730	0.3710	N/A	0.0140	1.1210	
2019	0.0970	0.2050	0.3020	0.4080	0.3660	N/A	0.0130	1.0890	
2018	0.0960	0.2600	0.3560	0.4060	0.3520	N/A	0.0130	1.1270	
2017	0.0960	0.2600	0.3560	0.4060	0.3520	N/A	0.0130	1.1270	
2016	0.0880	0.2180	0.3060	0.4060	0.3520	N/A	0.0120	1.0760	
2015	0.1080	0.3010	0.4090	0.4340	0.4290	N/A	0.0140	1.2860	
2014	0.1020	0.2790	0.3810	0.4510	0.4220	N/A	0.0150	1.2690	
2013	0.1010	0.2500	0.3510	0.4260	0.4090	N/A	0.0140	1.2300	

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			BOROUGH OF				OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	HARVEY CEDARS	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	COUNTY LIBRARY	COUNTY OPEN SPACE	TOTAL DIRECT AND OVERLAPPING TAX RATE		
2022	0.0440	0.2420	0.2860	0.2830	0.3500	0.0350	0.0130	0.9670				
2021	0.0440	0.2320	0.2760	0.2830	0.3330	0.0360	0.0120	0.9400				
2020	0.0450	0.2220	0.2670	0.2770	0.3350	0.0370	0.0120	0.9280				
2019	0.0460	0.2130	0.2590	0.2660	0.3410	0.0380	0.0120	0.9160				
2018	0.0470	0.2260	0.2730	0.2660	0.3480	0.0380	0.0120	0.9370				
2017	0.0460	0.2360	0.2820	0.2660	0.3550	0.0380	0.0130	0.9540				
2016	0.0440	0.2780	0.3220	0.2510	0.3660	0.0400	0.0120	0.9910				
2015	0.0380	0.2920	0.3300	0.2510	0.3570	0.0390	0.0120	0.9890				
2014	0.0440	0.2580	0.3020	0.2440	0.3490	0.0390	0.0120	0.9460				
2013	0.0420	0.2570	0.2990	0.2430	0.3370	0.0390	0.0130	0.9340				

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			TOWNSHIP OF				OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	LONG BEACH	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	COUNTY LIBRARY	COUNTY OPEN SPACE	TOTAL DIRECT AND OVERLAPPING TAX RATE		
2022	0.0420	0.2090	0.2510	0.2090	0.3280	0.0320	0.0120	0.8320				
2021	0.0410	0.2000	0.2410	0.2050	0.3140	0.0350	0.0110	0.8060				
2020	0.0510	0.2500	0.3010	0.2540	0.3830	0.0420	0.0140	0.9940				
2019	0.0510	0.2640	0.3150	0.2540	0.3790	0.0420	0.0130	1.0030				
2018	0.0500	0.2410	0.2910	0.2500	0.3780	0.0410	0.0130	0.9730				
2017	0.0480	0.2610	0.3090	0.2360	0.3790	0.0410	0.0130	0.9780				
2016	0.0470	0.2650	0.3120	0.2320	0.3870	0.0420	0.0130	0.9860				
2015	0.0410	0.2750	0.3160	0.2320	0.3820	0.0410	0.0140	0.9850				
2014	0.0460	0.2610	0.3070	0.2280	0.3710	0.0410	0.0140	0.9700				
2013	0.0450	0.2410	0.2860	0.2240	0.3580	0.0420	0.0140	0.9450				

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT	OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL		BOROUGH OF SHIP BOTTOM	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2022	0.0490	0.2000	0.2490	0.3750	0.3830	0.0380	0.0140	1.0590
2021	0.0480	0.2190	0.2670	0.3650	0.3690	0.0400	0.0130	1.0540
2020	0.0490	0.2250	0.2740	0.3590	0.3700	0.0410	0.0130	1.0570
2019	0.0480	0.2400	0.2880	0.3540	0.3630	0.0400	0.0130	1.0580
2018	0.0480	0.2530	0.3010	0.3440	0.3620	0.0400	0.0130	1.0600
2017	0.0440	0.2080	0.2520	0.3400	0.3490	0.0380	0.0120	0.9910
2016	0.0470	0.2180	0.2650	0.3930	0.3930	0.0430	0.0130	1.1070
2015	0.0410	0.2060	0.2470	0.3930	0.3850	0.0420	0.0130	1.0800
2014	0.0480	0.2120	0.2600	0.3740	0.3880	0.0430	0.0140	1.0660
2013	0.0470	0.2060	0.2530	0.3630	0.3720	0.0430	0.0140	1.0520

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		TOTAL DIRECT	OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL		TOWNSHIP OF STAFFORD	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2022	0.7180	0.2250	0.9430	0.9290	0.4060	0.0400	0.0150	2.3540
2021	0.7160	0.2410	0.9570	0.9110	0.3800	0.0410	0.0140	2.3220
2020	0.7160	0.2430	0.9590	0.9110	0.3800	0.0420	0.0140	2.3250
2019	0.7140	0.2280	0.9420	0.9040	0.3740	0.0410	0.0130	2.2920
2018	0.7140	0.2400	0.9540	0.8980	0.3600	0.0390	0.0130	2.2780
2017	0.7520	0.2390	0.9910	0.9110	0.3820	0.0410	0.0130	2.3530
2016	0.7520	0.2360	0.9880	0.8950	0.3770	0.0410	0.0130	2.3290
2015	0.7280	0.2230	0.9510	0.8600	0.3610	0.0390	0.0120	2.2470
2014	0.7340	0.2360	0.9700	0.8740	0.3600	0.0410	0.0130	2.2830
2013	0.7170	0.2380	0.9550	0.8740	0.3480	0.0400	0.0150	2.2600

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		BOROUGH OF		OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	SURF CITY	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2022	0.0450	0.2900	0.3350	0.2390	0.3570	0.0350	0.0140	0.9800
2021	0.0440	0.2380	0.2820	0.2390	0.3330	0.0360	0.0120	0.9020
2020	0.0440	0.2130	0.2570	0.2390	0.3280	0.0370	0.0120	0.8730
2019	0.0440	0.2060	0.2500	0.2390	0.3330	0.0370	0.0120	0.8710
2018	0.0510	0.2510	0.3020	0.2790	0.3800	0.0410	0.0130	1.0150
2017	0.0490	0.2630	0.3120	0.2720	0.3880	0.0420	0.0140	1.0280
2016	0.0460	0.2550	0.3010	0.2670	0.3810	0.0410	0.0130	1.0030
2015	0.0400	0.2340	0.2740	0.2600	0.3740	0.0410	0.0130	0.9620
2014	0.0460	0.2340	0.2800	0.2520	0.3700	0.0420	0.0130	0.9510
2013	0.0440	0.2350	0.2790	0.2440	0.3520	0.0410	0.0130	0.9300

Source: Municipal Tax Collector

**SOUTHERN REGIONAL SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS PRIOR**

BARNEGAT LIGHT

NOT AVAILABLE

BEACH HAVEN

NOT AVAILABLE

HARVEY CEDARS

NOT AVAILABLE

LONG BEACH TOWNSHIP

NOT AVAILABLE

SHIP BOTTOM

NOT AVAILABLE

STAFFORD TOWNSHIP

NOT AVAILABLE

SURF CITY

NOT AVAILABLE

**SOUTHERN REGIONAL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
BARNEGAT LIGHT**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A
2020	\$ 9,236,070	\$ 9,176,773	99.36%	N/A
2019	8,870,611	8,790,669	99.10%	N/A
2018	8,645,147	8,597,813	99.45%	N/A
2017	9,011,724	8,872,489	98.45%	N/A
2016	8,721,211	8,582,055	98.40%	N/A
2015	8,321,350	8,132,461	97.73%	N/A
2014	9,033,394	8,989,255	99.51%	36,215
2013	8,226,786	8,185,742	99.50%	N/A

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
BEACH HAVEN**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	\$ 23,510,180	\$ 23,086,684	98.20%	N/A
2020	23,820,917	23,518,570	98.73%	N/A
2019	23,029,065	22,712,816	98.63%	N/A
2018	23,570,644	23,322,602	98.95%	N/A
2017	22,332,470	22,062,018	98.79%	N/A
2016	22,743,351	22,099,484	97.17%	N/A
2015	21,318,735	21,040,566	98.70%	N/A
2014	20,006,549	19,795,398	98.94%	197,163
2013	19,035,870	18,797,241	98.75%	N/A

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
HARVEY CEDARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	\$ 12,325,592	\$ 12,271,377	99.56%	N/A
2020	11,995,443	11,949,405	99.62%	N/A
2019	11,785,058	11,641,314	98.78%	N/A
2018	11,895,417	11,759,275	98.86%	N/A
2017	11,973,094	11,833,052	98.83%	N/A
2016	12,509,229	12,258,529	98.00%	N/A
2015	12,285,859	12,207,906	99.37%	N/A
2014	11,712,952	11,650,950	99.47%	\$ 52,154
2013	11,529,197	11,469,162	99.48%	N/A

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
LONG BEACH TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	\$ 84,729,738	\$ 84,020,433	99.16%	N/A
2020	80,369,339	80,084,736	99.65%	\$ 594,270
2019	80,673,439	79,938,886	99.09%	\$ 714,719
2018	77,420,815	76,685,625	99.05%	\$ 787,633
2017	77,264,635	76,713,403	99.29%	N/A
2016	77,331,817	76,585,103	99.03%	\$ 556,916
2015	76,436,267	74,569,931	97.56%	N/A
2014	73,776,617	73,107,882	99.09%	\$ 620,519
2013	70,332,995	69,735,972	99.15%	N/A

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
SHIP BOTTOM**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	\$ 15,050,238	\$ 14,849,976	98.67%	N/A
2020	14,626,421	14,528,991	99.33%	\$ 190,361
2019	14,509,123	14,257,944	98.27%	\$ 141,156
2018	14,138,792	13,973,811	98.83%	N/A
2017	13,147,115	12,960,287	98.58%	N/A
2016	N/A	N/A	N/A	\$ 225,644
2015	12,236,660	11,915,533	97.38%	N/A
2014	12,040,990	11,596,059	96.30%	\$ 403,195
2013	11,557,481	11,200,295	96.91%	N/A

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
STAFFORD TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	\$ 100,985,261	\$ 100,351,307	99.37%	\$ 553,562
2020	99,179,432	99,195,712	100.02%	\$ 515,244
2019	97,395,285	96,789,263	99.38%	\$ 85,883
2018	95,760,140	95,157,177	99.37%	\$ 266,613
2017	92,715,159	91,976,721	99.20%	\$ 233,146
2016	90,747,342	89,902,074	99.07%	N/A
2015	86,552,131	85,762,956	99.09%	N/A
2014	84,224,610	83,415,651	99.04%	\$ 187,096
2013	81,195,429	80,583,706	99.25%	N/A

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



**SOUTHERN REGIONAL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
SURF CITY**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A
2020	\$ 17,086,731	\$ 16,951,067	99.21%	N/A
2019	16,904,326	16,779,310	99.26%	N/A
2018	16,308,619	16,130,081	98.91%	N/A
2017	16,397,493	16,233,244	99.00%	N/A
2016	15,808,132	15,649,897	99.00%	N/A
2015	15,041,725	14,852,747	98.74%	N/A
2014	14,916,049	14,719,626	98.68%	187,096
2013	14,412,179	14,222,065	98.68%	N/A

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

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

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES			PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	LOANS PAYABLE	TOTAL DISTRICT		
2022	\$ -	\$ -	\$ -	N/A	N/A
2021	-	-	-	N/A	N/A
2020	-	-	-	N/A	N/A
2019	-	268,011	268,011	N/A	7.64
2018	-	606,881	606,881	N/A	17.30
2017	-	958,324	958,324	0.0070%	27.61
2016	1,520,000	1,253,258	2,773,258	0.1669%	80.32
2015	3,085,000	1,261,761	4,346,761	0.2703%	126.63
2014	4,710,000	243,424	4,953,424	0.3248%	145.55
2013	4,635,000	405,770	5,040,770	0.0034%	147.42

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	LOANS PAYABLE	NET GENERAL BONDED DEBT OUTSTANDING		
2022	-	-	-	N/A	N/A
2021	-	-	-	N/A	N/A
2020	-	-	-	N/A	N/A
2019	-	268,011	-	0.0013%	7.64
2018	-	606,881	-	0.0031%	17.30
2017	-	958,324	-	0.0050%	27.61
2016	1,520,000	1,253,258	1,520,000	0.0146%	80.32
2015	3,085,000	1,261,761	3,085,000	0.0238%	126.63
2014	4,710,000	243,424	4,710,000	0.0273%	145.55
2013	4,635,000	405,770	4,635,000	0.0283%	147.42

**SOUTHERN REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
6/30/2022**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Barnegat Light	\$ 2,415,641	100.00%	\$ 2,415,641
Beach Haven	11,171,618	100.00%	11,171,618
Harvey Cedars	1,309,007	100.00%	1,309,007
Long Beach Township	20,141,590	100.00%	20,141,590
Borough of Ship Bottom	13,753,892	100.00%	13,753,892
Stafford Township	63,726,318	100.00%	63,726,318
Stafford Township School District	9,310,000	100.00%	9,310,000
Surf City	2,440,446	100.00%	2,440,446
Ocean County General Obligation Debt	490,104,150	20.99%	102,872,861
Subtotal, Overlapping Debt			227,141,373
Southern Regional School District Direct Debt	-	100.00%	-
Total Direct & Overlapping Debt			<u>\$ 227,141,373</u>

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Dollars in Thousands)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 945,444,523	\$ 889,675,774	\$ 843,670,544	\$ 794,162,466	\$ 751,746,477	\$ 713,798,531	\$ 698,284,296	\$ 740,128,043	\$ 717,396,739	\$ 844,395,384
Total Net Debt Applicable to Limit	-	-	-	-	-	1,520,000	4,346,761	4,710,000	6,390,000	8,145,000
Legal Debt Margin	\$ 945,444,523	\$ 889,675,774	\$ 843,670,544	\$ 794,162,466	\$ 751,746,477	\$ 712,278,531	\$ 693,937,535	\$ 735,418,043	\$ 711,006,739	\$ 836,250,384
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	N/A	N/A	N/A	N/A	N/A	0.21%	0.62%	0.64%	0.89%	0.96%

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
Average Equalized Valuation of Taxable Property	2022 \$ 25,452,323,980
	2021 \$ 23,495,778,338
	2020 \$ 21,960,236,914
	<u>\$ 70,908,339,232</u>
	<u>\$ 23,636,113,077</u>
Debt Limit (4 % of Average Equalization Value) Net Bonded School Debt	\$ 945,444,523
Legal Debt Margin	<u>\$ 945,444,523</u>

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

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

YEAR	POPULATION	PERSONAL INCOME*	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
<b>BARNEGAT LIGHT BOROUGH</b>				
2022	N/A	N/A	N/A	N/A
2021	653	N/A	N/A	3.8%
2020	588	33,718,272	57,344	3.5%
2019	585	31,307,445	53,517	2.7%
2018	584	30,207,400	51,725	3.6%
2017	582	29,307,192	50,356	4.5%
2016	578	28,221,428	48,826	6.8%
2015	583	27,556,661	47,267	5.3%
2014	580	26,214,260	45,197	5.3%
2013	578	25,173,634	43,553	5.0%
<b>BEACH HAVEN BOROUGH</b>				
2022	N/A	N/A	N/A	N/A
2021	1,057	N/A	N/A	6.5%
2020	1,216	69,730,304	57,344	9.2%
2019	1,202	64,327,434	53,517	4.3%
2018	1,192	61,656,200	51,725	6.2%
2017	1,178	59,319,368	50,356	7.8%
2016	1,172	57,224,072	48,826	7.4%
2015	1,168	55,207,856	47,267	7.8%
2014	1,167	52,744,899	45,197	6.4%
2013	1,165	50,739,245	43,553	6.4%
<b>HARVEY CEDARS BOROUGH</b>				
2022	N/A	N/A	N/A	N/A
2021	402	N/A	N/A	2.8%
2020	348	19,955,712	57,344	6.0%
2019	345	18,463,365	53,517	2.9%
2018	341	17,638,225	51,725	5.8%
2017	341	17,171,396	50,356	5.8%
2016	340	16,600,840	48,826	9.7%
2015	342	16,165,314	47,267	7.9%
2014	342	15,457,374	45,197	8.7%
2013	341	14,851,573	43,553	8.70%
<b>LONG BEACH TOWNSHIP</b>				
2022	N/A	N/A	N/A	N/A
2021	3,143	N/A	N/A	6.2%
2020	3,073	176,218,112	57,344	9.1%
2019	3,076	164,618,292	53,517	4.0%
2018	3,068	158,692,300	51,725	5.9%
2017	3,054	153,787,224	50,356	6.2%
2016	3,044	148,626,344	48,826	6.6%
2015	3,044	143,880,748	47,267	7.3%
2014	3,024	136,675,728	45,197	4.5%
2013	3,042	132,488,226	43,553	4.5%

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

YEAR	POPULATION	PERSONAL INCOME*	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
<b>SHIP BOTTOM BOROUGH</b>				
2022	N/A	N/A	N/A	N/A
2021	1,114	N/A	N/A	7.7%
2020	1,168	66,977,792	57,344	8.1%
2019	1,156	61,865,652	53,517	4.0%
2018	1,149	59,432,025	51,725	5.7%
2017	1,141	57,456,196	50,356	6.0%
2016	1,140	55,661,640	48,826	6.6%
2015	1,129	53,364,443	47,267	6.9%
2014	1,126	50,891,822	45,197	6.4%
2013	1,140	49,650,420	43,553	6.4%
<b>STAFFORD TOWNSHIP</b>				
2022	N/A	N/A	N/A	N/A
2021	29,498	N/A	N/A	5.9%
2020	28,532	1,636,139,008	57,344	9.4%
2019	27,862	1,491,090,654	53,517	3.7%
2018	27,588	1,426,989,300	51,725	4.9%
2017	27,283	1,373,862,748	50,356	5.3%
2016	27,109	1,323,624,034	48,826	5.9%
2015	26,916	1,272,238,572	47,267	7.1%
2014	26,787	1,210,692,039	45,197	8.1%
2013	26,694	1,162,603,782	43,553	8.1%
<b>SURF CITY BOROUGH</b>				
2022	N/A	N/A	N/A	N/A
2021	1,275	N/A	N/A	6.1%
2020	1,205	69,099,520	57,344	7.8%
2019	1,197	64,059,849	53,517	4.6%
2018	1,190	61,552,750	51,725	5.3%
2017	1,180	59,420,080	50,356	5.8%
2016	1,174	57,321,724	48,826	6.0%
2015	1,174	55,491,458	47,267	7.1%
2014	1,171	52,925,687	45,197	9.2%
2013	1,172	51,044,116	43,553	9.2%

2013-2022 - Data by County and State

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

**NOT AVAILABLE**

**SOUTHERN REGIONAL SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEAR**

Function/Program	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	181	180	180	180	175	175	178	178	180	180
Special Education	100	94	94	91	81	68	70	72	72	72
Support Services:										
Student & Instruction Related Services	64	73	73	73	68	49	51	52	52	52
School Administrative Services	17	17	17	22	27	29	29	29	29	29
General & Business Administrative Services	7	7	7	8	12	12	12	12	12	12
Plant Operations & Maintenance	45	45	45	46	41	41	41	41	42	42
Pupil Transportation	62	62	62	62	61	64	64	64	62	62
Business & Other Support Services	9	9	9	8	8	8	8	8	8	8
<b>Total</b>	<b>485</b>	<b>487</b>	<b>487</b>	<b>490</b>	<b>473</b>	<b>446</b>	<b>453</b>	<b>456</b>	<b>457</b>	<b>457</b>

Source: District Personnel Records

**SOUTHERN REGIONAL SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)(c)	AVERAGE DAILY ATTENDANCE (ADA)(c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						MIDDLE SCHOOL	HIGH SCHOOL	SENIOR SCHOOL				
2022	2,811	67,820,783	\$ 24,131	8.76%	232	N/A	N/A	2,795	2,580	-1.17%	92.31%	
2021	2,850	63,233,896	22,187	3.56%	235	N/A	N/A	2,828	2,598	-0.32%	91.87%	
2020	2,855	61,166,503	21,424	0.75%	235	N/A	N/A	2,837	2,717	-0.25%	95.77%	
2019	2,857	60,750,905	21,264	-4.14%	229	N/A	N/A	2,844	2,662	-0.11%	93.60%	
2018	2,838	62,952,924	22,182	7.19%	229	N/A	N/A	2,847	2,669	0.14%	93.75%	
2017	2,872	59,433,481	20,694	3.64%	229	N/A	N/A	2,843	2,671	-0.66%	93.95%	
2016	2,877	57,443,985	19,967	7.61%	229	N/A	N/A	2,862	2,695	-2.09%	94.16%	
2015	2,951	54,755,897	18,555	0.28%	232	N/A	N/A	2,923	2,759	-2.47%	94.39%	
2014	2,997	55,454,480	18,503	-1.77%	234	13:1	14:1	2,997	2,830	0.63%	94.43%	
2013	2,978	56,098,380	18,838	6.83%	234	N/A	N/A	2,978	2,802	0.21%	94.09%	

**Sources:** District records

**Note:** Enrollment based on annual October district count.

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

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

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Middle School (1971, 86):</b>											
Square Feet	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703	119,703
Capacity (Students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	882	903	932	939	948	948	939	889	990	990	994
<b>Junior High School: (1950, 56, 65):</b>											
Square Feet	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811	188,811
Capacity (Students)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	924	970	980	980	1,000	1,000	1,000	1,085	1,058	1,058	1,080
<b>Senior High School: (1997, 98):</b>											
Square Feet	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295	123,295
Capacity (Students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	989	956	925	926	899	899	905	888	949	949	904
<b>Other Buildings:</b>											
Administration Building (1993):											
Square Feet	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475	11,475
Transportation/Maintenance (1996):											
Square Feet	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260	7,260
Bus Garage (1965):											
Square Feet	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250
Technology Building (1965):											
Square Feet	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,664
Maintenance Building (1965, 80):											
Square Feet	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470	2,470
Facilities Office (1975):											
Square Feet	648	648	648	648	648	648	648	648	648	648	648

Number of Schools at June 30, 2022:  
 Middle School = 1  
 Junior High School = 1  
 Senior High School = 1  
 Other = 5

**Source:** District Facilities Office



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

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

* School Facilities Project Numbers	MIDDLE SCHOOL 4950-060-04-1000	HIGH SCHOOL	ADULT SCHOOL	TOTAL
2022	\$ 666,356	\$ 1,352,904		\$ 2,019,260
2021	711,328	1,422,655		2,133,983
2020	709,759	1,441,025	-	2,150,784
2019	1,676,805	718,631	-	2,395,436
2018	559,906	1,446,447	-	2,006,353
2017	553,360	1,296,725	-	1,850,085
2016	425,078	996,302	-	1,421,380
2015	424,030	993,896	-	1,417,926
2014	435,777	1,019,676	-	1,455,453
2013	429,485	1,038,574	-	1,468,059

**INSURANCE SCHEDULE  
June 2022**

	COVERAGE	DEDUCTIBLE
<b>School Package Policy (School Alliance Insurance Fund):</b>		
Property - Blanket Buildings and Contents	\$ 250,000,000	\$ 1,000
General Liability	250,000,000	1,000
Flood Insurance Coverage	10,000,000	-
Earthquake Coverage	25,000,000	-
Pollution Coverage	1,000,000	-
 Umbrella Liability	 10,000,000	
 School Leaders Liability	 15,000,000	 10,000

Source: District records

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**SINGLE AUDIT SECTION**

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

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  
Southern Regional School District  
County of Ocean  
Manahawkin, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Southern Regional School District (the “School District”) as of and for the year ended June 30, 2022, 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 20, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District’s internal control over financial reporting (internal control) 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 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

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deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Report on 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 one instance 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 and are described in the accompanying schedule of findings and questioned costs as Finding 2022-001.

### **School District's Response to Finding**

The School District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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,

**HOLT MCNALLY & ASSOCIATES, INC.**  
*Certified Public Accountants & Advisors*



Michael Holt  
Certified Public Accountant  
Public School Accountant, No. 1148

Medford, New Jersey  
February 20, 2023



**HOLT MCNALLY & ASSOCIATES**

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Southern Regional School District  
County of Ocean  
Manahawkin, New Jersey

**Report on Compliance for Each Major Federal and State Program**

**Opinion on Each Major Federal and State Program**

We have audited the Southern Regional School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal and state programs for the fiscal year ended June 30, 2022. The School District’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

**Basis for Opinion on Each Major Federal and State Program**

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. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

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## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's federal and state programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



## Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding No. 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

The School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on 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.

## Purpose of this Report

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

Respectfully Submitted,

**HOLT MCNALLY & ASSOCIATES, INC**  
*Certified Public Accountants & Advisors*



Michael Holt  
Certified Public Accountant  
Public School Accountant, No. 1148

Medford, New Jersey  
February 20, 2023

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**SOUTHERN REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2022	
										(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:</b>											
Child Nutrition Cluster:											
COVID-19 School Breakfast Program	10.553	21IN1304N1099	100-010-3350-028	41,001	7/1/20-6/30/21	\$ (4,218)	\$ 4,218	\$ -	\$ -	\$ -	\$ -
COVID-19 School Breakfast Program	10.553	22IN1304N1099	100-010-3350-028	216,040	7/1/21-6/30/22	-	205,542	(216,040)	-	(10,498)	-
COVID-19 National School Lunch Program	10.555	21IN1304N1099	100-010-3350-026	1,013,883	7/1/21-6/30/22	-	970,357	(1,013,883)	-	(43,526)	-
COVID-19 National School Lunch Program	10.555	22IN1304N1099	100-010-3350-026	245,079	7/1/20-6/30/21	(20,730)	20,730	-	-	-	-
COVID-19 Emergency Operational Costs Reimbursement	10.555	21IN1304N1099	100-010-3350-112	36,105	7/1/20-6/30/22	(36,105)	36,105	-	-	-	-
COVID-19 Healthy Hunger-Free Kids Act	10.555	21IN1304N1099	100-010-3350-026	4,888	7/1/20-6/30/21	(413)	413	-	-	-	-
Food Distribution Program (Noncash Assistance)	10.555	22IN1304N1099	Unavailable	48,153	7/1/21-6/30/22	-	48,153	(46,934)	-	-	1,219
Food Distribution Program (Noncash Assistance)	10.555	22IN1304N1099	Unavailable	20,328	7/1/20-6/30/21	4,726	-	(4,726)	-	-	-
Total Child Nutrition Cluster											
						(56,740)	1,285,518	(1,281,583)	-	(54,024)	1,219
COVID-19 Pandemic EBT Food Benefit Program	10.649	2022225900941	100-010-3350-115	1,242	7/1/21-6/30/22	-	1,242	(1,242)	-	-	-
Subtotal											
						(56,740)	1,286,760	(1,282,825)	-	(54,024)	1,219
Total Enterprise Fund											
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH STATE DEPARTMENT OF HUMAN SERVICES:</b>											
General Fund:											
Medical Assistance Program (Semi)	93.778	2205NJMMP	100-054-7540-211	41,646	7/1/21-6/30/22	-	41,646	(41,646)	-	-	-
Total General Fund											
						-	41,646	(41,646)	-	-	-
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION</b>											
Special Revenue Fund:											
Title I - Part A	84.010	S010A200030	100-034-5064-194	432,639	7/1/20-9/30/21	(119,719)	119,719	-	-	-	-
Title I - Part A	84.010	S010A210030	100-034-5064-194	389,997	7/1/21-9/30/22	-	178,410	(307,348)	-	(128,938)	-
Subtotal											
						(119,719)	298,129	(307,348)	-	(128,938)	-
Title II - Part A	84.367	S367A210029	100-034-5063-290	78,526	7/1/21-9/30/22	-	30,634	(78,526)	-	(47,892)	-
Title II - Part A	84.367	S367A200029	100-034-5063-290	88,822	7/1/20-9/30/21	(42,850)	42,850	-	-	-	-
Subtotal											
						(42,850)	73,484	(78,526)	-	(47,892)	-
Title IV	84.424	S424A210031	100-034-5069-031	21,803	7/1/21-9/30/22	-	21,803	(21,803)	-	-	-
Title IV	84.424	S424A200031	100-034-5069-031	20,702	7/1/20-9/30/21	(6,751)	6,927	(176)	-	-	-
Subtotal											
						(6,751)	28,730	(21,979)	-	-	-
Education Stabilization Fund:											
COVID-19 ARP ESSER III	84.425U	S425U210027	100-034-5120-523	3,103,641	3/13/20-9/30/24	-	-	(2,676,125)	-	(2,676,125)	-
COVID-19 CRRSA - ESSER II											
COVID-19 CRRSA - ESSER II	84.425D	S425D200027	100-034-5120-518	1,514,594	3/13/20-9/30/23	(653,600)	883,453	(636,480)	-	(406,627)	-
COVID-19 CRRSA - ESSER II - Accelerated Learning	84.425D	S425D200027	100-034-5120-518	225,402	3/13/20-9/30/23	(54,067)	139,742	(85,675)	-	-	-
COVID-19 CRRSA - ESSER II - Mental Health	84.425D	S425D200027	100-034-5120-518	45,000	3/13/20-9/30/23	(707,667)	1,068,195	(767,155)	-	(406,627)	-
Subtotal											
						(707,667)	1,068,195	(3,443,280)	-	(3,082,752)	-
Total Education Stabilization Fund:											
						-	-	(2,676,125)	-	(2,676,125)	-
<b>Special Education Cluster:</b>											
L.D.E.A., Part B, Basic Regular	84.027A	H027A210100	100-034-5065-016	599,992	7/1/21-9/30/22	-	501,353	(597,613)	-	(96,260)	-
L.D.E.A., Part B, Basic Regular	84.027A	H027A200100	100-034-5065-016	604,109	7/1/21-9/30/21	(11,747)	11,747	-	-	-	-
Subtotal											
						(11,747)	513,100	(597,613)	-	(96,260)	-
L.D.E.A. Basic - ARP Funds	84.027X	H027X210100	100-034-5065-094	131,412	7/1/21-9/30/22	-	106,899	(124,752)	-	(17,853)	-
Subtotal											
						-	106,899	(124,752)	-	(17,853)	-
Total Special Education Cluster											
						(11,747)	619,999	(722,365)	-	(114,113)	-
Total Special Revenue Fund											
						(888,734)	2,088,537	(4,573,498)	-	(3,373,695)	-
Total Federal Financial Assistance											
						\$ (945,474)	\$3,416,943	\$ (5,897,969)	\$ -	\$ (3,427,719)	\$ 1,219

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



**SOUTHERN REGIONAL SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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 Southern Regional 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, 2022. 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, 2022.

**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.

**SOUTHERN REGIONAL SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note 3. Relationship to Basic Financial Statements (continued)**

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 \$(57,728) for the general fund and \$(1,898,506) 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	\$ 41,646	\$ 16,520,942	\$ 16,562,588
Special Revenue Fund	2,674,992	24,625	2,699,617
Food Service Fund	<u>1,282,825</u>	<u>23,795</u>	<u>1,306,620</u>
Total Awards & Financial Assistance	<u>\$ 3,999,463</u>	<u>\$ 16,569,362</u>	<u>\$ 20,568,825</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 Southern Regional School District had no loan balances outstanding at June 30, 2022.

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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? \_\_\_\_\_   X   yes \_\_\_\_\_ 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? \_\_\_\_\_   X   yes \_\_\_\_\_ no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425U	S425U210027	COVID-19 ESSER III
84.425D	S425D200027	COVID-19 CRRSA ESSER II
84.425D	S425D200027	COVID-19 CRRSA Learning Acceleration
84.425D	S425D200027	COVID-19 CRSSA Mental Health
10.555 & 10.553	22NJ304N1099	Child Nutrition Program Cluster

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

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

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

**State Financial Assistance**

Dollar threshold used to determine Type A programs		\$750,000
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Internal control over major programs:		
1) Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
2) Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

Identification of major programs:

<b><u>State Grant/Project Number(s)</u></b>	<b><u>Name of State Program</u></b>
100-034-5094-003	Reimbursed TPAF Social Security



**SOUTHERN REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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 Office of School Finance, Department of Education, State of New Jersey.

**Finding 2022-001:**

***Criteria or Specific Requirement:***

The New Jersey Department of Agriculture requires a School Food Authority to maintain a nonprofit School Food Service. The nonprofit status of the School Food Service is determined by evaluating net cash resources, which may not exceed three months average expenditures.

***Condition:***

Net cash resources in the Food Service Fund exceeded three months average expenditures.

***Context:***

Utilizing the U.S.A. net cash resources calculation form, it was determined that the District's net cash resources exceeded the three months average expenditures by \$49,636 as of June 30, 2022.

***Effect or Potential Effect:***

The New Jersey Department of Agriculture requirement regarding Net Cash Resources was not met.

***Cause:***

Due to the Public Health Emergency, all meals provided were eligible for reimbursement, causing a significant increase in revenues for the District.

***Recommendation:***

The District should reduce net cash resources on hand in the Food Service Fund through capital expenditures or other improvements to the Food Service Program.

***Views of responsible officials and planned corrective action:***

Management agrees with the above finding and will take necessary corrective action.

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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**

**Finding 2022-001:**

***Criteria or Specific Requirement:***

The New Jersey Department of Agriculture requires a School Food Authority to maintain a nonprofit School Food Service. The nonprofit status of the School Food Service is determined by evaluating net cash resources, which may not exceed three months average expenditures.

***Condition:***

Net cash resources in the Food Service Fund exceeded three months average expenditures.

***Questioned Costs:***

None.

***Context:***

Utilizing the U.S.D.A. net cash resources calculation form, it was determined that the District's net cash resources exceeded the three months average expenditures by \$49,636 as of June 30, 2022.

***Effect:***

The New Jersey Department of Agriculture requirement regarding Net Cash Resources was not met.

***Cause:***

Due to the Public Health Emergency, all meals provided were eligible for reimbursement, causing a significant increase in revenues for the District.

***Recommendation:***

The District should reduce net cash resources on hand in the Food Service Fund through capital expenditures or other improvements to the Food Service Program.

***Views of responsible officials and planned corrective action:***

Management agrees with the above finding and will take necessary corrective action.

**STATE FINANCIAL ASSISTANCE – N/A**

**SOUTHERN REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings – N/A

Federal Awards – N/A

State Financial Assistance – N/A