

**SCHOOL DISTRICT OF
NORTH HUNTERDON-VOORHEES REGIONAL HIGH**

**North Hunterdon-Voorhees Regional High School District
Annandale, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018**

**Comprehensive Annual
Financial Report**

of the

**North Hunterdon-Voorhees
Regional High School District
Board of Education**

Annandale, New Jersey

For the Fiscal Year Ended June 30, 2018

Prepared by

**North Hunterdon-Voorhees Regional High School District
Board of Education**

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT

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NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT

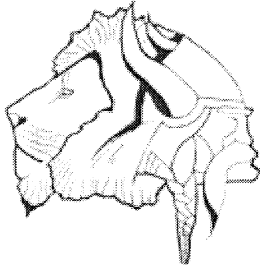
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INTRODUCTORY SECTION



North Hunterdon-Voorhees Regional High School District

"Providing Success For All Students"

1445 State Route 31, Annandale, NJ 08801
Tel: 908-733-2846 FAX: 908-733-6914

JEFFREY BENDER
Superintendent of Schools

RICHARD A. BERGACS, Ed.D.
Assistant Superintendent of Schools

SUSAN PRESS
*School Business Administrator/
Secretary, Board of Education*

January 18, 2019

The Honorable President and Members of
the Board of Education
North Hunterdon-Voorhees Regional High School District
County of Hunterdon, New Jersey

Dear Board Members:

The comprehensive annual financial report of the North Hunterdon-Voorhees Regional High School District (the "District") for the fiscal year ended June 30, 2018, 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 Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The North Hunterdon-Voorhees Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The North Hunterdon-Voorhees Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The North Hunterdon-Voorhees Regional High School District provides educational services for students in grades 9 through 12 for the constituent districts of the Township of Bethlehem, Borough of Califon, Town of Clinton, Clinton Township, Franklin Township, Borough of Glen Gardner, Borough of Hampton, Borough of High Bridge, Borough of Lebanon, Township of Lebanon, Tewksbury Township and Township of Union, as well as 9th through 12th grade students from Hunterdon County Polytech Career Academy under a sending/receiving relationship. A full range of educational programs are provided for all students, including pre-vocational programs, as well as special education services and programs. Enrollment varies slightly year to year.

Serving the Boroughs of Califon, Glen Gardner, Hampton, High Bridge, and Lebanon;
the Town of Clinton and the Townships of Bethlehem, Clinton, Franklin, Lebanon, Tewksbury and Union.
An Equal Opportunity Employer

2) ECONOMIC CONDITION AND OUTLOOK:

Growth in the North Hunterdon-Voorhees area has stabilized. Subsequently, student population is anticipated to remain flat.

3) MAJOR INITIATIVES AND ACCOMPLISHMENTS:

The North Hunterdon-Voorhees Regional High School District, having recently completed a 5-year strategic plan has devised the following major initiatives moving forward:

Providing professional development opportunities to our teaching staff to help them create engaging learning experiences through cross-curricular collaboration. Using real world applications, students will be able to better choose careers and develop life skills for students not interested in pursuing a college education. The district has been involved in developing partnerships with community organizations to find internship opportunities during their senior year.

Creating healthy and supportive relationships where students, staff and parents can collaborate to enable students to develop and achieve realistic goals. In order to achieve these goals, the faculty and staff will provide programming and resources to teach students how to manage stress through community health and wellness seminars.

In an effort to create a safer school environment which provides physical and emotional safety for students and staff, new security measures are being taken to enhance the infrastructure to meet the growing needs of the 21st century. In order to achieve this, new security cameras, upgraded restrooms, hardening entrance areas and fortifying exterior doors will be in the forefront of upgraded construction projects. In line with 21st century goals, we will also seek to explore solar options and install more LED lighting throughout the district.

Expanding civic involvement through internships and work opportunities will be discussed during Roundtables led by the Board President and Articulation meetings led by the Superintendent. Through the combined efforts of administration, guidance counselors and teachers, chances for internships or volunteer opportunities will be promoted through student clubs. Civic-minded clubs such as Model UN, Mock Trial and Key Club are just a few examples. Clubs that focus on technology and robotics will also be encouraged.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2018.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The New Jersey Schools Insurance Group oversees risk management for the District. A schedule of insurance coverage is found on Exhibit J-20.

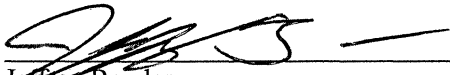
The Board is a member of the New Jersey Schools Insurance Group ("NJSIG"). The NJSIG is a risk-sharing public entity risk fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to their members.

9) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.


The Honorable President and Members of
the Board of Education
North Hunterdon-Voorhees Regional High School District
Page 5
January 18, 2019

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the North Hunterdon-Voorhees Regional High School District School Board 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 been accomplished without the efficient and dedicated services of the financial and accounting staff.

Respectfully submitted,



Jeffrey Bender
Superintendent

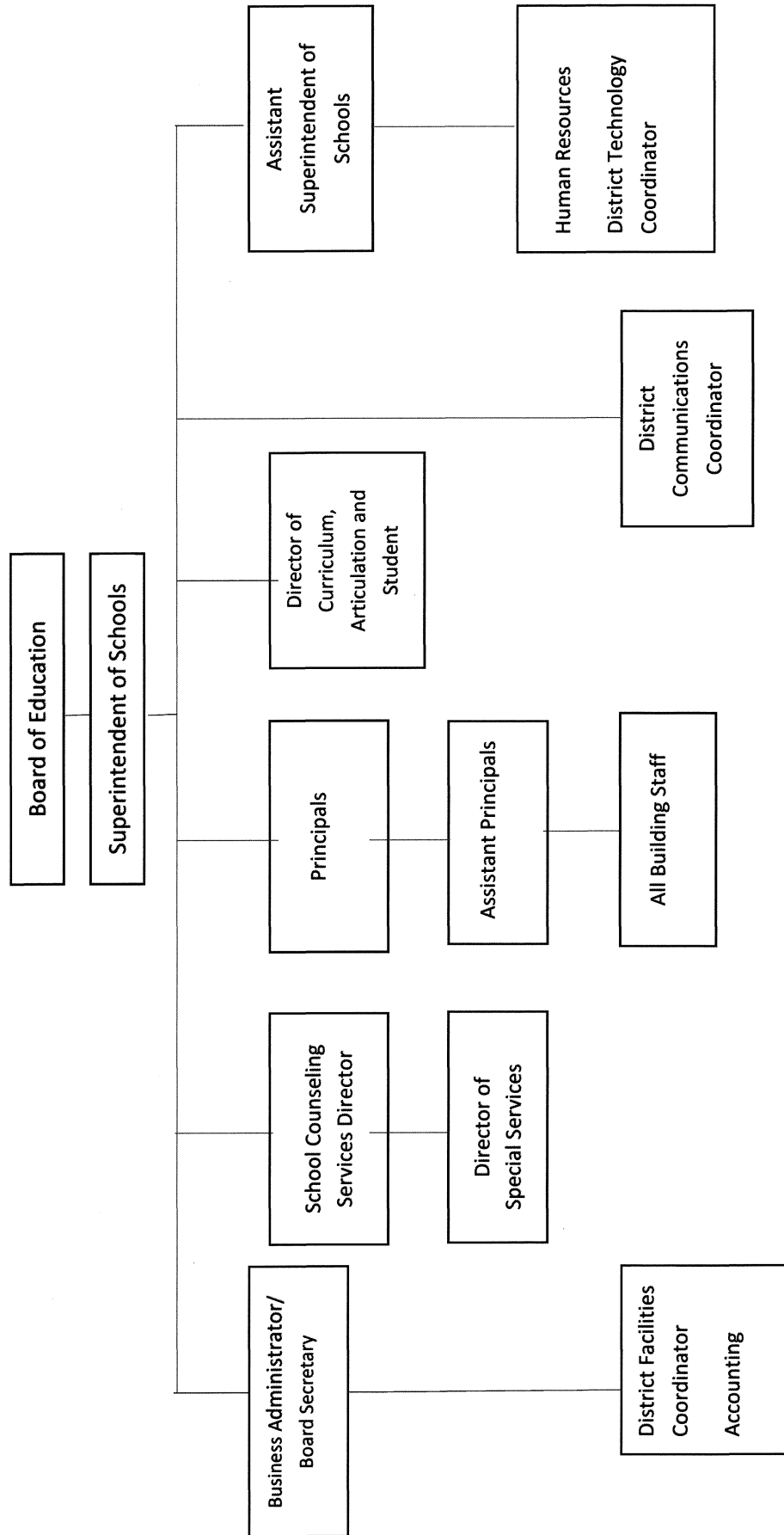


Susan Press
Business Administrator/Board Secretary

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
 BOARD OF EDUCATION

ORGANIZATIONAL CHART

2017-2018



**NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2018**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Francis Goger, President	2019
John Melick, Vice President	2018
Cheryl Allen-Munley	2020
Lisa Approvato	2018
Shelley Crisologo	2020
Robert Kirchberger	2020
Amy Masters	2018
Heather Richards	2020
Thomas J. Roll	2019
John Roncoroni	2018
Roger Straight	2019
Jessica Viotto	2019

Other Officers

Jeffrey Bender, Superintendent
Susan Press, School Business Administrator/Board Secretary
Raymond Krov, Treasurer

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT

Consultants and Advisors

June 30, 2018

Audit Firm

Nisivoccia LLP
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, NJ 07856

Attorney

Riker, Danzig, Scherer, Hyland and Perretti
Headquarters Plaza
PO Box 1981
Morristown, NJ 07962-1981

Official Depository

Investors Bank
101 JFK Parkway
Short Hills, NJ 07078

Insurance

Otterstedt Insurance Agency
291 Morris Ave.
Summit, NJ 07901

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
North Hunterdon-Voorhees Regional High School District
County of Hunterdon, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Hunterdon-Voorhees Regional High School District (the "District") in the County of Hunterdon, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Hunterdon-Voorhees Regional High School District, in the County of Hunterdon, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, during the fiscal year ended June 30, 2018. Our opinions are not modified with respect to this matter.

Other Matters

The financial statements of the District as of June 30, 2017 were audited by other auditors whose report dated November 7, 2017 expressed an unmodified opinion on those statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the pension and post-employment benefits schedules in Exhibits L-1 through L-5 and the related notes and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary schedules such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

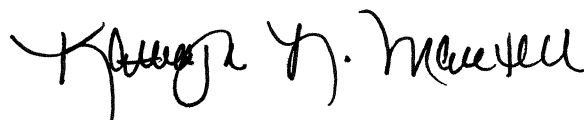
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



NISIVOCCIA LLP

January 18, 2019
Mount Arlington, NJ



Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

North Hunterdon-Voorhees Regional High School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

This section of North Hunterdon-Voorhees Regional High School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2018. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services and transportation.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Organization of the School District's Financial Report

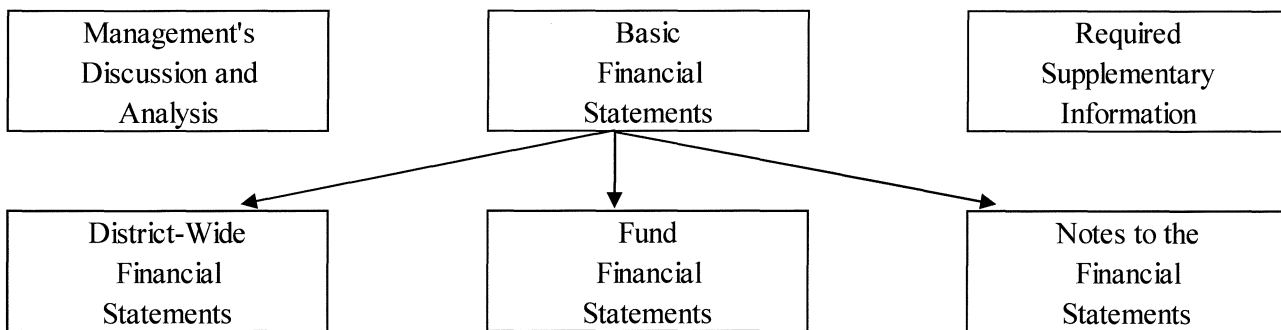


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

**North Hunterdon-Voorhees Regional High School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)**

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services and transportation	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

North Hunterdon-Voorhees Regional High School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

District-wide Statements

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

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

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

In the District-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities:* Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities:* The District charges fees to help it cover the costs of certain services it provides. The District's food service and transportation service are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

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- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Notes to Basic Financial Statements: Provide additional information essential to a full understanding of the District-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The net position from governmental activities increased by \$2,302,216 and the net position from business-type activities decreased by \$42,404. Total combined net investment in capital assets increased by \$10,698,707, restricted net position decreased by \$9,618,857, and unrestricted net position increased by \$1,179,962.

Figure A-3

Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District		Percentage
	2017/2018	2016/2017*	2017/2018	2016/2017	2017/2018	2016/2017*	Change
Current and							
Other Assets	\$ 23,362,259	\$ 33,776,051	\$ 143,658	\$ 342,254	\$ 23,505,917	\$ 34,118,305	
Capital Assets, Net	44,027,548	34,568,303	336,068	189,780	44,363,616	34,758,083	
Total Assets	<u>67,389,807</u>	<u>68,344,354</u>	<u>479,726</u>	<u>532,034</u>	<u>67,869,533</u>	<u>68,876,388</u>	-1.46%
Deferred Outflows of Resources	<u>4,355,515</u>	<u>5,950,355</u>			<u>4,355,515</u>	<u>5,950,355</u>	-26.80%
Other Liabilities	1,830,747	4,090,448	83,845	93,749	1,914,592	4,184,197	
Long-Term Liabilities	31,872,281	37,424,502			31,872,281	37,424,502	
Total Liabilities	<u>33,703,028</u>	<u>41,514,950</u>	<u>83,845</u>	<u>93,749</u>	<u>33,786,873</u>	<u>41,608,699</u>	-18.80%
Deferred Inflows of Resources	<u>4,200,029</u>	<u>1,239,710</u>			<u>4,200,029</u>	<u>1,239,710</u>	238.79%
Net Position:							
Net Investment in Capital Assets	30,297,208	19,744,789	336,068	189,780	30,633,276	19,934,569	
Restricted	14,543,636	24,162,493			14,543,636	24,162,493	
Unrestricted/(Deficit)	<u>(10,998,579)</u>	<u>(12,367,233)</u>	<u>59,813</u>	<u>248,505</u>	<u>(10,938,766)</u>	<u>(12,118,728)</u>	
Total Net Position	<u>\$ 33,842,265</u>	<u>\$ 31,540,049</u>	<u>\$ 395,881</u>	<u>\$ 438,285</u>	<u>\$ 34,238,146</u>	<u>\$ 31,978,334</u>	7.07%

* Restated

Changes in Net Position. The District's *combined* net position was \$34,238,146 on June 30, 2018, \$2,259,812 or 7.07% more than it was the year before (see Figure A-4). The increase in net investment in capital assets is due to the maturity of \$538,000 of serial bonds payable, a paydown in capital lease principal of \$555,174 and \$11,688,060 in capital assets additions (net of capital asset disposals); offset by \$2,082,527 in depreciation expense. The decrease in restricted net position is due to a decrease of \$241,828 in Maintenance Reserve, a decrease in excess surplus of \$1,000,229, a decrease in Capital Projects Fund fund balance of \$6,889,567 and a decrease in Capital Reserve of \$1,487,233. The increase in unrestricted net position is due primarily to a \$1,817,351 net increase in assigned (including encumbrances) General Fund fund balance.

**North Hunterdon-Voorhees Regional High School District
Management's Discussion and Analysis
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(Unaudited)**

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	Change
Revenue:							
Program Revenue:							
Charges for Services	\$ 456,571		\$ 2,261,525	\$ 1,526,949	\$ 2,718,096	\$ 1,526,949	
Operating Grants and Contributions	21,120,214	19,597,762		678	21,120,214	19,598,440	
Capital Grants and Contributions	374,118				374,118		
General Revenue:							
Property Taxes	47,740,585	47,841,655			47,740,585	47,841,655	
State Formula Aid	3,600,007	4,011,010			3,600,007	4,011,010	
Other	700,738	534,495	6,575	2,273	707,313	536,768	
Total Revenue	73,992,233	71,984,922	2,268,100	1,529,900	76,260,333	73,514,822	3.73%
Expenses:							
Instruction	43,619,059	40,950,250			43,619,059	40,950,250	
Pupil and Instruction Services	11,759,604	13,498,271			11,759,604	13,498,271	
Administrative and Business	5,548,659	5,670,772			5,548,659	5,670,772	
Maintenance and Operations	6,414,595	6,566,496			6,414,595	6,566,496	
Transportation	4,145,065	3,908,601			4,145,065	3,908,601	
Other	203,035	66,909	2,310,504	1,474,031	2,513,539	1,540,940	
Total Expenses	71,690,017	70,661,299	2,310,504	1,474,031	74,000,521	72,135,330	2.59%
Increase/(Decrease) in Net Position	\$ 2,302,216	\$ 1,323,623	\$ (42,404)	\$ 55,869	\$ 2,259,812	\$ 1,379,492	63.81%

Governmental Activities

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs with a slight increase in enrollment and the provision of special programs and services for disabled pupils, combined with rising salary and benefit costs, school security, out of district tuitions, state mandates on testing and energy costs place great demands on the District's resources.

Careful management of expenses and increases in revenues remains essential for the District to sustain its financial health. The District continues to receive the benefit of cost saving measures from the past few years, especially the energy conservation measures and insurance changes.

It is crucial that the District examine its expenses carefully. Staff, parental and student demands for salary increases, activities, small class sizes and programs must be evaluated thoroughly. District resources are at their tightest level in a decade. Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).

The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

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(Unaudited)**

Figure A-5

Net Cost of Governmental Activities

Expense Category:	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2017/2018</u>	<u>2017/2018</u>	<u>2016/2017</u>	<u>2016/2017</u>
Instruction	\$ 43,619,059	\$ 25,356,329	\$ 40,950,250	\$ 25,966,981
Pupil and Instruction Services	11,759,604	9,876,982	13,498,271	9,869,252
Administrative and Business	5,548,659	4,432,682	5,670,772	4,989,204
Maintenance and Operations	6,414,595	6,040,477	6,566,496	6,566,496
Transportation	4,145,065	3,829,609	3,908,601	3,604,695
Other	203,035	203,035	66,909	66,909
	<u>\$ 71,690,017</u>	<u>\$ 49,739,114</u>	<u>\$ 70,661,299</u>	<u>\$ 51,063,537</u>

Business-Type Activities

Net position from the District's business-type activity decreased by \$42,404. (Refer to Figure A-4). The primary factor contributing to this result was an increase in the Food Service Management Company's expenses and cost of supplies.

Financial Analysis of the District's Funds

The District's financial position declined significantly on a fund basis primarily due to the progress of several large construction projects in the Capital Projects Fund.

A major concern for the community is that the burden of the rising cost of education is focused on taxpayers to support their local schools. Despite these concerns, the North Hunterdon-Voorhees Regional High School District is committed to maintaining fiscal responsibility as well as achieving educational excellence for all the students of the District.

To maintain a stable financial position, the District must continue to practice sound fiscal management, including efficiency/cost containment practices, evaluation of services and programs and seeking additional sources of revenue.

General Fund Budgetary Highlights

- Over the course of the year, the District revised the annual operating budget several times. These budget amendments were due to changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

**North Hunterdon-Voorhees Regional High School District
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Capital Asset and Long-Term Liabilities

Figure A-6

	Capital Assets (Net of Depreciation)						Percentage Change 2017/2018
	Governmental Activities		Business-Type Activities		Total School District		
	<u>2017/2018</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2016/2017</u>	
Sites	\$ 372,120	\$ 372,120			\$ 372,120	\$ 372,120	
Site Improvements	4,023,560	3,375,599			4,023,560	3,375,599	
Construction in Progress	1,754,347	3,875,674			1,754,347	3,875,674	
Buildings and							
Building Improvements	35,252,578	24,545,039			35,252,578	24,545,039	
Machinery and Equipment	2,624,943	2,399,871	\$ 336,068	\$ 189,780	2,961,011	2,589,651	
Total Capital Assets (Net of Depreciation)	<u>\$ 44,027,548</u>	<u>\$ 34,568,303</u>	<u>\$ 336,068</u>	<u>\$ 189,780</u>	<u>\$ 44,363,616</u>	<u>\$ 34,758,083</u>	27.64%

During the fiscal year, the District acquired or constructed \$11,685,123 in capital additions from its governmental activities (which included capital outlay expenses for North Hunterdon and Voorhees High School window replacement, North Hunterdon and Voorhees High School bleacher upgrades, North Hunterdon and Voorhees High School library and technology center upgrades, North Hunterdon High School HVAC upgrades and North Hunterdon field house renovations) and acquired \$169,582 in capital additions from its business-type activities. The District also had \$2,105,821 in depreciation expense (\$2,082,527 from its governmental activities and \$23,294 from its business-type activities).

Long-term Liabilities

At year-end, the District had \$9,205,000 in serial bonds. (More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements.)

Figure A-7

	Long-Term Liabilities		Percentage Change 2017/2018
	Total School District		
	<u>2017/2018</u>	<u>2016/2017</u>	
Serial Bonds (Financed with Property Taxes)	\$ 9,205,000	\$ 9,743,000	
Net Pension Liability	15,765,051	20,237,921	
Other Long Term Liabilities	6,902,230	7,443,581	
	<u>\$ 31,872,281</u>	<u>\$ 37,424,502</u>	-14.84%

The District continued to pay down its debt, retiring \$538,000 of serial bonds and \$555,174 in capital lease payable. Compensated absences increased by a net amount of \$13,823. Net pension liability decreased by \$4,472,870.

**North Hunterdon-Voorhees Regional High School District
Management's Discussion and Analysis
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(Unaudited)**

Factors Bearing on the District's Future Revenue/Expense Changes

The North Hunterdon-Voorhees Regional High School District, encompassing 174 square miles, is a community of children and adults living, learning, and working together across twelve municipalities. In addition to fostering students' intellectual growth, we focus on enhancing their self-esteem and developing strong personal character.

The many programs we offer, in and beyond the classroom, provide opportunities for children to explore new interests, gain self-confidence, socialize, and learn from one another. Coupled with an outstanding instructional program, these stimulating experiences support and nurture the total child. Our commitment to professional development, high-quality instructional programs, enrichment activities, and social-emotional learning support our philosophy of educational excellence. Our mission statement supports these endeavors:

The North Hunterdon-Voorhees Regional High School District, a district committed to innovation, personal excellence, high achievement, and community partnership, provides all students with personalized opportunities through a broad spectrum of exemplary educational experiences to develop their fullest potential, to foster lifelong learning, and to become responsible citizens in a continually changing society.

The District's two high schools, with approximately 2,678 students, offer students in grades 9 – 12 a comprehensive educational program emphasizing college and career readiness. In addition to a strong curriculum offering, that includes over 20 Advanced Placement courses, students can pursue career and technical programs through dual enrollment at Hunterdon County Polytech Career and Technical School, part of the Hunterdon County Vocational School District. The North Hunterdon-Voorhees district expanded its relationship with the vocational school district and is now hosting a four-year Biomedical Sciences Academy at North Hunterdon High School, an Environmental Sustainability & Engineering Academy at Voorhees High School, and a Computer Science Academy at Voorhees High School.

An innovative district technology plan enhances our instructional program, facilitates and promotes independent and cooperative learning and provides relevance to students' lives. As of 2015-2016, all four grade levels were provided with a Chromebook. With the deployment of Chromebooks, our technology program extends beyond the classroom and traditional school day.

Through working with various stakeholders in early 2018, the district has a new five-year Strategic Plan for 2018-2023. The main goals for the 2018-2019 school year focus on mindfulness and the emotional well being of our students. In conjunction with those goals, the district aims to provide a safe and secure learning environment for students and staff, so future facility upgrades will focus on safety and security.

The district continues to focus on creating an inclusive environment for all students. Both high schools launched Unified Sports in the 2017-2018 school year thanks to a grant from Special Olympics and a Unified sport is now offered each season. In October 2018, Voorhees High School was named a Unified Champion School by Special Olympics International for its Unified initiative.

In addition to Unified activities offered for students with disabilities, the district provides a full range of special education programs and services. Multiple Disabled, Learning/Language Disabilities, Behavior Disorders, Career Development and Autism self-contained classes are provided throughout the district. Resource center programs at each school offer in-class support as well as pull-out instruction. In addition, related services of speech, nursing, occupational therapy, physical therapy, and teacher of the deaf are provided to students who require them.

**North Hunterdon-Voorhees Regional High School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)**

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 1445 State Route 31 South Annandale, NJ 08801.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 16,370,167	\$ 116,954	\$ 16,487,121
Interfund Receivable - Payroll Agency Fund	8,139		8,139
Receivables from State Government	675,545		675,545
Receivables from Federal Government	55,835		55,835
Receivables from Other Governments	36,817		36,817
Inventories		26,704	26,704
Restricted Cash and Cash Equivalents	6,215,756		6,215,756
Capital Assets, Net:			
Sites (Land) and Construction in Progress	2,126,467		2,126,467
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	41,901,081	336,068	42,237,149
Total Assets	<u>67,389,807</u>	<u>479,726</u>	<u>67,869,533</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows Related to Pensions	4,355,515		4,355,515
Total Deferred Outflows of Resources	<u>4,355,515</u>		<u>4,355,515</u>
<u>LIABILITIES</u>			
Accrued Interest Payable	95,817		95,817
Accounts Payable	1,626,035	44,189	1,670,224
Payable to Federal Government	1,650		1,650
Unearned Revenue	107,245	39,656	146,901
Noncurrent Liabilities:			
Due Within One Year	1,254,984		1,254,984
Due Beyond One Year	30,617,297		30,617,297
Total Liabilities	<u>33,703,028</u>	<u>83,845</u>	<u>33,786,873</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	4,200,029		4,200,029
Total Deferred Inflows of Resources	<u>4,200,029</u>		<u>4,200,029</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	30,297,208	336,068	30,633,276
Restricted for:			
Capital Projects	7,895,278		7,895,278
Maintenance Reserve	672,331		672,331
Excess Surplus	5,976,027		5,976,027
Unrestricted/(Deficit)	(10,998,579)	59,813	(10,938,766)
Total Net Position	<u>\$ 33,842,265</u>	<u>\$ 395,881</u>	<u>\$ 34,238,146</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 32,686,584	\$ 398,347	\$ 12,578,116		\$ (19,710,121)		\$ (19,710,121)
Special Education	7,287,507	58,224	5,228,043		(2,001,240)		(2,001,240)
Other Special Instruction	169,604				(169,604)		(169,604)
Other Instruction	3,475,364				(3,475,364)		(3,475,364)
Support Services:							
Tuition	3,258,363				(3,258,363)		(3,258,363)
Student & Instruction Related Services	8,501,241		1,882,622		(6,618,619)		(6,618,619)
General Administrative Services	1,293,425		164,673		(1,128,752)		(1,128,752)
School Administrative Services	2,033,588		648,277		(1,385,311)		(1,385,311)
Central Services	1,218,327		303,027		(915,300)		(915,300)
Administrative Information Technology	1,003,319				(1,003,319)		(1,003,319)
Plant Operations and Maintenance	6,414,595			\$ 374,118	(6,040,477)		(6,040,477)
Pupil Transportation	4,145,065		315,456		(3,829,609)		(3,829,609)
Interest on Long-Term Debt	203,035				(203,035)		(203,035)
Total Governmental Activities	71,690,017	456,571	21,120,214	374,118	(49,739,114)		(49,739,114)
Business-Type Activities:							
Food Service	1,568,042	1,519,063				\$ (48,979)	(48,979)
Transportation Fund	742,462	742,462					
Total Business-Type Activities	2,310,504	2,261,525				(48,979)	(48,979)
Total Primary Government	\$ 74,000,521	\$ 2,718,096	\$ 21,120,214	\$ 374,118	(49,739,114)	(48,979)	(49,788,093)

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 47,048,907		\$ 47,048,907
Taxes Levied for Debt Service	691,678		691,678
Federal and State Aid not Restricted	3,600,007		3,600,007
Investment Earnings	354,665	\$ 6,575	361,240
Miscellaneous Income	346,073		346,073
Total General Revenue	52,041,330	6,575	52,047,905
Change in Net Position	2,302,216	(42,404)	2,259,812
Net Position - Beginning (Restated)	31,540,049	438,285	31,978,334
Net Position - Ending	\$ 33,842,265	\$ 395,881	\$ 34,238,146

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 13,812,780	\$ 76,627	\$ 2,480,760		\$ 16,370,167
Interfund Receivable	8,140				8,140
Receivables From State Government	675,545				675,545
Receivables From Federal Government		55,835			55,835
Receivables From Other Governments	36,817				36,817
Restricted Cash and Cash Equivalents	6,215,756				6,215,756
Total Assets	\$ 20,749,038	\$ 132,462	\$ 2,480,760	\$ -0-	\$ 23,362,260
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable				\$ 1	\$ 1
Accounts Payable	\$ 797,244	\$ 23,567	\$ 104,386		925,197
Payable to Federal Government		1,650			1,650
Unearned Revenue		107,245			107,245
Total Liabilities	797,244	132,462	104,386	1	1,034,093
Fund Balances:					
Restricted:					
Capital Reserve	5,543,425				5,543,425
Maintenance Reserve	672,331				672,331
Excess Surplus for 2019-2020	4,098,069				4,098,069
Excess Surplus for 2018-2019	1,877,958				1,877,958
Capital Projects Fund			2,351,853		2,351,853
Committed:					
Capital Projects Fund			24,521		24,521
Assigned:					
Designated for Subsequent Year's Expenditures	3,073,941				3,073,941
Other Purposes	3,847,342				3,847,342
Unassigned/(Deficit)	838,728			(1)	838,727
Total Fund Balances	19,951,794		2,376,374	(1)	22,328,167
Total Liabilities and Fund Balances	\$ 20,749,038	\$ 132,462	\$ 2,480,760	\$ -0-	\$ 23,362,260

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:	
Total Fund Balances from previous page	\$ 22,328,167
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.	44,027,548
Interest on Long-Term Debt is not Accrued in the Governmental Funds but Rather is Recognized as an Expenditure When Due.	(95,817)
Long-Term Liabilities are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds	(16,107,230)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(15,765,051)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds	<u>(545,352)</u>
Net Position of Governmental Activities	<u><u>\$ 33,842,265</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 47,048,907			\$ 691,678	\$ 47,740,585
Tuition from Other LEAs	456,571				456,571
Interest Earned on Maintenance Reserve Funds	8,061				8,061
Interest Earned on Capital Reserve Funds	61,973				61,973
Unrestricted Miscellaneous Revenue	630,704	\$ 16,225			646,929
Total - Local Sources	48,206,216	16,225		691,678	48,914,119
State Sources	12,781,638	101	\$ 374,118		13,155,857
Federal Sources	23,051	608,809			631,860
Total Revenues	61,010,905	625,135	374,118	691,678	62,701,836
EXPENDITURES:					
Current:					
Regular Instruction	15,678,541	68,974			15,747,515
Special Education Instruction	3,211,705	514,067			3,725,772
School-Sponsored/Other Instruction	2,794,687				2,794,687
Support Services and Undistributed Costs:					
Tuition	3,258,363				3,258,363
Student and Other Instruction Related Services	4,965,197	42,094			5,007,291
General Administration Services	1,024,652				1,024,652
School Administration Services	1,054,865				1,054,865
Central Services	701,396				701,396
Administrative Information Technology	812,615				812,615
Plant Operations and Maintenance	5,698,491				5,698,491
Student Transportation	3,770,453				3,770,453
Unallocated Benefits	14,951,544				14,951,544
Debt Service:					
Principal				538,000	538,000
Interest and Other Charges				153,679	153,679
Capital Outlay	4,574,808		6,901,687		11,476,495
Total Expenditures	62,497,317	625,135	6,901,687	691,679	70,715,818
Deficit of Revenue Under Expenditures	(1,486,412)		(6,527,569)	(1)	(8,013,982)
OTHER FINANCING SOURCES/(USES):					
Transfers	936,445		(936,445)		
Total Other Financing Sources/Uses	936,445		(936,445)		
Net Change in Fund Balances	(549,967)		(7,464,014)	(1)	(8,013,982)
Fund Balance - July 1 (Restated)	20,501,761		9,840,388		30,342,149
Fund Balance/(Deficit) - June 30	\$ 19,951,794	\$ -0-	\$ 2,376,374	\$ (1)	\$ 22,328,167

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ (8,013,982)
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 differs from depreciation and deleted assets, net of accumulated depreciation in the period.		
Depreciation expense		\$ (2,082,527)
Deleted Assets, net of accumulated depreciation		(143,351)
Capital outlays		<u>11,685,123</u>
		9,459,245
In the statement of activities, certain operating expenses, e.g., compensated absences 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 (+).		
		(13,823)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).		
		(49,356)
Repayment of serial bonds payable is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		538,000
Repayment of capital leases is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		555,174
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		4,472,870
Changes in Deferred Outflows and Inflows Related to Pensions		<u>(4,645,912)</u>
Change in Net Position of Governmental Activities (A-2)		<u>\$ 2,302,216</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major Fund	Total Enterprise
	Food Service	Transportation Fund	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 116,954		\$ 116,954
Inventories	26,704		26,704
Total Current Assets	143,658		143,658
Non-Current Assets:			
Capital Assets	735,738		735,738
Less: Accumulated Depreciation	(399,670)		(399,670)
Total Non-Current Assets	336,068		336,068
Total Assets	479,726		479,726
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable - Vendors	44,189		44,189
Unearned Revenue - Prepaid Sales	39,656		39,656
Total Current Liabilities	83,845		83,845
<u>NET POSITION:</u>			
Investment in Capital Assets	336,068		336,068
Unrestricted	59,813		59,813
Total Net Position	\$ 395,881	\$ -0-	\$ 395,881

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major Fund	Total Enterprise
	Food Service	Transportation Fund	
Operating Revenue:			
Local Sources:			
Daily Sales - Non-Reimbursable Programs	\$ 1,519,054		\$ 1,519,054
Other Income	9	\$ 742,462	742,471
Total Operating Revenue	1,519,063	742,462	2,261,525
Operating Expenses:			
Cost of Sales - Non-Reimbursable Programs	693,936		693,936
Salaries	409,190		409,190
Benefits & Payroll Taxes	167,880		167,880
Other Purchased Services		742,462	742,462
Supplies, Insurance and Other Costs	209,330		209,330
Management Fee	64,412		64,412
Depreciation Expense	23,294		23,294
Total Operating Expenses	1,568,042	742,462	2,310,504
Operating Loss	(48,979)		(48,979)
Non-Operating Revenue:			
Local Sources:			
Interest Income	6,575		6,575
Total Non-Operating Revenue	6,575		6,575
Change in Net Position	(42,404)		(42,404)
Net Position - Beginning of Year	438,285		438,285
Net Position - End of Year	\$ 395,881	\$ -0-	\$ 395,881

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major Fund	Total
	Food Service	Transportation Fund	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 1,529,478	\$ 742,462	\$ 2,271,940
Payments to Food Service Contractor	(1,490,213)		(1,490,213)
Payments for Suppliers	(85,208)	(742,462)	(827,670)
Net Cash Used for Operating Activities	(45,943)		(45,943)
Cash Flows from Capital and Related Financing Activities:			
Purchases of Capital Assets	(169,582)		(169,582)
Net Cash Used for Capital and Related Financing Activities	(169,582)		(169,582)
Cash Flows from Investing Activities:			
Interest Income	6,575		6,575
Net Cash Provided by Investing Activities	6,575		6,575
Net Decrease in Cash and Cash Equivalents	(208,950)		(208,950)
Cash and Cash Equivalents, July 1	325,904		325,904
Cash and Cash Equivalents, June 30	\$ 116,954	\$ -0-	\$ 116,954
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:			
Operating Loss	\$ (48,979)	\$ -0-	\$ (48,979)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:			
Depreciation	23,294		23,294
Changes in Assets and Liabilities:			
Increase in Unearned Revenue	10,415		10,415
(Decrease) in Accounts Payable	(20,319)		(20,319)
(Increase) in Inventory	(10,354)		(10,354)
Net Cash Used for Operating Activities	\$ (45,943)	\$ -0-	\$ (45,943)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN
INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2018

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>	<u>Private Purpose Scholarships Trust</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 736,390	\$ 502,422	\$ 23,223	\$ 23,799
Total Assets	<u>736,390</u>	<u>502,422</u>	<u>23,223</u>	<u>23,799</u>
<u>LIABILITIES:</u>				
Due to Student Groups	490,948			
Payroll Deductions and Withholdings	234,242			
Accrued Salaries and Wages	3,061			
Interfund Payable - General Fund	8,139			
Total Liabilities	<u>736,390</u>			
<u>NET POSITION:</u>				
Held in Trust for:				
Unemployment Claims		502,422		
Flexible Spending Claims			23,223	
Restricted for Scholarships				23,799
Total Net Position	<u>\$ -0-</u>	<u>\$ 502,422</u>	<u>\$ 23,223</u>	<u>\$ 23,799</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Unemployment Compensation Trust	Flexible Spending Trust	Private Purpose Scholarship Trust
	<u>Trust</u>	<u>Trust</u>	<u>Trust</u>
ADDITIONS:			
Contributions:			
Plan Members	\$ 94,685	\$ 48,502	
Donations			\$ 2,250
Total Contributions	<u>94,685</u>	<u>48,502</u>	<u>2,250</u>
Investment Earnings:			
Interest	5,471	236	126
Net Investment Earnings	<u>5,471</u>	<u>236</u>	<u>126</u>
Total Additions	<u>100,156</u>	<u>48,738</u>	<u>2,376</u>
DEDUCTIONS:			
Quarterly Contribution Reports	95,789		
Flexible Spending Claims		50,039	
Scholarships Awarded			5,300
Bank Service Charges			1
Total Deductions	<u>95,789</u>	<u>50,039</u>	<u>5,301</u>
Change in Net Position	4,367	(1,301)	(2,925)
Net Position - Beginning of the Year	<u>498,055</u>	<u>24,524</u>	<u>26,724</u>
Net Position - End of the Year	<u>\$ 502,422</u>	<u>\$ 23,223</u>	<u>\$ 23,799</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenue identifies the extent to which each government function or business segment is self-financing or draws from the general revenue of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by board resolution.

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

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation (Cont'd)

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Enterprise Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria operations and transportation expenses. The Food Service Fund and Transportation Fund are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, the Private Purpose Scholarships Trust, Flexible Spending Trust, the Payroll Agency Fund and the Unemployment Compensation Insurance Trust Fund.

C. Measurement Focus and Basis of Accounting

The district-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2018 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to the recognition of SDA grant revenue. School Development Authority (SDA) grants in the Capital Projects Fund are recognized on the budgetary basis when awarded; while on a GAAP basis, revenue is recognized based on actual expenditures and when funds are requested for reimbursement.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 60,946,863	\$ 636,142
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP Basis Does Not:		
Prior Year Encumbrances		9,958
Cancellation of Prior Year Encumbrances		(711)
Current Year Encumbrances		(20,254)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	548,831	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(484,789)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 61,010,905	\$ 625,135
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 62,497,317	\$ 636,142
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior Year Encumbrances		9,958
Cancellation of Prior Year Encumbrances		(711)
Current Year Encumbrances		(20,254)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 62,497,317	\$ 625,135

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures (Cont'd):

	Capital Projects Fund	
	Revenue	Fund Balance
Revenue and Other Financing Sources / Fund Balance	\$ -0-	\$ 2,446,064
		2,446,064
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Revenue Recognized on a GAAP Basis	374,118	(69,690)
Revenue and Other Financing Sources/Fund Balance per Governmental Funds (GAAP)	\$ 374,118	\$ 2,376,374

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to the type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A 17:9-41et 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 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 of 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 the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenue. 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 revenue/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. 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 restricted, committed and/or 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 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.

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2018.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Site Improvements	20 years
Buildings and Building Improvements	50 years
Machinery and Equipment	10 to 15 years

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

L. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned undisbursed amounts be retained in a separate bank account. As of June 30, 2018, the amount earned by these employees but not disbursed was \$3,061.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

N. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

In the district-wide *Statement of Net Position*, the liabilities, whose average maturities are greater than one year, should be reported in two components – the amount due within one year and the amount due in more than one year.

O. Unearned Revenue

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

P. Fund Balance Appropriated

General Fund: Of the \$19,951,794 General Fund fund balance at June 30, 2018, \$5,543,425 is restricted in the capital reserve account; \$672,331 is restricted in the maintenance reserve account; \$5,976,027 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) (the \$1,877,958 of prior year excess surplus has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2019 and the current year excess surplus of \$4,098,069 will be appropriated and included as anticipated revenue for the fiscal year ending June 30, 2020); \$3,847,342 is assigned for year end encumbrances; \$3,073,941 of assigned fund balance has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2019; and \$838,728 is unassigned, which is \$484,789 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments which are not recognized until the fiscal year ending June 30, 2019.

Capital Projects Fund: Of the \$2,376,374 fund balance in the Capital Projects Fund, \$2,351,853 is restricted and \$24,521 is committed, which is \$69,690 less than on the budgetary basis because the SDA grant receivable is not recognized on the GAAP basis until the reimbursement requests are submitted to the State.

Debt Service Fund: The \$1 deficit fund balance in the Debt Service Fund at June 30, 2018 is unassigned.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted above.

The District's unassigned fund balance and assigned fund balance designated for subsequent year's expenditures in the General Fund is less on a GAAP basis than the budgetary basis as reported in the fund statement (modified accrual basis).

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated (Cont'd)

P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the last state aid payments, and not the fund balance reported on the fund statement which excludes the last state aid payments.

Q. Deficit Net Position/Fund Balance

The District had a deficit in unrestricted net position from governmental activities in the amount of \$10,998,579. This is primarily due to deferred outflows, inflows and liabilities related to pensions and compensated absences payable. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

The District had a \$1 deficit fund balance in the Debt Service Fund, which will be raised in the subsequent year's budget.

R. Net Position

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows and deferred inflows for pensions at June 30, 2018.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Fund Balance Restrictions, Commitments and Assignments

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, capital reserve, maintenance reserve and the capital projects fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has \$24,521 of committed resources at June 30, 2018 in the capital projects fund.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances and for subsequent year's expenditures in the General Fund at June 30, 2018.

T. Revenue - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Revenue - Exchange and Nonexchange Transactions (Cont'd)

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

U. Operating Revenue and Expenses

Operating revenue are those revenue that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and fees for transportation services. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

V. Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

W. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below and on the following page.

Custodial Credit Risk – The District’s policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits or in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law”, P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
 - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

As of June 30, 2018, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents		Total
		Capital Reserve	Maintenance Reserve	
Checking and Savings Accounts	\$ 17,772,955	\$ 5,543,425	\$ 672,331	\$ 23,988,711
	<u>\$ 17,772,955</u>	<u>\$ 5,543,425</u>	<u>\$ 672,331</u>	<u>\$ 23,988,711</u>

During the period ended June 30, 2018, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2018, was \$23,988,711 and the bank balance was \$26,190,575.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the District by inclusion of \$1 in the original 2000-2001 annual budget 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 State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amount or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Beginning Balance, July 1, 2017	\$ 7,030,658
Add:	
Interest Earnings	61,973
Unexpended Project Balance Returned from Capital Projects Fund	936,445
Unexpended Project Balance Returned from Capital Outlay	9,670
Less:	
Withdrawal - Capital Outlay per Board Resolutions	<u>(2,495,321)</u>
Ending Balance, June 30, 2018	<u>\$ 5,543,425</u>

The June 30, 2018 balance of local support costs of uncompleted capital projects in the District's LRFP exceeds the balance in the capital reserve account at June 30, 2018. The withdrawals from the capital reserve were for use in DOE approved facilities projects consistent with the District's LRFP.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 5. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2018, the District transferred \$2,571,923 to the capital outlay accounts. \$58,822 was transferred to equipment which did not require County Superintendent approval. \$2,513,101 was transferred to facilities acquisition and construction services and was approved through Board Resolutions.

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2018 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 372,120			\$ 372,120
Construction in Progress	3,875,674	\$ 1,754,347	\$ (3,875,674)	1,754,347
Total Capital Assets Not Being Depreciated	<u>4,247,794</u>	<u>1,754,347</u>	<u>(3,875,674)</u>	<u>2,126,467</u>
Capital Assets Being Depreciated:				
Site Improvements	5,736,397	\$ 889,313		6,625,710
Buildings and Building Improvements	52,561,218	8,398,392	3,855,225	64,814,835
Machinery and Equipment	10,611,764	643,071	(646,671)	10,608,164
Total Capital Assets Being Depreciated	<u>68,909,379</u>	<u>9,930,776</u>	<u>3,208,554</u>	<u>82,048,709</u>
Governmental Activities Capital Assets	<u>73,157,173</u>	<u>11,685,123</u>	<u>(667,120)</u>	<u>84,175,176</u>
Less Accumulated Depreciation for:				
Site Improvements	(2,360,798)	(241,352)		(2,602,150)
Buildings and Building Improvements	(28,016,179)	(1,566,527)	20,449	(29,562,257)
Machinery and Equipment	(8,211,893)	(274,648)	503,320	(7,983,221)
	<u>(38,588,870)</u>	<u>(2,082,527)</u>	<u>523,769</u>	<u>(40,147,628)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 34,568,303</u>	<u>\$ 9,602,596</u>	<u>\$ (143,351)</u>	<u>\$ 44,027,548</u>
	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 566,156	\$ 169,582		\$ 735,738
	<u>566,156</u>	<u>169,582</u>		<u>735,738</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(376,376)	\$ (23,294)		(399,670)
	<u>(376,376)</u>	<u>(23,294)</u>		<u>(399,670)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 189,780</u>	<u>\$ 146,288</u>	<u>\$ -0-</u>	<u>\$ 336,068</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

The District transferred \$3,875,674 of completed capital projects to depreciable capital assets during the fiscal year. As of June 30, 2018, the District expended \$11,685,123 from its current year capital budget and depreciated \$2,082,527 from its governmental activities. The District expended \$169,582 and depreciated \$23,294 from its business-type activities during the fiscal year.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 749,708
Special Education Instruction	145,777
Other Instruction	166,602
Support Services	291,554
General Administration	62,476
School Administrative	62,476
Central Services	41,651
Administrative Information Technology	41,651
Operations and Maintenance of Plant	312,379
Pupil Transportation	208,253
	<u>\$ 2,082,527</u>

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2018, the following changes occurred in liabilities reported in the District-wide financial statements:

	Balance 6/30/2017	Accrued	Retired	Balance 6/30/2018
Serial Bonds Payable	\$ 9,743,000		\$ 538,000	\$ 9,205,000
Compensated Absences Payable	2,363,067	\$ 285,887	272,064	2,376,890
Capital Leases Payable	5,080,514		555,174	4,525,340
Net Pension Liability	20,237,921		4,472,870	15,765,051
	<u>\$ 37,424,502</u>	<u>\$ 285,887</u>	<u>\$ 5,838,108</u>	<u>\$ 31,872,281</u>

A. Bonds Payable:

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

A referendum passed on November 8, 2016, authorizing the issuance of \$9,743,000 in bonds to finance several projects including the renovations to the library/technology center and windows replacement at the two schools, HVAC upgrades and field house renovations at the North Hunterdon High School and replacement of stadium and tennis bleachers at the two schools. On April 27, 2017, the District issued serial bonds of \$9,743,000 with interest rates ranging from 1.0% to 3.0%. The bonds mature on January 15, 2018 through 2032.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

The District had bonds outstanding as of June 30, 2018 as follows:

<u>Purpose</u>	<u>Serial Bonds</u> Final Maturity Date	<u>Interest</u> Rates	<u>Amount</u>
2017 School Bonds	01/15/32	1.375%-3%	\$ 9,205,000
			<u>\$ 9,205,000</u>

Principal and interest due on serial bonds outstanding are as follows:

<u>Fiscal Year</u> Ending June 30,	<u>Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 540,000	\$ 209,056	\$ 749,056
2020	555,000	201,631	756,631
2021	565,000	193,306	758,306
2022	585,000	184,125	769,125
2023	600,000	173,888	773,888
2024 - 2028	3,300,000	678,087	3,978,087
2029 - 2032	3,060,000	227,988	3,287,988
	<u>\$ 9,205,000</u>	<u>\$ 1,868,081</u>	<u>\$ 11,073,081</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2018, the Board had no bonds authorized but not issued.

C. Compensated Absences

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$148,944 and the long-term liability balance of compensated absences is \$2,227,946.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2018, no liability existed for compensated absences in the Enterprise Funds.

The General Fund will be used to liquidate Compensated Absences Payable. The Debt Service Fund will be used to liquidate the Serial Bonds Payable.

D. Net Pension Liability

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2018 is \$0- and the long-term portion is \$15,765,051. See Note 8 for further information on the PERS.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

E. Capital Leases Payable

The District has an energy savings program lease purchase agreement valued at \$7,600,000, of which \$3,074,660 has matured and been repaid. The capital lease is for a term of fourteen years. The following is a schedule of the future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2018.

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2019	\$ 649,866
2020	649,866
2021	649,866
2022	649,866
2023	649,866
2024 - 2026	<u>1,624,665</u>
	<u>4,873,995</u>
Less: Amount Representing Interest	<u>(348,655)</u>
Present Value Net of Minimum Lease Payments	<u>\$ 4,525,340</u>

The current portion of capital leases payable at June 30, 2018 is \$566,040 and the long-term portion is \$3,959,300. The General Fund will be used to liquidate the capital lease payable.

NOTE 8. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey.

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 the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Benefits Provided

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

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 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 members 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 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. 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. District contributions to PERS amounted to \$635,324 for fiscal year 2018.

The employee contribution rate was 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities and Pension Expense

At June 30, 2018, the District reported a liability of \$15,765,051 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the District's proportion was .0677%, which was a decrease of .0006% from its proportion measured as of June 30, 2016.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

For the fiscal year ended June 30, 2018, the District recognized pension expense of \$806,565. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	6.44	\$ 178,838	
	2015	5.72	753,313	
	2016	5.57	2,243,964	
	2017	5.48		\$ 3,164,470
				<u>3,176,115</u>
Difference Between Expected and Actual Experience	2015	5.72	209,003	
	2016	5.57	68,098	
	2017	5.48	94,112	
Changes in Proportion	2014	6.44		160,768
	2015	5.72		364,586
	2016	5.57		401,863
	2017	5.48		108,342
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2014	5.00	(188,911)	
	2015	5.00	161,152	
	2016	5.57	675,690	
	2017	5.48	(540,582)	
Contribution Made Subsequent to the Measurement Date	2016	1.00	700,838	
			<u>\$ 4,355,515</u>	<u>\$ 4,200,029</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the District contribution subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2018	\$ 371,126
2019	560,036
2020	339,353
2021	(451,341)
2022	(328,967)
	\$ 490,207

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65 – 4.15% based on age
Thereafter	2.65 – 5.15% based on age
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward one year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2017) 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 PERS' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2017 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2017		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
District's proportionate share of the Net Pension Liability	\$ 19,557,616	\$ 15,765,051	\$ 12,605,375

Pension Plan Fiduciary Net Position

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

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. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Benefits Provided

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:

Tier	Definition
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

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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 members. 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 included 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 2018, the State's pension contribution was less than the actuarial determined amount.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2018, the State of New Jersey contributed \$2,999,909 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$9,892,823.

The employee contribution rate was 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

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

At June 30, 2018, the State's proportionate share of the net pension liability associated with the District was \$142,805,228. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the District's proportion was 0.212%, which was a decrease of 0.001% from its proportion measured as of June 30, 2016.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>142,805,228</u>
Total	<u>\$ 142,805,228</u>

For the fiscal year ended June 30, 2018, the State recognized pension expense on behalf of the District in the amount of \$9,892,823 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2018 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

	<u>Year of Deferral</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2014	8.5	\$ 1,383,974,317	
	2015	8.3	3,776,126,119	
	2016	8.3	8,218,154,928	
	2017	8.3		\$ 11,684,858,458
			<u>13,378,255,364</u>	<u>11,684,858,458</u>
Difference Between Expected and Actual Experience	2014	8.3		\$ 13,181,413
	2015	8.5	233,218,057	
	2016	8.3		102,199,790
	2017	8.3	207,898,332	
			<u>441,116,389</u>	<u>115,381,203</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2014	5	(435,309,142)	
	2015	5	385,284,122	
	2016	5	1,295,565,574	
	2017	8.3	(904,033,050)	
			<u>341,507,504</u>	
		<u>\$ 14,160,879,257</u>	<u>\$ 11,800,239,661</u>	

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2018	\$ 740,341,056
2019	1,175,650,200
2020	983,008,137
2021	551,152,948
2022	624,850,883
Thereafter	(1,714,363,628)
	\$ 2,360,639,596

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.25%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.00%

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60 years average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2017) 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, 2017 are summarized in the following table:

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 4.25% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2017 calculated using the discount rate as disclosed above, as well as what the State's 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:

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

Sensitivity of the State's Proportionate Share of the Net Pension Liability Associated with the District to Changes in the Discount Rate (Cont'd)

	June 30, 2017		
	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
State's Proportionate Share of Net Pension Liability Associated with the District	\$ 169,657,090	\$ 142,805,228	\$ 120,684,547

Pension Plan Fiduciary Net Position

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

NOTE 9. 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. The District obtains their health benefits coverage through Horizon Blue Cross/Blue Shield of NJ.

Property, Liability and Health Benefits

The North Hunterdon-Voorhees Regional High School District is a member of the New Jersey Schools Insurance Group (the "Group"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

The Group is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected.

As a member of this Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Group were to be exhausted, members would become responsible for their respective shares of the Group's liabilities. The Group can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Selected, summarized financial information for the Group as of June 30, 2018 is as follows:

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits (Cont'd)

Total Assets	\$ 348,953,830
Total Net Position	\$ 82,580,855
Total Revenue	\$ 133,258,299
Total Expenses	\$ 129,340,074
Change in Net Position	\$ 3,918,225
Members Dividends	\$ -0-

Financial statements for the Group are available at the Group's Executive Director's Office:

New Jersey Schools Insurance Group
6000 Midlantic Dr.
Mount Laurel, NJ 08054

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of District contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years.

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017-2018	\$ 5,471	\$ 94,685	\$ 95,789	\$ 502,422
2016-2017	2,266	51,373	5,383	498,055
2015-2016	1,419	89,058	55,185	449,799

NOTE 10. ECONOMIC DEPENDENCY

The Board of Education 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, may have an effect on the Board of Education's programs and activities.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

	Interfund Receivable	Interfund Payable
General Fund	\$ 8,140	
Debt Service Fund		\$ 1
Fiduciary Fund - Payroll Agency Fund		8,139
	\$ 8,140	\$ 8,140

The interfund between the General Fund and the Debt Service Fund is due to a deficit in the Debt Service Fund, which will be raised in the subsequent year's budget. The interfund between the General Fund and the Payroll Agency Fund is due to an interfund advanced from the General Fund.

NOTE 12. ACCOUNTS PAYABLE

Payables as of June 30, 2018 were:

	Governmental Fund		District Contribution Subsequent to the Measurement Date	Total Governmental Activities	Business-Type Activities Food Service Fund
	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Activities	Food Service Fund
Due to State of New Jersey		\$ 15,773		\$ 716,611	
Vendors	\$ 778,439	7,794	\$ 104,386	890,619	\$ 44,189
Accrued Salaries and Wages	18,805			18,805	
	\$ 797,244	\$ 23,567	\$ 104,386	\$ 1,626,035	\$ 44,189

NOTE 13. DEFERRED COMPENSATION

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

The plan administrators are as follows:

- AXA Equitable
- Lincoln Investment Planning
- Waddell and Reed

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 14. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1.

A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipalities and are remitted to the regional school district on predetermined agreed-upon schedules.

NOTE 15. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial statements of the District.

Encumbrances

At June 30, 2018, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 3,847,342	\$ 20,254	\$ 500,877	\$ 4,368,473

On the District's Governmental Funds Balance Sheet as of June 30, 2018, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$20,254 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue. The \$500,877 year-end encumbrances in the Capital Projects Fund are included in the \$2,351,853 restricted fund balance.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 16. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$250,000 was established by the District in June 2010. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance.

These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes.

Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities.

If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Beginning Balance, July 1, 2017	\$ 914,159
Add:	
Interest Earnings	8,061
Unexpended Project Balance Returned from Capital Outlay	5,111
Less:	
Withdrawal - Capital Outlay per Board Resolutions	(255,000)
Ending Balance, June 30, 2018	\$ 672,331

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 17. OPERATING LEASES

The District has commitments to lease copying equipment under operating leases which expire in 2019. Future minimum lease payments are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
June 30, 2019	\$ 1,273
Total future minimum lease payments	<u>\$ 1,273</u>

NOTE 18. PRIOR YEAR RESTATEMENT

The District made prior year adjustments in the District Wide Financial Statements and the Fund Financial Statements to correct the amount of SDA grant receivable recognized in the Capital Projects Fund to the amount actually submitted for reimbursement as of June 30, 2017.

	<u>Balance 6/30/17 as Previously Reported</u>	<u>Retroactive Adjustments</u>	<u>Balance 6/30/17 as Restated</u>
<u>Statement of Net Position (Exhibit A-1):</u>			
Governmental Activities:			
Assets:			
Receivables, net	\$ 4,644,816	\$ (401,247)	\$ 4,243,569
Net Position:			
Unrestricted/(Deficit)	(11,965,986)	(401,247)	(12,367,233)
Total Net Position	31,941,296	(401,247)	31,540,049
 <u>Balance Sheet - Capital Projects Fund (Exhibit B-1):</u>			
Assets:			
Receivable from Other Governments	1,019,173	(401,247)	617,926
Total Fund Balance	10,241,635	(401,247)	9,840,388

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Statement No. 75, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education 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 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefits 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 years or more 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, if any, is the responsibility of the individual education employers.

Employees Covered by Benefit Terms

At June 30, 2016, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	142,331
Active Plan Members	<u>223,747</u>
Total	<u><u>366,078</u></u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016.

Actuarial Assumptions and Other Inputs

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.

Inflation Rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age	2.10 - 8.98% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age	3.10 - 9.98% based on age

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Health Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2010 – June 30, 2013, and July 1, 2011 – June 30, 2014 for TPAF, PFRS and PERS, respectively.

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long term trend rate after nine years. For self-insured post 65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long term rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% and decreases to a 5.0% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

Discount Rate

The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. 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.

Changes in the State's Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2016	\$ 57,831,784,184
Changes for Year:	
Service Cost	2,391,878,884
Interest on the Total OPEB Liability	1,699,441,736
Changes of Assumptions	(7,086,599,129)
Gross Benefit Payments by the State	(1,242,412,566)
Contributions from Members	45,748,749
Net Changes	(4,191,942,326)
Balance at June 30, 2017	\$ 53,639,841,858

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2017 and 2016, respectively, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2017		
	At 1% Decrease (2.58%)	At Discount Rate (3.58%)	At 1% Increase (4.58%)
	Total OPEB Liability Attributable to the District	\$ 128,998,989	\$ 108,669,881

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate (Cont'd)

	June 30, 2016		
	At 1%	At	At 1%
	Decrease (1.85%)	Discount Rate (2.85%)	Increase (3.85%)
Total OPEB Liability Attributable to the District	\$ 141,033,280	\$ 117,721,854	\$ 99,372,774

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2017 and 2016, respectively, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2017		
	1%	Healthcare	1%
	Decrease	Cost Trend Rate	Increase
Total OPEB Liability Attributable to the District	\$ 89,370,472	\$ 108,669,881	\$ 134,299,269

	June 30, 2016		
	1%	Healthcare	1%
	Decrease	Cost Trend Rate	Increase
Total OPEB Liability Attributable to the District	\$ 96,594,059	\$ 117,721,854	\$ 145,967,703

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

For the fiscal year ended June 30, 2018 the District recognized OPEB expense of \$6,382,080 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Statement 75, in which there is a special funding situation.

In accordance with GASB Statement 75, as the District's proportionate share of the OPEB liability is \$-0, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2017 the State had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Assumption Changes		\$ (6,343,769,032)
Contributions Made in Fiscal Year Ending 2018 After June 30, 2017 Measurement Date	\$ 1,190,373,242	
	\$ 1,190,373,242	\$ (6,343,769,032)

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

Fiscal Year Ending June 30,	Total
2018	\$ (742,830,097)
2019	(742,830,097)
2020	(742,830,097)
2021	(742,830,097)
2022	(742,830,097)
Thereafter	(2,629,618,547)
	\$ (6,343,769,032)

BUDGETARY COMPARISON SCHEDULES
REQUIRED SUPPLEMENTARY INFORMATION

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
District's proportion of the net pension liability	0.0754713592%	0.0714884569%	0.0683318055%
District's proportionate share of the net pension liability	\$ 14,130,303	\$ 16,047,726	\$ 20,237,921
District's covered employee payroll	\$ 4,507,272	\$ 4,575,562	\$ 4,644,888
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	313.50%	350.73%	435.70%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%
			2018
			0.0677239426%
			15,765,051
			4,700,602
			335.38%
			48.10%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
Contractually required contribution	\$ 322,304	\$ 327,592	\$ 362,047
Contributions in relation to the contractually required contribution	(322,304)	(327,592)	(362,047)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 4,440,000	\$ 4,507,272	\$ 4,575,562
Contributions as a percentage of covered employee payroll	7.26%	7.27%	7.91%
			13.68%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
State's proportion of the net pension liability attributable to the District	0.2049913484%	0.2092620067%	0.2131485232%
State's proportionate share of the net pension liability attributable to the District	\$ 109,561,204	\$ 132,262,524	\$ 167,676,200
District's covered employee payroll	\$ 20,216,129	\$ 20,522,429	\$ 20,833,370
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	541.95%	644.48%	804.84%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%
			2018
			0.2118030117%
		\$ 142,805,228	\$ 20,914,943
		682.79%	25.41%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
Contractually required contribution	\$ 5,895,421	\$ 8,075,818	\$ 12,598,533
Contributions in relation to the contractually required contribution	(1,055,415)	(1,625,574)	(2,299,066)
Contribution deficiency/(excess)	<u>\$ 4,840,006</u>	<u>\$ 6,450,244</u>	<u>\$ 10,299,467</u>
District's covered employee payroll	\$ 20,522,429	\$ 20,833,370	\$ 20,914,943
Contributions as a percentage of covered employee payroll	5.14%	7.80%	10.99%
			14.44%
			<u>\$ 9,892,823</u>
			<u>(2,999,909)</u>
			<u>\$ 6,892,914</u>
			<u>\$ 20,774,424</u>

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TWO FISCAL YEARS
UNAUDITED

	Fiscal Years Ending June 30,	
	2016	2017
Total OPEB Liability		
Service Cost	\$ 1,723,999,319	\$ 2,391,878,884
Interest Cost	1,823,643,792	1,699,441,736
Changes in Assumptions	8,611,513,521	(7,086,599,129)
Member Contributions	46,273,747	45,748,749
Gross Benefit Payments	(1,223,298,019)	(1,242,412,566)
Net Change in Total OPEB Liability	10,982,132,360	(4,191,942,326)
Total OPEB Liability - Beginning	46,849,651,824	57,831,784,184
Total OPEB Liability - Ending	\$ 57,831,784,184	\$ 53,639,841,858
State's Covered Employee Payroll *	\$ 13,493,400,208	\$ 13,493,400,208
Total OPEB Liability as a Percentage of Covered Employee Payroll	429%	398%

* Covered payroll for the fiscal years ending June 30, 2016 and June 30, 2017 is based on the payroll on the June 30, 2016 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 3.98% as of June 30, 2016 to 5.00% as of June 30, 2017. The municipal bond rate changed from 2.85% to 3.58%. The long-term expected rate of return on pension plan investments changed from 7.65% to 7.00%.

The inflation rate changed from 3.08% as of June 30, 2016 to 2.25% as of June 30, 2017.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 3.22% as of June 30, 2016 to 4.25% as of June 30, 2017. The municipal bond rate changed from 2.85% to 3.58%. The long-term expected rate of return on pension plan investments changed from 7.65% to 7.00%.

The inflation rate changed from 2.50% as of June 30, 2016 to 2.25% as of June 30, 2017.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

BUDGETARY COMPARISON SCHEDULES

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 47,048,907	\$	\$ 47,048,907	\$ 47,048,907	\$ 456,571
Tuition from Other LEAs	1,000		1,000	8,061	7,061
Interest Earned on Maintenance Reserve Funds	6,000		6,000	61,973	55,973
Interest Earned on Capital Reserve Funds	114,000		114,000	630,704	516,704
Unrestricted Miscellaneous Revenue					
Total - Local Sources	47,169,907		47,169,907	48,206,216	1,036,309
State Sources:					
Special Education Aid	1,738,465		1,738,465	1,738,465	
Equalization Aid	3,405,928		3,405,928	3,405,928	
Categorical Security Aid	44,422		44,422	44,422	
Categorical Transportation Aid	282,618		282,618	282,618	
PARCC Readiness Aid	27,890		27,890	27,890	
Per Pupil Growth Aid	27,890		27,890	27,890	
Professional Learning Community Aid	27,110		27,110	27,110	
Extraordinary Special Education Costs Aid	398,000		398,000	573,142	175,142
Reimbursement of Nonpublic School Transportation Costs				29,580	29,580
State Reimbursements for Lead Testing of Drinking Water				2,976	2,976
On-Behalf TPAF Post Retirement Contributions (Non-Budgeted)				1,984,597	1,984,597
On-Behalf TPAF Pension Contributions (Non-Budgeted)				2,999,909	2,999,909
On-Behalf TPAF Non-Contributory Insurance (Non-Budgeted)				72,800	72,800
On-Behalf TPAF Long-Term Disability Insurance (Non-Budgeted)				4,517	4,517
TPAF Social Security (Reimbursed - Non-Budgeted)				1,495,752	1,495,752
Total State Sources	5,952,323		5,952,323	12,717,596	6,765,273
Federal Sources:					
Medicaid Assistance Program	22,325		22,325	23,051	726
Total Federal Sources	22,325		22,325	23,051	726
TOTAL REVENUES	53,144,555		53,144,555	60,946,863	7,802,308

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 14,178,275	\$ (309,761)	\$ 13,868,514	\$ 13,143,335	\$ 725,179
Regular Programs - Home Instruction:					
Salaries of Teachers	355,900		355,900	126,613	229,287
Purchased Professional - Educational Services	130,900		130,900	32,623	98,277
Other Purchased Services	6,000		6,000	461	5,539
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	753,138		753,138	603,188	149,950
Purchased Technical Services	27,126	3,200	30,326	21,258	9,068
Other Purchased Services	428,898	19,516	448,414	309,568	138,846
General Supplies	1,820,820	(78,839)	1,741,981	1,296,219	445,762
Textbooks	209,420	(5,500)	203,920	127,863	76,057
Other Objects	52,970	19,085	72,055	17,413	54,642
Total Regular Programs - Instruction	17,963,447	(352,299)	17,611,148	15,678,541	1,932,607
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	298,998	(70)	298,928	251,721	47,207
Other Salaries for Instruction	74,665	70	74,735	71,267	3,468
Other Purchased Services	1,500	425	1,925	1,377	548
General Supplies	11,881	(1,500)	10,381	5,251	5,130
Other Objects	400		400	198	202
Total Learning and/or Language Disabilities	387,444	(1,075)	386,369	329,814	56,555
Behavioral Disabilities:					
Salaries of Teachers	126,776		126,776	126,757	19
Other Salaries for Instruction	38,711	(1,176)	37,535	26,578	10,957
Other Purchased Services	200	(200)			
General Supplies	11,279	(4,138)	7,141	6,895	246

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Behavioral Disabilities (Cont'd):					
Textbooks	\$ 1,985	\$ (1,050)	\$ 935		\$ 935
Total Behavioral Disabilities	<u>178,951</u>	<u>(6,564)</u>	<u>172,387</u>	<u>\$ 160,230</u>	<u>12,157</u>
Multiple Disabilities:					
Salaries of Teachers	62,391	1,257	63,648	63,648	
Other Salaries for Instruction	17,540		17,540	15,487	2,053
Other Purchased Services	300	925	1,225	1,152	73
General Supplies	8,899	(1,826)	7,073	6,506	567
Total Multiple Disabilities	<u>89,130</u>	<u>356</u>	<u>89,486</u>	<u>86,793</u>	<u>2,693</u>
Resource Room/Resource Center:					
Salaries of Teachers	2,038,183	71,761	2,109,944	1,892,112	217,832
Other Salaries for Instruction	381,373		381,373	346,594	34,779
Other Purchased Services	200	(200)			
General Supplies	10,300	28,769	39,069	22,262	16,807
Textbooks	4,750	(450)	4,300	4,300	
Other Objects	400		400	400	
Total Resource Room/Resource Center	<u>2,435,206</u>	<u>99,880</u>	<u>2,535,086</u>	<u>2,260,968</u>	<u>274,118</u>
Autism:					
Salaries of Teachers	190,341	4,433	194,774	192,980	1,794
Other Salaries for Instruction	165,672	(4,433)	161,239	148,630	12,609
General Supplies	5,000	27,419	32,419	32,290	129
Total Autism	<u>361,013</u>	<u>27,419</u>	<u>388,432</u>	<u>373,900</u>	<u>14,532</u>
Total Special Education Instruction	<u>3,451,744</u>	<u>120,016</u>	<u>3,571,760</u>	<u>3,211,705</u>	<u>360,055</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
School-Sponsored Co/Extra curricular Activities - Instruction:					
Salaries	\$ 543,273	\$ 3,636	\$ 546,909	\$ 512,371	\$ 34,538
Purchased Services	10,000		10,000	5,307	4,693
Supplies and Materials	4,200	500	4,700	2,830	1,870
Other Objects	17,330	(500)	16,830	5,456	11,374
Total School-Sponsored Co curricular Activities - Instruction	574,803	3,636	578,439	525,964	52,475
School-Sponsored Co curricular Athletics - Instruction:					
Salaries	1,805,236	(109,399)	1,695,837	1,652,579	43,258
Purchased Services	363,695	114,550	478,245	360,913	117,332
Supplies and Materials	242,286	(8,657)	233,629	209,230	24,399
Other Objects	66,805	(16,168)	50,637	46,001	4,636
Total School-Sponsored Co curricular Athletics - Instruction	2,478,022	(19,674)	2,458,348	2,268,723	189,625
Summer School - Instruction:					
Salaries of Teachers	5,000		5,000		5,000
Total Summer School - Instruction	5,000		5,000		5,000
Total Instruction	24,473,016	(248,321)	24,224,695	21,684,933	2,539,762
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Regular	302,276	(217,000)	85,276	64,586	20,690
Tuition to Other LEAs Within the State - Special	906,325	(6,000)	900,325	794,499	105,826
Tuition to County Voc. School Dist. - Regular	579,395	509,825	1,089,220	1,089,027	193
Tuition to County Voc. School Dist. - Special	333,580	(235,325)	98,255	94,710	3,545
Tuition to Private Schools for the Handicapped - Within State	1,566,437	(285,244)	1,281,193	886,079	395,114
Tuition to Private Schools for the Handicapped and Other LEAs - Out of State	120,955	225,700	346,655	265,135	81,520

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction (Cont'd):					
Tuition - Other	\$ 77,615		\$ 77,615	\$ 64,327	\$ 13,288
Total Undistributed Expenditures - Instruction	\$ 3,886,583	\$ (8,044)	\$ 3,878,539	\$ 3,258,363	\$ 620,176
Attendance and Social Work:					
Salaries	313,087	15,980	329,067	328,773	294
Supplies and Materials	4,065		4,065	2,268	1,797
Total Attendance and Social Work	317,152	15,980	333,132	331,041	2,091
Health Services:					
Salaries	380,420	(307)	380,113	375,601	4,512
Purchased Professional and Technical Services	65,975	680	66,655	28,658	37,997
Other Purchased Services	2,780	(680)	2,100	423	1,677
Supplies and Materials	16,658	4,700	21,358	13,079	8,279
Total Health Services	465,833	4,393	470,226	417,761	52,465
Speech, OT, PT and Related Services:					
Salaries	204,930	(39,073)	165,857	121,173	44,684
Purchased Professional - Educational Services	226,505	(56,900)	169,605	65,518	104,087
Supplies and Materials	1,995		1,995	488	1,507
Total Speech, OT, PT and Related Services	433,430	(95,973)	337,457	187,179	150,278
Other Support Services - Students - Extraordinary Services:					
Purchased Professional - Educational Services	250,000	31,900	281,900	114,234	167,666
Total Other Support Services - Students - Extraordinary Services	250,000	31,900	281,900	114,234	167,666
Other Support Services - Guidance:					
Salaries of Other Professional Staff	1,332,851	13,600	1,346,451	1,260,412	86,039
Salaries of Secretarial and Clerical Assistants	203,267		203,267	198,411	4,856

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Other Support Services - Guidance (Cont'd):					
Other Salaries	\$ 20,295	\$ (19,870)	\$ 425		\$ 425
Purchased Professional - Educational Services	41,000		41,000	\$ 39,409	1,591
Other Purchased Professional and Technical Services	22,040	27,610	49,650	35,496	14,154
Other Purchased Services	24,115	100	24,215	12,049	12,166
Supplies and Materials	8,000	(100)	7,900	3,863	4,037
Other Objects	2,600		2,600		2,600
Total Other Support Services - Guidance	1,654,168	21,340	1,675,508	1,549,640	125,868
Other Support Services - Child Study Teams:					
Salaries of Other Professional Staff	861,872	(92,088)	769,784	744,933	24,851
Salaries of Secretarial and Clerical Assistants	132,757		132,757	105,861	26,896
Purchased Professional - Educational Services	17,150		17,150	13,428	3,722
Purchased Professional and Technical Services	91,945	3,660	95,605	35,543	60,062
Other Purchased Services (400-500 series)	17,060	75	17,135	10,006	7,129
Supplies and Materials	31,625	(40)	31,585	14,299	17,286
Other Objects	5,725	(685)	5,040	1,081	3,959
Total Other Support Services - Child Study Teams	1,158,134	(89,078)	1,069,056	925,151	143,905
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	950,680	114,721	1,065,401	925,323	140,078
Salaries of Other Professional Staff	63,217	(5,525)	57,692	56,858	834
Salaries of Secretarial and Clerical Assistants	24,205	3,967	28,172	24,147	4,025
Purchased Professional-Educational Services	12,670	(7,082)	5,588	5,588	
Other Purchased Services	8,109	(6,838)	1,271	1,063	208
Supplies and Materials	3,250	1,200	4,450	4,373	77
Other Objects	2,200	17,800	20,000	19,470	530
Total Improvement of Instructional Services	1,064,331	118,243	1,182,574	1,036,822	145,752

NORTH HUNTERDON-VORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Educational Media Services/School Library:					
Salaries	\$ 193,121	\$ 8,500	\$ 201,621	\$ 201,599	\$ 22
Purchased Professional and Technical Services	5,316		5,316	3,213	2,103
Other Purchased Services	57,662	17,255	74,917	69,296	5,621
Supplies and Materials	153,897	(42,255)	111,642	95,368	16,274
Other Objects	500		500		500
Total Educational Media Services/School Library	<u>410,496</u>	<u>(16,500)</u>	<u>393,996</u>	<u>369,476</u>	<u>24,520</u>
Instructional Staff Training Services:					
Other Salaries	5,000	11,598	16,598	16,597	1
Purchased Professional-Educational Services	17,450	(2,150)	15,300	5,900	9,400
Other Purchased Services	23,500	(14,400)	9,100	8,200	900
Supplies and Materials	5,000	(1,803)	3,197	3,196	1
Total Instructional Staff Training Services	<u>50,950</u>	<u>(6,755)</u>	<u>44,195</u>	<u>33,893</u>	<u>10,302</u>
Support Services - General Administration:					
Salaries	285,061		285,061	281,549	3,512
Legal Services	165,242	133,000	298,242	204,897	93,345
Audit Fees	27,550	(6,375)	21,175	21,175	
Architectural/Engineering Services	134,850	(16,800)	118,050	74,289	43,761
Purchased Technical Services	6,250	(3,325)	2,925	1,405	1,520
Communications/Telephone	223,706	(39,639)	184,067	129,823	54,244
Miscellaneous Purchased Services	352,150	(71,450)	280,700	264,053	16,647
General Supplies	18,847	400	19,247	9,681	9,566
Judgments Against The School District	30,000	(21,870)	8,130	8,125	5
Miscellaneous Expenditures	9,900	(1,330)	8,570	5,546	3,024
Board of Education Membership Dues and Fees	25,150	400	25,550	24,109	1,441
Total Support Services - General Administration	<u>1,278,706</u>	<u>(26,989)</u>	<u>1,251,717</u>	<u>1,024,652</u>	<u>227,065</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 840,759	\$ (147,344)	\$ 693,415	\$ 687,705	\$ 5,710
Salaries of Secretarial and Clerical Assistants	212,241	40,000	252,241	209,085	43,156
Purchased Professional and Technical Services	35,675	(4,075)	31,600	23,815	7,785
Other Purchased Services	89,600	(15,719)	73,881	44,160	29,721
Supplies and Materials	36,462	(2,600)	33,862	26,677	7,185
Other Objects	46,570	17,319	63,889	63,423	466
Total Support Services - School Administration	<u>1,261,307</u>	<u>(112,419)</u>	<u>1,148,888</u>	<u>1,054,865</u>	<u>94,023</u>
Central Services:					
Salaries	616,320	70,088	686,408	613,322	73,086
Purchased Professional Services	77,749	(12,100)	65,649	12,191	53,458
Purchased Technical Services	3,000	73,250	76,250	54,232	22,018
Miscellaneous Purchased Services	41,430	600	42,030	11,378	30,652
Supplies and Materials	22,982	(3,921)	19,061	5,569	13,492
Miscellaneous Expenditures	10,700	(3,100)	7,600	4,704	2,896
Total Central Services	<u>772,181</u>	<u>124,817</u>	<u>896,998</u>	<u>701,396</u>	<u>195,602</u>
Administrative Information Technology:					
Salaries	543,105	1,157	544,262	541,227	3,035
Purchased Technical Services	273,648	20,000	293,648	269,884	23,764
Other Purchased Services	6,575		6,575	1,504	5,071
Total Administrative Information Technology	<u>823,328</u>	<u>21,157</u>	<u>844,485</u>	<u>812,615</u>	<u>31,870</u>
Required Maintenance of School Facilities:					
Salaries	602,486	(83,074)	519,412	503,448	15,964
Cleaning, Repair and Maintenance Services	697,922	806,137	1,504,059	1,023,293	480,766
General Supplies	150,524	(18,582)	131,942	120,002	11,940
Total Required Maintenance of School Facilities	<u>1,450,932</u>	<u>704,481</u>	<u>2,155,413</u>	<u>1,646,743</u>	<u>508,670</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Custodial Services:					
Salaries	\$ 948,583	\$ (32,762)	\$ 915,821	\$ 834,207	\$ 81,614
Cleaning, Repair, and Maintenance Services		1,416	1,416		1,416
Rental of Land & Building Other than Lease Purchase Agreement		6,596	6,596	5,028	1,568
Insurance	161,300		161,300	161,300	
Miscellaneous Purchased Services	14,000		14,000	7,369	6,631
General Supplies	139,580	(32,300)	107,280	103,450	3,830
Energy (Natural Gas)	196,150	(43,000)	153,150	77,865	75,285
Energy (Electricity)	872,568	(126,690)	745,878	568,865	177,013
Energy (Oil)	256,440	(11,283)	245,157	169,210	75,947
Energy (Gasoline)	48,000	(28,800)	19,200	8,391	10,809
Other Objects	5,900	4,900	10,800	5,470	5,330
Interest - Energy Savings Improvement Program Bonds	94,692		94,692	94,692	
Principal - Energy Savings Improvement Program Bonds	555,174		555,174	555,174	
Total Custodial Services	<u>3,292,387</u>	<u>(261,923)</u>	<u>3,030,464</u>	<u>2,591,021</u>	<u>439,443</u>
Care & Upkeep of Grounds:					
Salaries	517,231	2,187	519,418	474,534	44,884
Cleaning, Repair, and Maintenance Services	281,010	(16,602)	264,408	252,377	12,031
General Supplies	93,972	35,889	129,861	120,547	9,314
Total Care & Upkeep of Grounds	<u>892,213</u>	<u>21,474</u>	<u>913,687</u>	<u>847,458</u>	<u>66,229</u>
Security:					
Salaries	152,326	179,135	331,461	291,685	39,776
Purchased Professional and Technical Services	200,000	153,900	353,900	300,109	53,791
General Supplies	2,500	19,300	21,800	21,475	325
Total Security	<u>354,826</u>	<u>352,335</u>	<u>707,161</u>	<u>613,269</u>	<u>93,892</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular Education	\$ 168,354	\$ (112,530)	\$ 55,824	\$ 55,823	\$ 1
Between Home and School - Special Education	118,849	(118,849)			
Other than Between Home and School	80,410	(80,410)			
Purchased Professional and Technical Services	2,181	(2,181)			
Management Fee - ESC & CTSA Transportation Program	32,665	155,383	188,048	177,367	10,681
Cleaning, Repair and Maintenance Services	67,000	(67,000)			
Contracted Services:					
Between Home and School - Vendors	2,310,664	(555,000)	1,755,664	1,702,608	53,056
Other than Between Home and School - Vendors	270,391	84,500	354,891	303,423	51,468
Between Home and School - Joint Agreements	8,625	85,000	93,625	93,210	415
Special Education Students - Vendors	648,228	(517,100)	131,128	8,368	122,760
Special Education Students - Joint Agreements	8,625		8,625		8,625
Regular Students - ESCs & CTSA	30,024	250,550	280,574	280,553	21
Special Education Students - ESCs & CTSA	427,294	793,271	1,220,565	1,038,243	182,322
Aid in Lieu of Payments - Nonpublic Students	139,294		139,294	105,112	34,182
Miscellaneous Purchased Services - Transportation	43,900	(39,400)	4,500	4,500	
General Supplies	4,000	(3,800)	200	107	93
Transportation Supplies	91,500	(91,054)	446	439	7
Other Objects	1,700	(1,000)	700	700	
Total Student Transportation Services	4,453,704	(219,620)	4,234,084	3,770,453	463,631
Allocated Benefits - Regular Programs - Instruction:					
Other Employee Benefits	5,000		5,000		5,000
Total Allocated Benefits	5,000		5,000		5,000

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Unallocated Benefits:					
Social Security Contributions	\$ 702,600	\$ (25,000)	\$ 677,600	\$ 483,150	\$ 194,450
Other Retirement Contributions - PERS	660,000		660,000	635,324	24,676
Unemployment Compensation	245,000	(151,100)	93,900	66,269	27,631
Workmen's Compensation	236,000	(4,000)	232,000	205,342	26,658
Health Benefits	7,414,635	28,000	7,442,635	6,691,498	751,137
Tuition Reimbursement	175,000		175,000	138,978	36,022
Other Employee Benefits	51,040		51,040	4,658	46,382
Unused Sick Payment to Terminated/ Retired Staff	185,000		185,000	168,750	16,250
Total Unallocated Benefits	<u>9,669,275</u>	<u>(152,100)</u>	<u>9,517,175</u>	<u>8,393,969</u>	<u>1,123,206</u>
On-Behalf Contributions:					
On-Behalf TPAF Post Retirement Contributions (Non-Budgeted)				1,984,597	(1,984,597)
On-Behalf TPAF Pension Contributions (Non-Budgeted)				2,999,909	(2,999,909)
On-Behalf TPAF Non-Contributory Insurance (Non-Budgeted)				72,800	(72,800)
On-Behalf TPAF Long-Term Disability Insurance (Non-Budgeted)				4,517	(4,517)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				1,495,752	(1,495,752)
Total On-Behalf Contributions				<u>6,557,575</u>	<u>(6,557,575)</u>
Total Personal Services - Employee Benefits	<u>9,669,275</u>	<u>(152,100)</u>	<u>9,517,175</u>	<u>14,951,544</u>	<u>(5,434,369)</u>
Total Undistributed Expenses	<u>33,944,936</u>	<u>426,719</u>	<u>34,371,655</u>	<u>36,237,576</u>	<u>(1,865,921)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>58,417,952</u>	<u>178,398</u>	<u>58,596,350</u>	<u>57,922,509</u>	<u>673,841</u>
CAPITAL OUTLAY					
Equipment:					
Regular Programs - Instruction:	31,549	29,955	61,504	46,935	14,569
Grades 9-12	3,800	(3,000)	800		800
Learning and/or Language Disabilities:					

NORTH HUNTERDON-VORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY (Cont'd)					
Equipment (Cont'd):					
Multiple Disabilities	\$ 20,000	\$ (14,405)	\$ 5,595	\$ 5,591	\$ 4
Autism		19,136	19,136	16,110	3,026
School-Sponsored and Other Instructional Program	54,000	24,981	78,981	64,390	14,591
Undistributed Expenditures:					
Administrative Information Technology	27,500		27,500	25,338	2,162
Required Maintenance for School Facilities	6,500	29,155	35,655	27,997	7,658
Custodial Services	35,000	(6,500)	28,500	21,760	6,740
Care and Upkeep of Grounds	64,934	11,500	76,434	75,628	806
Security	506,881	(32,000)	474,881	426,319	48,562
Total Equipment	750,164	58,822	808,986	710,068	98,918
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	88,925	347,375	436,300	332,838	103,462
Construction Services	3,661,483	2,165,726	5,827,209	3,494,380	2,332,829
Assessment for Debt Service on SDA Funding	37,522		37,522	37,522	
Total Facilities Acquisition and Construction Services	3,787,930	2,513,101	6,301,031	3,864,740	2,436,291
TOTAL CAPITAL OUTLAY	4,538,094	2,571,923	7,110,017	4,574,808	2,535,209
TOTAL EXPENDITURES	62,956,046	2,750,321	65,706,367	62,497,317	3,209,050
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(9,811,491)	(2,750,321)	(12,561,812)	(1,550,454)	11,011,358
Other Financing Sources:					
Transfer from Capital Projects				936,445	936,445
Total Other Financing Sources				936,445	936,445

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficit) of Revenues and Other Financing Sources					
Over/(Under) Expenditures	\$ (9,811,491)	\$ (2,750,321)	\$ (12,561,812)	\$ (614,009)	\$ 11,947,803
Fund Balance, July 1	21,050,592		21,050,592	21,050,592	
Fund Balance, June 30	\$ 11,239,101	\$ (2,750,321)	\$ 8,488,780	\$ 20,436,583	\$ 11,947,803
Recapitulation:					
Restricted:					
Excess Surplus for 2019-2020				\$ 4,098,069	
Excess Surplus for 2018-2019				1,877,958	
Capital Reserve				5,543,425	
Maintenance Reserve				672,331	
Assigned:					
Year End Encumbrances				3,847,342	
Designated for Subsequent Year's Expenditures				2,690,202	
Designated for Subsequent Year's Expenditures July 1, 2018 - August 1, 2018				383,739	
Unassigned				1,323,517	
				20,436,583	
Reconciliation to Governmental Funds Statement (GAAP):				(484,789)	
Last State Aid Payments not Recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)				\$ 19,951,794	

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 114,223	\$ 114,223	\$ 27,232	\$ (86,991)
State Sources		101	101	101	
Federal Sources	\$ 520,895	104,532	625,427	608,809	(16,618)
Total Revenues	520,895	218,856	739,751	636,142	(103,609)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	80,141	(25,223)	54,918	50,072	4,846
Other Purchased Services		6,083	6,083	121	5,962
Tuition	410,231	103,836	514,067	514,067	
General Supplies		49,974	49,974	12,034	37,940
Total Instruction	490,372	134,670	625,042	576,294	48,748
Support Services:					
Other Salaries	30,523	(8,372)	22,151	22,151	
Personal Services - Employee Benefits		19,407	19,407	14,920	4,487
Purchased Professional and Educational Services		12,904	12,904	5,000	7,904
Other Purchased Professional Services		28,500	28,500		28,500
Supplies and Materials		31,741	31,741	17,777	13,964
Total Support Services	30,523	84,180	114,703	59,848	54,855
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment		6	6		6
Total Facilities Acquisition and Construction Services		6	6		6
Total Expenditures	\$ 520,895	\$ 218,856	\$ 739,751	\$ 636,142	\$ 103,609

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 60,946,863	\$ 636,142
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognized Encumbrances as Expenditures and Revenue while the GAAP Basis does not:		
Prior Year Encumbrances		9,958
Cancellation of Prior Year Encumbrances		(711)
Current Year Encumbrances		(20,254)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	548,831	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(484,789)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 61,010,905</u>	<u>\$ 625,135</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 62,497,317	\$ 636,142
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Prior Year Encumbrances		9,958
Cancellation of Prior Year Encumbrances		(711)
Current Year Encumbrances		<u>(20,254)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 62,497,317</u>	<u>\$ 625,135</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISION SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2018 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The general fund budgetary revenue differs from the GAAP revenue due to a difference in the recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Elementary and Secondary Education Act			
	Title I	Title IIA	Title IV	Title IV
REVENUES:				
Local Sources				
State Sources				
Federal Sources	\$ 66,005	\$ 23,737	\$	5,000
Total Revenues	66,005	23,737		5,000
EXPENDITURES:				
Instruction:				
Salaries of Teachers	50,072			
Other Purchased Services				
Tuition				
General Supplies	2,700			
Total Instruction	52,772			
Support Services:				
Other Salaries		22,050		
Personal Services - Employee Benefits	13,233	1,687		5,000
Purchased Professional and Educational Services				
Supplies and Materials				
Total Support Services	13,233	23,737		5,000
Total Expenditures	\$ 66,005	\$ 23,737	\$	5,000

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	I.D.E.A. Part B, Basic	Local Donations	State of NJ Teacher Mentoring	Totals
REVENUES:				
Local Sources	\$	27,232		\$ 27,232
State Sources			101	101
Federal Sources	\$ 514,067			608,809
Total Revenues	514,067	27,232	101	636,142
EXPENDITURES:				
Instruction:				
Salaries of Teachers				50,072
Other Purchased Services		121		121
Tuition	514,067			514,067
General Supplies		9,334		12,034
Total Instruction	514,067	9,455		576,294
Support Services:				
Other Salaries			101	22,151
Personal Services - Employee Benefits				14,920
Purchased Professional and Educational Services				5,000
Supplies and Materials		17,777		17,777
Total Support Services		17,777	101	59,848
Total Expenditures	\$ 514,067	\$ 27,232	\$ 101	\$ 636,142

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOT APPLICABLE

CAPITAL PROJECTS FUND

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Expenditures and Other Financing Uses:	
Purchased Professional and Technical Services	\$ 300,316
Construction Services	6,600,704
Other Objects	667
Transfer Out to General Fund:	
Unexpended Project Balance - Capital Reserve	936,445
Cancellation of SDA Grant Receivable	592,833
	<hr/>
Total Expenditures and Other Financing Uses	8,430,965
	<hr/>
Deficit of Revenue and Other Financing Sources	
Under Expenditures and Other Financing Uses	(8,430,965)
	<hr/>
Fund Balance - Beginning of Year	10,877,029
	<hr/>
Fund Balance - End of Year	\$ 2,446,064
	<hr/> <hr/>
<u>Recapitulation:</u>	
Restricted	\$ 1,850,976
Restricted - Year End Encumbrances	500,877
Committed	94,211
	<hr/>
Total Fund Balance - Budgetary Basis	\$ 2,446,064
	<hr/>
Reconciliation to Governmental Funds Statements (GAAP):	
SDA Grant Receivable not Recognized on the GAAP Basis	(69,690)
	<hr/>
Fund Balance per Governmental Funds (GAAP)	\$ 2,376,374
	<hr/> <hr/>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
FIRE ALARM SYSTEM AND SECURITY UPGRADES - VOORHEES HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Project</u> <u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 461,294	\$ (113,311)	\$ 347,983	\$ 347,983
Transfer from Capital Reserve	691,940	(170,037)	521,903	521,903
Total Revenue and Other Financing Sources	<u>1,153,234</u>	<u>(283,348)</u>	<u>869,886</u>	<u>869,886</u>
Expenditures:				
Purchased Professional and Technical Services	99,000		99,000	99,000
Construction Services	770,886		770,886	770,886
Total Expenditures	<u>869,886</u>		<u>869,886</u>	<u>869,886</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 283,348</u>	<u>\$ (283,348)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>Additional Project Information:</u>				
Project Numbers	3660-060-14-1006			
Grant Date	7/11/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,153,234			
SDA Grant Receivable Cancelled	(113,311)			
Unexpended Balance Cancelled	(170,037)			
Revised Authorized Cost	<u>\$ 869,886</u>			
Percentage Increase over Original Authorized Cost				
Percentage Completion	0%			
Percentage Completion	100%			
Original Target Completion Date	07/16			
Revised Target Completion Date	05/17			

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
BUILDING ENVELOPE RESTORATION - VOORHEES HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Project</u> <u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 423,206	\$ (95,086)	\$ 328,120	\$ 328,120
Transfer from Capital Reserve	<u>634,809</u>	<u>(142,629)</u>	<u>492,180</u>	<u>492,180</u>
Total Revenue and Other Financing Sources	<u>1,058,015</u>	<u>(237,715)</u>	<u>820,300</u>	<u>820,300</u>
Expenditures:				
Purchased Professional and Technical Services	80,300		80,300	80,300
Construction Services	<u>740,000</u>		<u>740,000</u>	<u>740,000</u>
Total Expenditures	<u>820,300</u>		<u>820,300</u>	<u>820,300</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 237,715</u>	<u>\$ (237,715)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	3660-060-14-1007
Grant Date	8/25/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,058,015
SDA Grant Receivable Cancelled	(95,086)
Unexpended Balance Cancelled	<u>(142,629)</u>
Revised Authorized Cost	<u>\$ 820,300</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	01/16
Revised Target Completion Date	03/16

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
FIRE ALARM SYSTEM AND SECURITY UPGRADES - NORTH HUNTERDON HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Project</u> <u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 465,698	\$ (91,580)	\$ 374,118	\$ 374,118
Transfer from Capital Reserve	698,546	(137,369)	561,177	561,177
Total Revenue and Other Financing Sources	<u>1,164,244</u>	<u>(228,949)</u>	<u>935,295</u>	<u>935,295</u>
Expenditures:				
Purchased Professional and Technical Services	108,900		108,900	108,900
Construction Services	826,395		826,395	826,395
Total Expenditures	<u>935,295</u>		<u>935,295</u>	<u>935,295</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 228,949</u>	<u>\$ (228,949)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	3360-050-14-1005
Grant Date	8/25/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,164,244
SDA Grant Receivable Cancelled	(91,580)
Unexpended Balance Cancelled	(137,369)
Revised Authorized Cost	<u>\$ 935,295</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	07/16
Revised Target Completion Date	05/17

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
SINGLE USE BATHROOM ADA - NORTH HUNTERDON HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Project</u> <u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 186,700	\$ (54,904)	\$ 131,796	\$ 131,796
Transfer from Capital Reserve	<u>280,050</u>	<u>(82,357)</u>	<u>197,693</u>	<u>197,693</u>
Total Revenue and Other Financing Sources	<u>466,750</u>	<u>(137,261)</u>	<u>329,489</u>	<u>329,489</u>
Expenditures:				
Purchased Professional and Technical Services	37,000		37,000	37,000
Construction Services	288,789		288,789	288,789
Other Objects	<u>3,700</u>		<u>3,700</u>	<u>3,700</u>
Total Expenditures	<u>329,489</u>		<u>329,489</u>	<u>329,489</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 137,261</u>	<u>\$ (137,261)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	3660-050-14-1003
Grant Date	7/11/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 466,750
SDA Grant Receivable Cancelled	(54,904)
Unexpended Balance Cancelled	<u>(82,357)</u>
Revised Authorized Cost	<u>\$ 329,489</u>

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	12/15
Revised Target Completion Date	N/A

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
RENOVATION OF MAIN ENTRANCE ADA - NORTH HUNTERDON HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 105,255		\$ 105,255	\$ 105,255
Transfer from Capital Reserve	157,883		157,883	157,883
Total Revenue and Other Financing Sources	<u>263,138</u>		<u>263,138</u>	<u>263,138</u>
Expenditures:				
Purchased Professional and Technical Services	22,854		22,854	44,438
Construction Services	163,809	\$ 12,120	175,929	218,700
Total Expenditures	<u>186,663</u>	<u>12,120</u>	<u>198,783</u>	<u>263,138</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 76,475</u>	<u>\$ (12,120)</u>	<u>\$ 64,355</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	3660-050-14-1004
Grant Date	7/11/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 263,138
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>\$ 263,138</u>

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	76%
Original Target Completion Date	12/15
Revised Target Completion Date	12/18

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
RENOVATION OF FRONT FACADE - NORTH HUNTERDON HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 37,881		\$ 37,881	\$ 37,881
Transfer from Capital Reserve	56,821		56,821	56,821
Total Revenue and Other Financing Sources	94,702		94,702	94,702
Expenditures:				
Purchased Professional and Technical Services	12,815		12,815	13,702
Construction Services	52,031		52,031	81,000
Total Expenditures	64,846		64,846	94,702
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 29,856	\$ -0-	\$ 29,856	\$ -0-

Additional Project Information:

Project Numbers	3660-050-14-1002
Grant Date	7/11/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 94,702
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>\$ 94,702</u>

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	68%
Original Target Completion Date	12/15
Revised Target Completion Date	10/18

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ROOF REPLACEMENT - VOORHEES HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Project</u> <u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 1,383,324	\$ (237,952)	\$ 1,145,372	\$ 1,145,372
Transfer from Capital Outlay	1,708,386		1,708,386	1,708,386
Transfer from Capital Reserve	366,600	(356,928)	9,672	9,672
	<u>3,458,310</u>	<u>(594,880)</u>	<u>2,863,430</u>	<u>2,863,430</u>
Total Revenue and Other Financing Sources				
Expenditures:				
Purchased Professional and Technical Services	223,600		223,600	223,600
Construction Services	2,639,830		2,639,830	2,639,830
	<u>2,863,430</u>		<u>2,863,430</u>	<u>2,863,430</u>
Total Expenditures				
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 594,880</u>	<u>\$ (594,880)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	3660-050-14-1008
Grant Date	8/25/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,458,310
SDA Grant Receivable Cancelled	(237,952)
Unexpended Balance Cancelled	(356,928)
Revised Authorized Cost	<u>\$ 2,863,430</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	01/16
Revised Target Completion Date	N/A

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ELEVATOR - NORTH HUNTERDON HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Project</u> <u>Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 347,794		\$ 347,794	\$ 347,794
Transfer from Capital Reserve	<u>651,995</u>	\$ (47,125)	<u>604,870</u>	<u>604,870</u>
Total Revenue and Other Financing Sources	<u>999,789</u>	<u>(47,125)</u>	<u>952,664</u>	<u>952,664</u>
Expenditures:				
Purchased Professional and Technical Services	56,235		56,235	56,235
Construction Services	887,529		887,529	887,529
Other Objects	<u>8,900</u>		<u>8,900</u>	<u>8,900</u>
Total Expenditures	<u>952,664</u>		<u>952,664</u>	<u>952,664</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 47,125</u>	<u>\$ (47,125)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	3660-050-14-1001
Grant Date	8/25/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 999,789
Unexpended Balance Cancelled	<u>(47,125)</u>
Revised Authorized Cost	<u>\$ 952,664</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	08/16
Revised Target Completion Date	03/17

N/A - Not Available/Applicable

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
UPGRADES AND RENOVATIONS TO NORTH HUNTERDON HIGH SCHOOL
AND VOORHEES HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Bond proceeds	\$ 9,743,000		\$ 9,743,000	\$ 9,743,000
Total Revenue and Other Financing Sources	<u>9,743,000</u>		<u>9,743,000</u>	<u>9,743,000</u>
Expenditures:				
Purchased Professional and Technical Services	501,580	\$ 300,316	801,896	1,010,764
Construction Services		6,588,584	6,588,584	8,730,236
Other Objects		<u>667</u>	<u>667</u>	<u>2,000</u>
Total Expenditures	<u>501,580</u>	<u>6,889,567</u>	<u>7,391,147</u>	<u>9,743,000</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 9,241,420</u>	<u>\$ (6,889,567)</u>	<u>\$ 2,351,853</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	4/27/17
Bonds Authorized	\$ 9,743,000
Bonds Issued	9,743,000
Original Authorized Cost	9,743,000
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>\$ 9,743,000</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	76%
Original Target Completion Date	05/19
Revised Target Completion Date	N/A

N/A - Not Available/Applicable

PROPRIETARY FUNDS

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food Service	Transportation Fund	Total
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 116,954		\$ 116,954
Inventories	26,704		26,704
Total Current Assets	<u>143,658</u>		<u>143,658</u>
Non-Current Assets:			
Capital Assets	735,738		735,738
Less: Accumulated Depreciation	<u>(399,670)</u>		<u>(399,670)</u>
Total Non-Current Assets	<u>336,068</u>		<u>336,068</u>
Total Assets	<u>479,726</u>		<u>479,726</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable - Vendors	44,189		44,189
Unearned Revenue - Prepaid Sales	<u>39,656</u>		<u>39,656</u>
Total Current Liabilities	<u>83,845</u>		<u>83,845</u>
<u>NET POSITION:</u>			
Investment in Capital Assets	336,068		336,068
Unrestricted	<u>59,813</u>		<u>59,813</u>
Total Net Position	<u>\$ 395,881</u>	<u>\$ -0-</u>	<u>\$ 395,881</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Transportation	
	Service	Fund	Total
Operating Revenue:			
Local Sources:			
Daily Sales - Non-Reimbursable Programs	\$ 1,519,054		\$ 1,519,054
Other Income	9	\$ 742,462	742,471
Total Operating Revenue	<u>1,519,063</u>	<u>742,462</u>	<u>2,261,525</u>
Operating Expenses:			
Cost of Sales - Non-Reimbursable Programs	693,936		693,936
Salaries	409,190		409,190
Benefits & Payroll Taxes	167,880		167,880
Other Purchased Services		742,462	742,462
Supplies, Insurance and Other Costs	209,330		209,330
Management Fee	64,412		64,412
Depreciation Expense	23,294		23,294
Total Operating Expenses	<u>1,568,042</u>	<u>742,462</u>	<u>2,310,504</u>
Operating Loss	<u>(48,979)</u>		<u>(48,979)</u>
Non-Operating Revenue:			
Local Sources:			
Interest Income	6,575		6,575
Total Non-Operating Revenue	<u>6,575</u>		<u>6,575</u>
Change in Net Position	(42,404)		(42,404)
Net Position - Beginning of Year	<u>438,285</u>		<u>438,285</u>
Net Position - End of Year	<u>\$ 395,881</u>	<u>\$ -0-</u>	<u>\$ 395,881</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Transportation	
	Service	Fund	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 1,529,478	\$ 742,462	\$ 2,271,940
Payments to Food Service Contractor	(1,490,213)		(1,490,213)
Payments for Suppliers	(85,208)	(742,462)	(827,670)
Net Cash Used for Operating Activities	(45,943)		(45,943)
Cash Flows from Capital and Related Financing Activities:			
Purchases of Capital Assets	(169,582)		(169,582)
Net Cash Used for Capital and Related Financing Activities	(169,582)		(169,582)
Cash Flows from Investing Activities:			
Interest Income	6,575		6,575
Net Cash Provided by Investing Activities	6,575		6,575
Net Decrease in Cash and Cash Equivalents	(208,950)		(208,950)
Cash and Cash Equivalents, July 1	325,904		325,904
Cash and Cash Equivalents, June 30	\$ 116,954	\$ -0-	\$ 116,954
Reconciliation of Operating Loss to Net Cash			
Used for Operating Activities:			
Operating Loss	\$ (48,979)	\$ -0-	\$ (48,979)
Adjustment to Reconcile Operating Loss to Net Cash			
Used for Operating Activities:			
Depreciation	23,294		23,294
Changes in Assets and Liabilities:			
Increase in Unearned Revenue	10,415		10,415
(Decrease) in Accounts Payable	(20,319)		(20,319)
(Increase) in Inventory	(10,354)		(10,354)
Net Cash Used for Operating Activities	\$ (45,943)	\$ -0-	\$ (45,943)

FIDUCIARY FUNDS

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>Agency</u>	<u>Payroll</u>	<u>Total Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>	<u>Private Purpose Scholarship Trust</u>	<u>Totals</u>
<u>ASSETS:</u>							
Cash and Cash Equivalents	\$ 490,948	\$ 245,442	\$ 736,390	\$ 502,422	\$ 23,223	\$ 23,799	\$ 1,285,834
Total Assets	490,948	245,442	736,390	502,422	23,223	23,799	1,285,834
<u>LIABILITIES:</u>							
Due to Student Groups	490,948		490,948				490,948
Payroll Deductions and Withholdings		234,242	234,242				234,242
Accrued Salaries and Wages		3,061	3,061				3,061
Interfund Payable - General Fund		8,139	8,139				8,139
Total Liabilities	490,948	245,442	736,390				736,390
<u>NET POSITION:</u>							
Held in Trust for:							
Unemployment Claims				502,422			502,422
Flexible Spending Claims					23,223		23,223
Restricted for Scholarships						23,799	23,799
Total Net Position	\$ -0-	\$ -0-	\$ -0-	\$ 502,422	\$ 23,223	\$ 23,799	\$ 549,444

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Unemployment Compensation Trust	Flexible Spending Trust	Private Purpose Scholarship Trust	Totals
ADDITIONS:				
Contributions:				
Plan Members	\$ 94,685	\$ 48,502		\$ 143,187
Donations			\$ 2,250	2,250
Total Contributions	<u>94,685</u>	<u>48,502</u>	<u>2,250</u>	<u>145,437</u>
Investment Earnings:				
Interest	5,471	236	126	5,833
Net Investment Earnings	5,471	236	126	5,833
Total Additions	<u>100,156</u>	<u>48,738</u>	<u>2,376</u>	<u>151,270</u>
DEDUCTIONS:				
Quarterly Contribution Reports	95,789			95,789
Flexible Spending Claims		50,039		50,039
Scholarships Awarded			5,300	5,300
Bank Service Charges			1	1
Total Deductions	<u>95,789</u>	<u>50,039</u>	<u>5,301</u>	<u>151,129</u>
Change in Net Position	4,367	(1,301)	(2,925)	141
Net Position - Beginning of the Year	<u>498,055</u>	<u>24,524</u>	<u>26,724</u>	<u>549,303</u>
Net Position - End of the Year	<u>\$ 502,422</u>	<u>\$ 23,223</u>	<u>\$ 23,799</u>	<u>\$ 549,444</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 259,592	\$ 31,062,645	\$ 31,076,795	\$ 245,442
Total Assets	<u>\$ 259,592</u>	<u>\$ 31,062,645</u>	<u>\$ 31,076,795</u>	<u>\$ 245,442</u>
 <u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 230,014	\$ 30,429,998	\$ 30,425,770	\$ 234,242
Accrued Salaries and Wages	9,675	632,647	639,261	3,061
Interfund Payable:				
Unemployment Compensation Trust	11,764		11,764	
General Fund	8,139			8,139
Total Liabilities	<u>\$ 259,592</u>	<u>\$ 31,062,645</u>	<u>\$ 31,076,795</u>	<u>\$ 245,442</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 500,078	\$ 1,070,203	\$ 1,079,333	\$ 490,948
Total Assets	<u>\$ 500,078</u>	<u>\$ 1,070,203</u>	<u>\$ 1,079,333</u>	<u>\$ 490,948</u>
 <u>LIABILITIES:</u>				
Liabilities:				
Due to Student Groups	\$ 500,078	\$ 1,070,203	\$ 1,079,333	\$ 490,948
Total Liabilities	<u>\$ 500,078</u>	<u>\$ 1,070,203</u>	<u>\$ 1,079,333</u>	<u>\$ 490,948</u>

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
North Hunterdon High School Activities	\$ 338,347	\$ 411,052	\$ 414,827	\$ 334,572
North Hunterdon High School Athletics	16	144,119	144,087	48
Voorhees High School Activities	151,829	358,968	387,827	122,970
Voorhees High School Athletics	13	132,815	105,142	27,686
District-Wide Activity	1,000	3,612	3,612	1,000
Summer Camps	8,873	19,637	23,838	4,672
	<u>\$ 500,078</u>	<u>\$ 1,070,203</u>	<u>\$ 1,079,333</u>	<u>\$ 490,948</u>

LONG-TERM DEBT

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2017	Matured	Balance June 30, 2018
			Date	Amount				
2017 School Bonds	04/27/17	\$ 9,743,000	1/15/19	\$ 540,000	1.375%			
			1/15/20	555,000	1.500%			
			1/15/21	565,000	1.625%			
			1/15/22	585,000	1.750%			
			1/15/23	600,000	2.000%			
			1/15/24	620,000	2.000%			
			1/15/25	640,000	2.000%			
			1/15/26	660,000	2.125%			
			1/15/27	680,000	2.250%			
			1/15/28	700,000	2.750%			
			1/15/29	725,000	2.750%			
			1/15/30	750,000	2.750%			
			1/15/31	780,000	3.000%			
			1/15/32	805,000	3.000%			
						\$ 9,743,000	\$ 538,000	\$ 9,205,000
						\$ 9,743,000	\$ 538,000	\$ 9,205,000

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 691,678		\$ 691,678	\$ 691,678	
Total Revenues	691,678		691,678	691,678	
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	153,679		153,679	153,679	
Redemption of Principal	538,000		538,000	538,000	
Total Regular Debt Service	691,679		691,679	691,679	
Total Expenditures	691,679		691,679	691,679	
Deficit of Revenues Under Expenditures	(1)		(1)	(1)	
Fund Balance, July 1	-0-		-0-	-0-	
Fund Balance/(Deficit), June 30	\$ (1)	\$ -0-	\$ (1)	\$ (1)	\$ -0-
Recapitulation:					
Unassigned/(Deficit)				\$ (1)	

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

Purpose	Interest Rate	Original Issue	Balance July 1, 2017	Matured	Balance June 30, 2018
Energy Savings Program	1.94%	\$ 7,600,000	\$ 5,080,514	\$ 555,174	\$ 4,525,340
			<u>\$ 5,080,514</u>	<u>\$ 555,174</u>	<u>\$ 4,525,340</u>

STATISTICAL SECTION
(UNAUDITED)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

Exhibit

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
 NET POSITION BY COMPONENT,
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 UNAUDITED

	June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017*	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 13,475,837	\$ 15,070,421	\$ 14,824,528	\$ 14,997,657	\$ 16,032,042	\$ 17,093,580	\$ 19,379,905	\$ 23,918,194	\$ 19,744,789	\$ 30,297,208
Restricted	8,841,655	7,446,851	10,074,730	15,853,253	17,131,231	20,886,295	22,550,189	23,868,136	24,761,461	14,543,636
Unrestricted/(Deficit)	(2,008,082)	(1,963,970)	(1,689,955)	(1,753,740)	(1,246,461)	(15,870,736)	(15,992,785)	(17,168,657)	(12,966,201)	(10,998,579)
Total Governmental Activities Net Position	\$ 20,309,410	\$ 20,553,302	\$ 23,209,303	\$ 29,097,170	\$ 31,916,812	\$ 22,109,139	\$ 25,937,309	\$ 30,617,673	\$ 31,540,049	\$ 33,842,265
Business-Type Activities										
Investment in Capital Assets	\$ 212,491	\$ 193,174	\$ 514,165	\$ 173,175	\$ 151,885	\$ 135,102	\$ 148,456	\$ 174,462	\$ 189,780	\$ 336,068
Unrestricted	586,401	583,846	252,071	252,280	160,277	85,745	123,872	207,954	248,505	59,813
Total Business-Type Activities Net Position	\$ 798,892	\$ 777,020	\$ 766,236	\$ 425,455	\$ 312,162	\$ 220,847	\$ 272,328	\$ 382,416	\$ 438,285	\$ 395,881
District-Wide										
Net Investment in Capital Assets	\$ 13,688,328	\$ 15,263,595	\$ 15,338,693	\$ 15,170,832	\$ 16,183,927	\$ 17,228,682	\$ 19,528,361	\$ 24,092,656	\$ 19,934,569	\$ 30,633,276
Restricted	8,841,655	7,446,851	10,074,730	15,853,253	17,131,231	20,886,295	22,550,189	23,868,136	24,761,461	14,543,636
Unrestricted/(Deficit)	(1,421,681)	(1,380,124)	(1,437,884)	(1,501,460)	(1,086,184)	(15,784,991)	(15,868,913)	(16,960,703)	(12,717,696)	(10,938,766)
Total District Net Position	\$ 21,108,302	\$ 21,330,322	\$ 23,975,539	\$ 29,522,625	\$ 32,228,974	\$ 22,329,986	\$ 26,209,637	\$ 31,000,089	\$ 31,978,334	\$ 34,238,146

* - Restated

Source: School District Financial Reports

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fiscal Year Ending June 30,										
Expenses:										
Governmental Activities:										
Instruction										
Regular	\$ 20,178,170	\$ 19,843,893	\$ 19,264,461	\$ 18,592,836	\$ 20,375,708	\$ 21,144,719	\$ 25,140,946	\$ 26,827,459	\$ 29,089,377	\$ 32,686,584
Special Education	5,050,936	5,737,561	5,390,618	5,552,869	5,934,953	5,399,972	5,965,053	5,915,389	6,703,698	7,287,507
Other Special Education										169,604
Other Instruction	2,973,630	3,288,942	3,068,607	3,029,471	3,144,020	3,624,808	4,253,586	4,461,015	5,157,175	3,475,564
Support Services:										
Tuition	2,487,447	2,619,914	2,657,838	2,806,721	2,739,699	2,548,167	2,610,349	2,586,471	3,168,741	3,258,563
Student & Instruction Related Services	7,715,923	8,097,359	8,217,088	7,493,040	7,829,821	7,660,683	8,662,456	9,265,781	10,329,530	8,501,241
General Administrative Services	1,347,216	1,234,778	1,101,667	1,051,338	1,237,261	1,229,412	1,092,365	1,140,264	1,295,041	1,293,425
School Administrative Services	1,600,461	1,607,012	1,316,444	1,343,170	1,529,880	1,639,482	1,970,420	2,082,155	2,173,691	2,033,588
Central Services/Admin. Info Technology	1,054,595	2,089,292	1,920,547	1,942,215	1,732,026	1,695,243	1,633,801	1,972,802	2,202,040	2,221,646
Plant Operations And Maintenance	6,913,840	6,352,977	5,962,851	5,525,260	6,181,363	4,784,503	5,774,862	4,717,723	6,566,496	6,414,595
Pupil Transportation	3,864,455	3,866,939	3,551,610	3,834,551	4,063,190	3,984,438	4,157,425	3,738,990	3,908,601	4,145,065
Interest On Long-Term Debt	873,566	175,962	195,819	175,475	151,017	123,966	92,302	57,250	66,909	203,035
Unallocated Depreciation	164,569									
Transfer of Funds to Charter School	50,271	48,734								
Total Governmental Activities Expenses	54,275,079	54,963,363	52,647,550	51,346,946	54,918,938	53,835,393	61,353,565	62,765,299	70,661,299	71,690,017
Business-Type Activities:										
Food Service	1,297,289	1,227,522	1,209,297	1,242,555	1,206,811	1,204,488	1,307,488	1,388,015	1,474,031	1,568,042
Transportation Fund										742,462
Total Business-Type Activities Expense	1,297,289	1,227,522	1,209,297	1,242,555	1,206,811	1,204,488	1,307,488	1,388,015	1,474,031	2,310,504
Total District Expenses	\$ 55,572,368	\$ 56,190,885	\$ 53,856,847	\$ 52,589,501	\$ 56,125,749	\$ 55,039,881	\$ 62,661,053	\$ 64,153,314	\$ 72,135,330	\$ 74,000,521
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	\$ 3,614,225	\$ 3,719,351	\$ 3,928,806	\$ 3,941,280	\$ 3,820,104	\$ 4,501,059	\$ 9,847,385	\$ 12,358,969	\$ 19,597,763	\$ 456,571
Operating Grants and Contributions										21,120,214
Capital Grants and Contributions										374,118
Total Governmental Activities Program Revenues	3,614,225	3,719,351	3,928,806	3,941,280	3,820,104	4,501,059	9,847,385	12,358,969	19,597,763	21,950,903

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED
(Continued)

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Program Revenues										
Business-Type Activities:										
Charges for Services	\$ 1,066,235	\$ 1,105,178	\$ 1,106,389	\$ 1,125,378	\$ 1,007,019	\$ 1,019,976	\$ 1,237,696	\$ 1,368,433	\$ 1,526,949	\$ 1,519,063
Food Service	70,778	97,960	91,153	93,789	85,515	92,501	119,955	127,298	678	742,462
Transportation Fund	1,137,013	1,203,138	1,197,542	1,219,167	1,092,534	1,112,477	1,357,651	1,495,731	1,527,627	2,261,525
Operating Grants and Contributions	\$ 4,751,238	\$ 4,922,489	\$ 5,126,348	\$ 5,160,447	\$ 4,912,638	\$ 5,613,536	\$ 11,205,036	\$ 13,854,700	\$ 21,125,390	\$ 24,212,428
Total Business Type Activities Program Revenues	\$ (50,660,854)	\$ (51,244,012)	\$ (48,718,744)	\$ (47,405,666)	\$ (51,098,834)	\$ (49,334,334)	\$ (51,506,180)	\$ (50,406,330)	\$ (51,063,536)	\$ (49,739,114)
Total District Program Revenues	(160,276)	(24,384)	(11,755)	(23,388)	(114,277)	(92,011)	50,163	107,716	53,596	(48,979)
Net (Expense)/Revenue	\$ (50,821,130)	\$ (51,268,396)	\$ (48,730,499)	\$ (47,429,054)	\$ (51,213,111)	\$ (49,426,345)	\$ (51,456,017)	\$ (50,298,614)	\$ (51,009,940)	\$ (49,788,093)
Governmental Activities										
Business-Type Activities	\$ 43,727,188	\$ 45,170,185	\$ 45,249,504	\$ 45,895,988	\$ 45,895,988	\$ 46,813,908	\$ 47,048,907	\$ 47,048,907	\$ 47,048,907	\$ 47,048,907
Property Taxes Levied for General Purposes, Net	800,210	803,899	750,332	786,475	787,475	792,476	793,000	393,751	792,748	691,678
Taxes Levied for Debt Service	6,598,017	5,211,384	5,196,818	6,096,931	7,385,430	6,022,238	7,235,272	7,249,807	4,011,010	3,600,007
Federal and State Aid not Restricted										354,665
Investment Earnings	402,965	306,806	186,480	346,923	320,764	759,179	258,640	394,230	534,495	346,073
Miscellaneous Income	(415)	(4,371)	(8,389)	(152,484)	(471,181)	(12,741)	(2,432)			
Disposal of Capital Assets				319,700			962			
Transfer of Capital Assets										
Total Governmental Activities	\$ 51,527,965	\$ 51,487,903	\$ 51,374,745	\$ 53,293,533	\$ 53,918,476	\$ 54,375,060	\$ 55,334,349	\$ 55,086,695	\$ 52,387,160	\$ 52,041,330
Business-Type Activities:										
Investment Earnings										6,575
Miscellaneous Income		2,513	970	2,307	983	697	2,280	2,371	2,607	
Transfer of Capital Assets				(319,700)			(962)			
Deletion of Capital Assets, Net of Accumulated Depreciation										(334)
Total Business-Type Activities	\$ 51,527,965	\$ 51,490,416	\$ 51,375,715	\$ 52,976,140	\$ 53,919,459	\$ 54,375,757	\$ 55,335,667	\$ 55,089,066	\$ 52,389,433	\$ 52,047,905
Total District-Wide	\$ 867,111	\$ 243,891	\$ 2,656,001	\$ 5,887,867	\$ 2,819,642	\$ 5,040,726	\$ 3,828,169	\$ 4,680,365	\$ 1,323,624	\$ 2,302,216
Change in Net Position:	(160,276)	(21,871)	(10,785)	(340,781)	(113,294)	(91,314)	51,481	110,087	55,869	(42,404)
Governmental Activities	\$ 706,835	\$ 222,020	\$ 2,645,216	\$ 5,547,086	\$ 2,706,348	\$ 4,949,412	\$ 3,879,650	\$ 4,790,452	\$ 1,379,493	\$ 2,259,812
Business-Type Activities										
Total District										

Source: School District Financial Reports

NORTH HUNTERDON-VORHEES REGIONAL HIGH SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 UNAUDITED

	June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017*	2018
General Fund										
Reserved/Restricted	\$ 9,250,553	\$ 7,629,961	\$ 9,894,212	\$ 15,661,735	\$ 16,869,563	\$ 20,935,794	\$ 19,022,927	\$ 18,586,727	\$ 14,921,073	\$ 12,191,783
Assigned		649,543	378,881	921,482	853,028	482,079	3,488,461	4,720,193	860,495	6,921,283
Unassigned	1,084,202	912,532	673,681	504,343	572,650	575,268	759,607	569,156	860,495	838,728
Total General Fund	\$ 10,334,755	\$ 8,542,493	\$ 11,217,436	\$ 16,544,959	\$ 18,363,695	\$ 22,364,090	\$ 20,264,613	\$ 22,644,344	\$ 20,501,761	\$ 19,951,794
All Other Governmental Funds										
Reserved/Restricted	\$ 1,250	\$ 9,258	\$ 970,569	\$ 970,569	\$ 265,985	\$ 1	\$ 1	\$ 242,953	\$ 6,685,765	\$ 2,351,853
Committed		1,561,253			58,693		3,561,062	1,567,294	3,154,623	24,521
Assigned										
Unreserved/Unassigned, Reported In:										
Debt Service Fund/ (Deficit)										(1)
Total All Other Governmental Funds	\$ 1,250	\$ 1,570,511	\$ 970,569	\$ 970,569	\$ 324,678	\$ 1	\$ 3,561,063	\$ 1,810,249	\$ 9,840,388	\$ 2,376,373
Total All Funds:										
Reserved/Restricted	\$ 9,250,553	\$ 7,639,219	\$ 9,894,212	\$ 15,661,735	\$ 16,869,563	\$ 20,935,794	\$ 19,022,927	\$ 18,829,680	\$ 21,606,838	\$ 14,543,636
Committed		970,569	970,569	970,569	265,985	1	1	2	2	24,521
Assigned		649,543	378,881	921,482	853,028	482,079	3,488,461	7,874,816	860,495	6,921,283
Unassigned/(Deficit)		673,681	504,343	572,650	575,268	575,268	759,607	569,156	860,495	838,727
Total All Governmental Funds	\$ 9,250,553	\$ 7,639,219	\$ 12,188,005	\$ 17,515,528	\$ 18,629,680	\$ 22,364,091	\$ 20,264,614	\$ 22,887,299	\$ 30,342,149	\$ 22,328,167

* - Restated

Source: School District Financial Reports

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Tax Levy	\$ 44,527,398	\$ 45,974,084	\$ 45,999,836	\$ 46,682,463	\$ 46,683,463	\$ 47,606,384	\$ 47,841,907	\$ 47,442,658	\$ 47,841,655	\$ 47,740,585
Tuition from Other LEAs										456,571
Interest Earned on Maintenance Reserve Funds										8,061
Interest Earned on Capital Reserve Funds										61,973
Unrestricted Miscellaneous Revenue	266,013	332,342	230,048	428,426	361,147	897,046	288,246	473,021	627,538	646,929
State Sources	9,598,550	7,687,761	8,130,257	8,952,879	10,449,206	9,823,646	11,722,604	12,439,525	12,589,294	13,155,857
Federal Sources	583,644	1,217,338	951,799	1,003,829	715,945	563,715	566,373	721,191	715,744	631,860
Total Revenue	54,975,605	55,211,525	55,311,940	57,067,597	58,209,761	58,890,791	60,419,130	61,076,395	61,774,231	62,701,836
Expenditures										
Instruction										
Regular Instruction	15,833,377	15,564,255	14,975,959	13,947,213	14,788,334	15,236,687	15,681,296	15,310,897	15,839,463	15,747,515
Special Education Instruction	3,628,598	3,913,513	3,799,610	3,738,910	3,774,249	3,761,410	3,525,288	3,376,503	3,401,855	3,725,772
School-Sponsored/Other Instruction	2,628,017	2,751,835	2,559,872	2,548,988	2,580,264	2,618,682	2,670,578	2,722,399	2,805,842	2,794,687
Support Services:										
Tuition	2,487,447	2,619,914	2,657,838	2,806,721	2,739,699	2,548,167	2,610,349	2,586,471	3,168,741	3,258,363
Student & Instruction Related Services	5,971,009	6,159,268	5,820,833	5,499,806	5,652,816	5,544,664	5,556,142	5,607,322	5,659,499	5,007,291
General Administration Services	962,756	1,000,535	885,468	855,725	1,015,578	1,035,417	947,116	990,066	1,092,764	1,024,652
School Administration Services	1,226,284	1,227,466	1,010,493	1,052,929	1,100,382	1,168,552	1,213,434	1,210,706	1,125,948	1,054,865
Central Services	801,471	808,149	705,762	853,999	670,677	643,681	703,379	774,336	696,030	701,396
Administrative Information Technology	683,754	646,192	606,247	546,860	521,635	574,361	582,167	744,802	776,315	812,615
Plant Operations And Maintenance	5,202,598	4,698,910	4,239,106	3,734,840	4,529,926	4,379,600	4,494,612	4,446,897	5,572,244	5,698,491
Pupil Transportation	3,629,359	3,680,532	3,326,405	3,528,752	3,741,046	3,697,216	3,917,820	3,776,759	3,986,778	3,770,453
Allocated Benefits	7,158,814	7,746,635	7,438,296	7,436,069	8,016,655	10,719	12,444			
Unallocated Benefits	3,040,035	3,136,568	3,232,510	3,714,328	4,604,811	11,911,144	12,700,830	13,606,090	14,417,824	14,951,544
Special Schools	50,271	48,734								
Capital Outlay	739,570	656,615	3,467,687	5,235,716	2,891,347	1,668,341	3,549,090	4,500,480	5,892,376	11,476,495
Capital Lease Principal				211,385						
Debt Service:										
Principal	550,000	630,000	575,000	600,000	625,000	655,000	685,000	720,000	755,000	538,000
Interest And Other Charges	250,211	145,506	203,725	186,475	162,475	137,475	108,000	73,750	37,750	153,679
Total Expenditures	54,843,571	55,434,627	55,504,811	56,498,716	57,414,894	55,591,116	58,957,545	60,447,478	65,228,429	70,715,818
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	132,034	(223,102)	(192,871)	568,881	794,867	3,299,675	1,461,585	628,917	(3,454,198)	(8,013,982)

WARREN HILLS REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other Financing Sources/(Uses)										
Bond Sale Proceeds			\$ 2,267,872	\$ 4,758,642	\$ 377,979	\$ 377,974			\$ 9,743,000	
Capital Leases (Non-Budgeted)						(1,931)				
State Aid Canceled			2,267,872	4,758,642	377,979	376,043			9,743,000	
Total Other Financing Sources/(Uses)			\$ 2,075,001	\$ 5,327,523	\$ 1,172,846	\$ 3,675,718	\$ 1,461,585	\$ 628,917	\$ 6,288,802	\$ (8,013,982)
Net Change In Fund Balances	\$ 132,034	\$ (223,102)	\$ 2,075,001	\$ 5,327,523	\$ 1,172,846	\$ 3,675,718	\$ 1,461,585	\$ 628,917	\$ 6,288,802	\$ (8,013,982)
Debt Service As A Percentage Of Noncapital Expenditures	1.48%	1.42%	1.50%	1.53%	1.44%	1.47%	1.43%	1.42%	1.34%	1.17%

Source: School District Financial Reports

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

Fiscal Year Ending June 30	Interest on		Transportation Fees	Use of Facilities/ Rentals		Game Receipts	Student Parking Fees	Clean Energy Rebates	Miscellaneous	Total
	Tuition	Investments								
2009	\$ 4,722	\$ 106,317		\$ 18,968					\$ 105,958	\$ 235,965
2010		16,213		40,888					232,705	289,806
2011		10,495		21,113					154,871	186,479
2012	34,104	133,058		16,418					163,343	346,923
2013	26,645	88,927		10,723					194,469	320,764
2014	66,942	89,617		4,878				\$ 420,845	176,897	759,179
2015	51,772	99,420		7,674					99,774	258,640
2016	71,658	95,827	\$ 74,531	33,901	\$ 24,988	\$ 29,856			63,469	394,230
2017	221,723	146,272		14,784	37,651	42,348			71,717	534,495
2018	456,571	354,665		20,617	37,702	30,796			256,958	1,157,309

Source: North Hunterdon-Voorhees Regional High School District records

NORTH HUNTERDON-VORHEES REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY, LAST TEN YEARS
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Bethlehem Township</u>													
2008	\$ 6,976,100	\$ 448,389,600	\$ 41,525,600	\$ 1,946,328	\$ 20,956,200	\$ 8,333,000		\$ 528,126,828	\$ 26,000,926	\$ 651,115	\$ 528,777,943	\$ 0.64	\$ 712,181,674
2009	7,747,400	450,512,700	41,265,800	1,881,928	20,956,200	8,333,000		530,697,028	26,374,526	541,904	531,238,932	0.63	665,474,583
2010	6,882,100	450,631,500	41,920,800	1,944,428	20,956,200	8,333,000		530,668,028	27,111,726	701,087	531,369,115	0.68	659,966,264
2011	6,963,800	450,591,300	42,459,700	1,919,628	21,179,700	7,290,400		530,404,528	27,689,926	803,099	531,207,627	0.65	630,813,595
2012	6,041,300	448,537,800	42,519,800	1,934,628	21,179,700	6,990,400		527,203,628	28,470,226	888,986	528,092,614	0.66	597,631,725
2013	6,211,400	449,801,500	41,633,600	1,902,528	21,179,700	6,990,400		527,719,128	28,457,826	910,190	528,629,318	0.68	564,269,173
2014	6,086,400	449,860,400	40,892,300	1,896,628	21,179,700	6,990,400		526,905,828	29,007,526	913,069	527,818,897	0.66	554,160,996
2015	6,106,000	450,125,100	41,193,900	1,886,428	20,757,500	6,990,400		527,059,328	29,475,526	1,028,776	528,088,104	0.71	559,565,542
2016	6,711,400	452,135,100	40,529,300	1,856,328	20,757,500	6,990,400		528,980,028	29,697,226	94	528,980,122	0.71	562,380,558
2017	5,901,100	451,871,100	41,376,000	1,880,228	20,518,000	7,195,700		528,742,128	29,591,726	95	528,742,223	0.67	554,383,796
<u>Califon Borough</u>													
2008	3,024,300	141,995,300	1,957,500	27,508	16,220,700	396,100	\$ 475,700	164,097,108	9,575,100	1,314,154	165,411,262	0.46	164,844,456
2009	2,788,300	142,390,600	1,959,800	25,408	16,221,700	396,100	475,700	164,257,608	9,575,100	1,287,592	165,545,200	0.46	154,096,021
2010	2,366,500	143,408,000	1,959,800	25,408	16,167,100	396,100	475,700	164,798,608	9,575,100	1,026,725	165,825,333	0.47	156,748,253
2011	1,806,700	127,307,700	1,788,500	25,408	15,917,800	397,900	417,600	147,661,608	11,263,400	873,449	148,535,057	0.58	153,958,918
2012	1,800,700	126,560,900	1,454,700	23,608	15,917,800	397,900	417,600	146,573,208	12,220,800	744,317	147,317,525	0.59	147,497,347
2013	1,432,100	126,313,500	1,454,700	23,608	15,917,800	397,900	417,600	145,957,208	12,120,100		145,957,208	0.55	138,404,733
2014	1,367,200	123,010,200	1,454,700	23,608	15,917,800	397,900	382,100	142,553,508	12,120,100		142,553,508	0.61	135,622,331
2015	1,249,800	126,102,000	1,454,700	23,608	15,917,800	397,900	382,100	145,527,908	12,120,100	100	145,528,008	0.61	134,179,869
2016	1,249,800	126,501,500	1,454,700	23,608	15,648,800	397,900	382,100	145,658,408	12,120,100	100	145,658,508	0.60	138,555,153
2017	1,249,800	126,173,100	1,437,500	23,608	15,658,200	404,900	382,100	145,329,208	12,317,700	100	145,329,308	0.71	142,285,722
<u>Clinton Town</u>													
2008	4,979,800	318,996,900	211,800	59,300	89,817,400	10,990,800	10,990,800	425,056,000	28,690,000	884,156	425,940,156	0.47	444,316,208
2009	4,964,760	319,427,500	211,800	59,300	90,159,550	10,990,800	10,990,800	425,813,710	28,452,000	753,165	426,566,875	0.50	422,827,925
2010	5,158,160	318,510,000	211,800	59,300	89,984,350	10,990,800	10,990,800	424,914,410	28,690,000	1,056,564	425,970,974	0.51	421,936,095
2011	5,158,160	318,264,300		38,200	89,369,300	9,638,600	9,638,600	422,468,560	29,164,800	1,150,337	423,618,897	0.52	403,355,956
2012	4,891,560	314,374,900		38,200	81,246,500	9,638,600	9,638,600	410,189,760	29,139,600	1,207,689	411,397,449	0.53	392,375,833
2013	6,798,400	268,505,400		38,200	75,355,700	8,694,800	8,694,800	359,372,500	25,855,800	1,207,689	360,580,189	0.59	379,768,147
2014	5,995,800	265,511,000	119,750	53,850	73,645,300	8,401,300	8,401,300	353,727,000	25,855,200		353,727,000	0.57	381,523,007
2015	6,050,500	266,926,800	119,750	45,700	73,680,100	8,401,300	8,401,300	355,224,150	25,443,500		355,224,150	0.54	383,933,621
2016	5,149,900	270,059,300	119,750	46,500	72,417,800	9,791,600	9,791,600	357,584,850	25,449,100		357,584,850	0.54	383,866,112
2017	5,154,400	274,311,500	119,750	44,300	72,190,800	15,228,800	15,228,800	367,049,550	25,176,100		367,049,550	0.56	389,068,812

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY, LAST TEN YEARS
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Clinton Township</u>													
2008	\$19,106,600	\$2,090,024,500	\$70,456,000	\$ 2,533,216	\$228,922,200	\$164,242,500	\$18,005,800	\$2,593,290,816	\$298,075,605	\$14,613,079	\$2,607,903,895	\$	\$ 2,660,565,696
2009	19,716,000	2,082,368,700	70,495,700	2,452,816	234,903,800	164,242,500	18,005,800	2,592,185,316	300,610,205	13,462,227	2,605,647,543		2,553,542,217
2010	18,895,600	2,028,180,000	70,897,500	2,515,500	228,956,000	164,242,500	18,132,000	2,531,799,100	308,108,405	11,039,724	2,542,838,824		2,515,256,073
2011	18,076,000	1,930,391,700	69,096,900	2,499,600	226,230,600	158,714,500	18,132,000	2,423,141,300	306,641,405	8,858,764	2,432,000,064		2,355,032,236
2012	15,748,800	1,750,604,600	61,211,000	2,482,100	211,503,000	147,366,600	18,111,100	2,207,027,200	309,067,903	7,336,516	2,214,363,716		2,148,624,543
2013	14,144,800	1,707,105,700	58,510,900	2,473,500	197,046,000	143,348,600	18,541,900	2,141,171,400	309,674,803	5,974,452	2,147,145,852		2,182,633,259
2014	13,374,700	1,706,616,300	55,811,400	2,393,000	194,433,800	147,099,700	18,541,900	2,138,270,800	313,713,703		2,138,270,800		2,185,719,889
2015	13,162,200	1,715,936,500	53,221,300	2,408,900	189,838,200	155,426,500	19,142,900	2,149,136,500	314,151,003		2,149,136,500		2,247,700,602
2016	12,470,100	1,721,744,700	52,845,400	2,387,900	186,955,500	155,319,700	19,342,900	2,151,066,200	315,815,903		2,151,066,200		2,244,097,423
2017	12,170,800	1,725,515,200	50,999,200	2,660,200	186,206,700	155,262,100	19,342,900	2,152,157,100	315,035,303		2,152,157,100		2,275,285,261
<u>Franklin Township</u>													
2008	6,368,400	377,968,800	118,769,600	4,278,739	38,588,100	2,308,800	1,113,400	549,395,839	27,657,000	2,270,588	551,666,427		663,225,239
2009	5,601,000	380,204,200	121,823,500	4,256,600	38,588,100	2,308,800	1,086,500	553,868,700	28,733,800	2,142,266	556,010,966		610,484,959
2010	6,663,200	393,200,000	111,936,100	3,983,138	38,203,700	2,308,800	1,086,500	557,381,438	34,492,700	2,359,287	559,740,725		606,798,691
2011	5,265,200	389,984,000	113,262,700	4,106,718	38,189,100	2,340,800	1,086,500	554,235,018	34,229,700	2,488,136	556,723,154		582,350,960
2012	5,138,600	383,243,800	105,795,900	4,108,204	38,119,400	2,328,900	1,000,800	539,735,604	34,073,100	2,520,284	542,255,888		580,582,697
2013	4,176,400	383,146,300	107,188,300	4,101,981	37,179,300	2,328,900	1,029,000	539,121,981	35,053,700	2,523,005	541,644,986		557,988,782
2014	3,902,400	385,013,700	104,069,500	4,400,974	37,219,300	2,328,900	1,029,000	537,963,774	34,861,500	1,403,600	539,367,374		582,010,851
2015	3,667,800	386,011,200	104,457,900	4,134,477	36,719,300	2,328,900	1,037,400	538,356,977	35,186,700	1,403,600	539,760,577		555,775,604
2016	3,383,900	387,268,600	105,564,300	4,139,397	36,411,900	2,328,900	1,037,400	540,134,397	35,196,000	1,403,600	541,537,997		557,878,699
2017	2,752,600	386,549,700	108,880,800	4,111,735	36,421,500	2,028,900	1,037,400	541,782,635	35,521,000	1,403,600	543,186,235		555,152,894
<u>Glen Gardner Borough</u>													
2008	1,363,104	128,991,800	2,430,300	50,937	4,748,000	568,600	1,205,200	139,357,941	5,620,142	251,474	139,609,415		205,414,798
2009	1,363,103	128,763,800	2,430,300	50,937	4,869,500	568,600	1,205,200	139,251,440	5,620,142	251,474	139,502,914		198,859,441
2010	1,363,103	129,175,200	2,430,300	122,987	4,869,500	568,600	1,205,200	139,734,890	5,617,142	251,474	139,986,364		189,294,905
2011	1,331,803	128,716,000	2,430,300	50,687	4,869,500	568,600	1,205,200	139,172,090	5,689,442	289,166	139,461,256		181,731,242
2012	1,331,803	128,702,700	2,430,300	50,687	4,869,500	568,600	1,205,200	139,158,790	5,689,442	289,166	139,447,956		172,141,524
2013	1,239,203	128,632,500	2,479,000	50,687	4,869,500	568,600	1,205,200	139,044,690	6,087,742		139,044,690		162,727,366
2014	1,228,503	129,138,100	1,965,400	38,542	4,823,300	568,600	1,205,200	138,967,645	6,202,142		138,967,645		157,585,366
2015	1,241,203	129,097,500	1,960,900	44,758	4,823,300	568,600	1,212,500	138,948,761	6,040,342		138,948,761		155,281,118
2016	1,241,203	129,471,200	1,960,900	44,758	4,823,300	568,600	1,212,500	139,322,461	5,933,442		139,322,461		154,746,424
2017	1,308,003	129,537,400	1,960,900	44,958	4,904,700	568,600	1,212,500	139,537,061	5,534,042		139,537,061		155,683,141

NORTH HUNTERDON-VORHEES REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY, LAST TEN YEARS
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Hampton Borough</u>													
2008	\$ 4,460,701	\$ 132,531,285	\$ 3,547,400	\$ 142,299	\$ 5,839,050	\$ 1,011,500	\$ 2,745,800	\$ 150,278,035	\$ 11,952,600	\$ 998,328	\$ 151,276,363	\$ 0.45	\$ 153,712,104
2009	3,686,501	133,698,485	3,547,400	142,299	5,830,250	1,011,500	2,745,800	150,662,235	12,072,600	998,328	151,660,563	0.52	150,008,401
2010	2,942,301	133,572,285	3,547,400	142,299	5,830,250	1,011,500	2,745,800	149,791,835	12,087,600	778,247	150,570,082	0.50	141,918,884
2011	2,179,101	109,483,085	3,005,000	135,299	5,168,950	856,000	2,475,400	123,302,835	10,573,000	655,093	123,957,928	0.65	136,494,091
2012	2,280,701	108,985,985	3,005,000	135,299	5,023,150	856,000	2,475,400	122,761,535	10,611,300	554,908	123,316,443	0.66	131,237,846
2013	2,220,001	108,478,085	3,005,000	135,299	4,966,350	856,000	2,475,400	122,136,135	10,611,300		122,136,135	0.65	125,965,271
2014	2,338,301	107,839,785	3,005,000	107,464	4,966,350	856,000	2,475,400	121,588,300	10,611,300		121,588,300	0.66	129,422,746
2015	2,170,201	108,072,285	3,005,000	107,464	4,966,350	856,000	2,475,400	121,652,700	10,611,300		121,652,700	0.67	127,386,679
2016	2,016,318	108,450,385	2,779,950	106,714	4,966,350	856,000	2,475,400	121,651,117	10,699,500		121,651,117	0.59	119,760,896
2017	2,016,318	107,624,985	2,611,750	106,714	4,966,350	856,000	2,230,000	120,412,117	11,322,700		120,412,117	0.56	118,416,786
<u>High Bridge Borough</u>													
2008	7,594,000	354,362,300	1,084,200	14,200	11,947,400	8,024,000	509,600	383,535,700	28,891,200	1,045,806	384,581,506	0.52	446,007,901
2009	2,203,100	354,311,900	1,084,200	14,200	11,947,400	8,024,000	509,600	378,094,400	34,077,900	904,211	378,998,611	0.51	429,523,246
2010	2,183,000	354,003,700	1,084,200	14,200	11,947,800	7,338,600	509,600	377,081,100	34,077,900	934,634	378,015,734	0.62	425,978,607
2011	2,000,900	353,222,800	1,084,200	14,200	11,947,800	7,338,600	509,600	376,118,100	33,990,900	925,117	377,043,217	0.58	410,415,386
2012	1,961,400	348,613,800	1,478,600	9,254	11,964,200	7,338,600	509,600	371,875,454	34,119,500	921,445	372,796,899	0.54	387,670,007
2013	1,478,400	339,991,100	1,478,600	9,254	11,767,400	7,906,400	509,600	363,140,754	30,292,700	951,120	364,091,874	0.62	359,381,771
2014	1,635,700	337,046,400	1,478,600	9,254	11,767,400	7,221,000	509,600	359,667,954	30,292,700		359,667,954	0.60	349,430,504
2015	1,392,500	305,140,100	1,353,700	9,254	12,732,800	8,751,500	1,087,000	330,466,854	25,575,667		330,466,854	0.58	360,146,317
2016	1,396,400	304,820,800	1,353,700	8,554	12,862,200	8,751,500	1,087,000	330,280,154	25,575,667		330,280,154	0.60	361,164,047
2017	1,301,600	303,934,300	2,081,400	10,500	12,413,800	8,751,500	1,087,000	329,580,100	26,816,449		329,580,100	0.52	358,839,392
<u>Lebanon Borough</u>													
2008	22,244,800	182,402,100	842,000	5,824	105,616,600	17,298,000	1,301,000	329,710,324	15,973,167	1,350,942	331,061,266	0.35	322,126,082
2009	20,349,100	188,128,400	842,000	5,859	106,826,900	11,213,400	1,301,000	328,666,659	15,973,167	1,536,124	330,202,783	0.34	303,878,811
2010	18,632,900	195,305,400	842,000	5,859	106,168,100	11,213,400	1,301,000	333,468,659	15,973,167	1,194,467	334,663,126	0.43	330,925,302
2011	3,071,000	152,497,700	681,000	30,279	100,201,000	9,668,000	10,678,400	276,827,379	14,758,367	1,194,467	278,021,846	0.58	300,683,493
2012	3,378,200	152,203,500	681,000	30,279	94,249,100	8,748,080	17,275,800	276,565,959	14,997,967	780,720	277,346,679	0.57	285,536,252
2013	3,382,200	152,148,400	681,000	29,923	89,118,400	8,172,380	19,915,800	273,448,103	15,255,567	659,123	274,107,226	0.61	277,701,310
2014	1,923,200	154,464,700	681,000	29,923	88,937,000	8,172,380	21,079,800	275,288,003	17,438,267		275,288,003	0.63	262,979,007
2015	1,529,600	154,414,600	681,000	29,923	88,252,700	8,713,980	26,106,800	279,728,603	17,438,267		279,728,603	0.59	280,826,717
2016	1,420,900	154,290,900	681,000	29,923	80,796,100	8,713,980	26,106,800	272,039,603	17,438,267		272,039,603	0.57	270,323,648
2017	1,418,900	154,509,500	681,000	29,923	80,837,600	8,713,980	28,141,000	274,331,903	17,144,667		274,331,903	0.49	281,511,410

NORTH HUNTERDON-VORHEES REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY, LAST TEN YEARS
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Lebanon Township</u>													
2008	\$11,955,500	\$ 621,807,400	\$74,728,800	\$ 2,020,910	\$ 33,751,300	\$ 4,441,300	\$ 2,197,100	\$ 750,902,310	\$181,906,000	\$ 1,016,472	\$ 751,918,782	\$ 0.71	\$ 1,131,765,213
2009	11,449,400	625,940,900	74,591,100	2,030,885	33,791,300	3,834,700	1,935,700	753,573,985	202,237,200	840,088	754,414,073	0.72	1,084,418,211
2010	11,189,700	630,542,400	74,457,119	1,977,653	33,797,200	3,410,900	1,935,700	757,310,672	178,186,900	1,080,582	758,591,254	0.69	1,035,254,715
2011	10,509,500	621,168,900	75,978,600	2,066,637	33,645,100	3,410,900	1,935,700	748,715,337	178,236,200	1,226,821	749,942,158	0.72	968,536,834
2012	10,576,000	613,879,400	78,536,600	2,049,179	33,568,500	3,340,100	1,935,700	743,885,479	178,730,800	1,326,945	745,212,424	0.70	934,934,740
2013	9,484,500	606,741,700	78,980,056	2,038,841	34,324,900	3,340,100	1,912,400	736,822,497	177,582,700	87,531	736,910,028	0.61	892,619,517
2014	9,672,500	609,183,900	76,537,900	2,007,849	34,186,300	3,340,100	1,912,400	736,840,949	178,497,000	69,480	736,910,429	0.67	860,124,041
2015	9,509,700	617,692,700	71,112,500	1,976,112	34,982,300	3,340,100	1,912,400	740,525,812	178,731,700	68,276	740,594,088	0.68	878,734,650
2016	9,361,300	619,632,200	71,448,900	2,199,467	35,886,800	3,213,500	1,912,400	743,654,567	179,870,200	66,063	743,720,630	0.72	910,392,090
2017	9,125,600	617,929,600	73,487,117	2,204,744	37,264,300	3,213,500	1,912,400	745,137,261	180,174,500	65,914	745,203,175	0.74	913,566,518
<u>Tewksbury Township</u>													
2008	14,265,900	1,049,742,100	222,657,400	3,611,000	58,491,300	5,304,000	230,900	1,354,071,700	64,454,994	1,805,183	1,355,876,883	0.49	1,940,672,746
2009	14,950,500	1,052,627,411	222,849,200	3,621,236	58,503,500	5,304,000	230,900	1,357,855,847	64,454,994	1,615,868	1,359,471,715	0.52	1,875,428,208
2010	14,589,200	1,050,951,800	229,161,300	3,590,586	59,231,800	5,304,000	230,900	1,362,828,686	66,971,294	1,860,933	1,364,689,619	0.47	1,831,283,110
2011	12,889,800	1,051,075,700	231,348,010	3,532,300	59,427,400	5,304,000	230,900	1,363,577,210	67,479,994	1,953,975	1,365,531,185	0.51	1,780,372,650
2012	12,444,900	1,049,065,400	233,715,310	3,479,255	47,453,900	5,304,000	230,900	1,351,462,765	65,368,194	2,067,188	1,353,529,953	0.55	1,724,674,774
2013	12,193,100	1,052,559,900	231,808,510	3,437,255	47,503,200	5,304,000	230,900	1,352,805,965	67,937,894	2,001,443	1,354,807,408	0.57	1,667,289,146
2014	11,791,300	1,052,799,100	234,439,410	3,717,155	47,503,200	5,304,000	230,900	1,355,554,165	68,086,194	2,048,264	1,357,602,429	0.62	1,634,506,475
2015	11,241,600	1,055,088,200	232,942,910	3,491,755	47,362,900	2,804,000	230,900	1,352,931,365	68,418,394	2,366,473	1,355,297,838	0.61	1,615,855,999
2016	9,945,200	1,060,442,600	232,720,110	3,418,255	48,031,500	2,804,000	230,900	1,357,361,665	68,750,180	1,357,361,665	0.64	1,625,792,401	
2017	8,995,200	1,064,521,600	230,415,610	3,473,255	47,719,400	2,804,000	230,900	1,357,929,065	68,750,180	1,357,929,065	0.66	1,650,741,983	
<u>Union Township</u>													
2008	17,071,053	519,230,400	32,247,700	1,073,165	93,292,800	14,192,100	230,900	677,338,118	162,391,100	6,213,305	683,551,423	0.69	1,040,263,531
2009	17,789,004	531,265,200	32,804,500	1,074,115	93,143,200	14,192,100	230,900	690,499,019	262,391,100	6,213,177	696,712,196	0.74	1,018,670,015
2010	14,951,504	534,714,400	32,635,000	1,077,841	92,890,900	14,192,100	230,900	690,692,645	261,617,300	6,213,177	696,905,822	0.75	930,734,146
2011	14,685,104	529,159,100	34,593,000	1,114,981	88,414,100	10,386,700	230,900	678,583,885	262,221,600	6,624,752	685,208,637	0.74	880,329,094
2012	14,061,208	528,658,100	35,197,800	1,116,136	89,743,200	10,386,700	230,900	679,394,044	262,769,500	6,624,752	686,018,796	0.74	851,840,113
2013	13,500,308	526,603,600	35,097,200	1,119,036	89,705,600	10,386,700	230,900	676,643,344	262,704,300	6,744,963	683,388,307	0.74	820,935,772
2014	15,073,108	522,049,700	37,591,100	1,082,411	88,792,500	10,386,700	230,900	675,206,419	262,220,600	4,909,700	680,116,119	0.70	783,935,362
2015	16,553,308	524,247,100	36,133,300	1,072,111	104,475,132	10,386,700	230,900	693,098,551	252,088,300	97	693,098,648	0.67	804,067,430
2016	16,134,508	525,993,900	36,774,000	1,031,611	107,510,532	10,386,700	230,900	698,062,151	253,644,400	95	698,062,246	0.68	812,083,793
2017	13,952,608	528,600,700	37,425,800	1,036,261	113,430,532	4,498,800	230,900	699,175,601	253,649,100	95	699,175,696	0.68	811,907,084

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100 of Assessed Valuation

Source: Municipal Tax Assessors

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

BETHLEHEM TOWNSHIP

Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate			Local School District	Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct		Bethlehem Township	Hunterdon County	
2008	\$ 0.63	\$ 0.01	\$ 0.64	\$ 1.38	\$ 0.34	\$ 0.38	\$ 2.74
2009	0.62	0.01	0.63	1.44	0.35	0.43	2.85
2010	0.67	0.01	0.68	1.44	0.35	0.43	2.89
2011	0.64	0.01	0.65	1.40	0.36	0.41	2.82
2012	0.65	0.01	0.66	1.40	0.37	0.40	2.82
2013	0.67	0.01	0.68	1.39	0.37	0.39	2.82
2014	0.64	0.01	0.66	1.38	0.38	0.39	2.80
2015	0.70	0.01	0.71	1.41	0.39	0.39	2.90
2016	0.71	0.01	0.71	1.40	0.39	0.39	2.90
2017	0.66	0.01	0.67	1.40	0.37	0.39	2.83

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

<u>CALIFON BOROUGH</u>									
Year Ended December 31,	<u>North Hunterdon-Voorhees Regional High School District Direct Rate</u>				<u>Overlapping Rates</u>			Total Direct and Overlapping Tax Rate	
	General Obligation		Total Direct	Local School District	Califon Borough	Hunterdon County			
	Basic Rate ^a	Debt Service ^b							
2008	\$ 0.45	\$ 0.01	\$ 0.46	\$ 1.15	\$ 0.38	\$ 0.33	\$ 2.33		
2009	0.45	0.01	0.46	1.20	0.40	0.31	2.37		
2010	0.47	0.01	0.47	1.20	0.40	0.31	2.39		
2011	0.57	0.01	0.58	1.40	0.45	0.36	2.79		
2012	0.58	0.01	0.59	1.43	0.47	0.35	2.84		
2013	0.54	0.01	0.55	1.47	0.49	0.35	2.84		
2014	0.60	0.01	0.61	1.49	0.53	0.35	2.97		
2015	0.60	0.01	0.61	1.52	0.55	0.34	3.02		
2016	0.59	0.01	0.60	1.55	0.57	0.35	3.07		
2017	0.70	0.01	0.71	1.59	0.60	0.36	3.26		

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

CLINTON TOWN									
Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate					Overlapping Rates		Total Direct and Overlapping Tax Rate	
	General Obligation		Total Direct	Local School District	Clinton Town	Hunterdon County			
	Basic Rate ^a	Debt Service ^b							
2008	\$ 0.46	\$ 0.01	\$ 0.47	\$ 1.07	\$ 0.44	\$ 0.35	\$ 2.33		
2009	0.49	0.01	0.50	1.11	0.45	0.34	2.39		
2010	0.50	0.01	0.51	1.11	0.45	0.34	2.40		
2011	0.51	0.01	0.52	1.17	0.46	0.32	2.46		
2012	0.52	0.01	0.53	1.20	0.48	0.33	2.54		
2013	0.58	0.01	0.59	1.38	0.63	0.37	2.97		
2014	0.56	0.01	0.57	1.43	0.69	0.40	3.08		
2015	0.53	0.01	0.54	1.44	0.74	0.40	3.12		
2016	0.54	0.01	0.54	1.42	0.79	0.40	3.16		
2017	0.55	0.01	0.56	1.40	0.81	0.39	3.16		

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(rate per \$100 of assessed value)

CLINTON TOWNSHIP

Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate				Overlapping Rates		Total Direct and Overlapping Tax Rate
	General Obligation		Total Direct	Local School District	Clinton Township	Hunterdon County	
	Basic Rate ^a	Debt Service ^b					
2008	\$ 0.50	\$ 0.01	\$ 0.51	\$ 0.92	\$ 0.20	\$ 0.34	\$ 1.97
2009	0.52	0.01	0.53	0.93	0.20	0.34	2.00
2010	0.54	0.01	0.55	0.93	0.20	0.34	2.01
2011	0.56	0.01	0.57	1.01	0.23	0.33	2.14
2012	0.61	0.01	0.62	1.11	0.26	0.34	2.33
2013	0.63	0.01	0.64	1.15	0.28	0.37	2.44
2014	0.65	0.01	0.66	1.16	0.30	0.38	2.49
2015	0.67	0.01	0.68	1.17	0.32	0.39	2.55
2016	0.64	0.01	0.65	1.16	0.34	0.39	2.53
2017	0.64	0.01	0.65	1.16	0.34	0.39	2.54

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

FRANKLIN TOWNSHIP								
Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate				Overlapping Rates		Total Direct and Overlapping Tax Rate	
	General Obligation		Total Direct	Local School District	Franklin Township	Hunterdon County		
	Basic Rate ^a	Debt Service ^b						
2008	\$ 0.61	\$ 0.01	\$ 0.62	\$ 0.94	\$ 0.31	\$ 0.40	\$ 2.27	
2009	0.58	0.01	0.59	0.93	0.31	0.38	2.21	
2010	0.56	0.01	0.57	0.93	0.31	0.38	2.19	
2011	0.59	0.01	0.60	0.98	0.31	0.36	2.24	
2012	0.62	0.01	0.63	1.04	0.31	0.38	2.36	
2013	0.65	0.01	0.66	1.06	0.32	0.37	2.41	
2014	0.66	0.01	0.67	1.08	0.33	0.40	2.47	
2015	0.60	0.01	0.61	1.10	0.33	0.38	2.42	
2016	0.58	0.02	0.60	1.11	0.34	0.38	2.42	
2017	0.59	0.01	0.60	1.17	0.35	0.38	2.50	

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Year Ended December 31,	GLEN GARDNER BOROUGH							Total Direct and Overlapping Tax Rate
	North Hunterdon-Voorhees Regional High School District Direct Rate			Local School District	Overlapping Rates			
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct		Glen Gardner Borough	Hunterdon County		
2008	\$ 0.74	\$ 0.01	\$ 0.75	\$ 1.10	\$ 0.45	\$ 0.49	\$ 2.79	
2009	0.77	0.01	0.79	1.09	0.46	0.49	2.83	
2010	0.73	0.01	0.74	1.09	0.46	0.49	2.78	
2011	0.73	0.01	0.74	1.18	0.49	0.45	2.86	
2012	0.67	0.01	0.69	1.19	0.50	0.44	2.82	
2013	0.68	0.01	0.69	1.22	0.43	0.53	2.86	
2014	0.73	0.01	0.74	1.21	0.58	0.42	2.95	
2015	0.64	0.01	0.65	1.27	0.62	0.41	2.96	
2016	0.65	0.02	0.67	1.33	0.63	0.41	3.04	
2017	0.57	0.01	0.57	1.43	0.64	0.41	3.05	

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

HAMPTON BOROUGH								
Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate			Local School District	Overlapping Rates		Total Direct and Overlapping Tax Rate	
	General Obligation		Total Direct		Hampton Borough	Hunterdon County		
	Basic Rate ^a	Debt Service ^b						
2008	\$ 0.44	\$ 0.01	\$ 0.45	\$ 1.20	\$ 0.31	\$ 0.34	\$ 2.30	
2009	0.51	0.01	0.52	1.12	0.31	0.34	2.29	
2010	0.49	0.01	0.50	1.12	0.31	0.34	2.27	
2011	0.64	0.01	0.65	1.61	0.43	0.38	3.06	
2012	0.64	0.01	0.66	1.53	0.45	0.38	3.02	
2013	0.64	0.01	0.65	1.48	0.52	0.37	3.03	
2014	0.65	0.01	0.66	1.46	0.55	0.40	3.06	
2015	0.66	0.01	0.67	1.44	0.60	0.39	3.09	
2016	0.59	0.01	0.59	1.46	0.61	0.37	3.03	
2017	0.56	0.01	0.56	1.51	0.68	0.36	3.11	

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(rate per \$100 of assessed value)

HIGH BRIDGE BOROUGH

Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate			Local School District	Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation			High Bridge Borough	Hunterdon County	
		Debt Service ^b	Total Direct				
2008	\$ 0.52	\$ 0.01	\$ 0.52	\$ 1.33	\$ 0.79	\$ 0.39	\$ 3.03
2009	0.50	0.01	0.51	1.38	0.78	0.39	3.06
2010	0.61	0.01	0.62	1.38	0.78	0.39	3.17
2011	0.57	0.01	0.58	1.42	0.79	0.37	3.16
2012	0.53	0.01	0.54	1.45	0.82	0.37	3.17
2013	0.61	0.01	0.62	1.50	0.84	0.36	3.32
2014	0.59	0.01	0.60	1.60	0.88	0.36	3.43
2015	0.57	0.01	0.58	1.76	0.96	0.40	3.71
2016	0.59	0.01	0.60	1.80	1.01	0.40	3.81
2017	0.51	0.01	0.52	1.90	1.03	0.40	3.85

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(rate per \$100 of assessed value)

LEBANON BOROUGH

Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate						Overlapping Rates		Total Direct and Overlapping Tax Rate
	General Obligation		Total Direct	Local School District	Lebanon Borough	Hunterdon County			
	Basic Rate ^a	Debt Service ^b							
2008	\$ 0.35	\$ 0.01	\$ 0.35	\$ 0.70	\$ 0.18	\$ 0.33	\$ 1.56		
2009	0.34	0.01	0.34	0.70	0.19	0.32	1.55		
2010	0.42	0.01	0.43	0.70	0.19	0.32	1.63		
2011	0.57	0.01	0.58	0.84	0.25	0.36	2.03		
2012	0.56	0.01	0.57	0.83	0.28	0.37	2.05		
2013	0.60	0.01	0.61	0.79	0.30	0.36	2.06		
2014	0.62	0.01	0.63	0.82	0.33	0.35	2.13		
2015	0.58	0.01	0.59	0.85	0.36	0.37	2.17		
2016	0.57	0.01	0.57	0.96	0.39	0.37	2.28		
2017	0.48	0.01	0.49	0.97	0.41	0.38	2.25		

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

LEBANON TOWNSHIP								
Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate				Overlapping Rates		Total Direct and Overlapping Tax Rate	
	General Obligation		Total Direct	Local School District	Lebanon Township	Hunterdon County		
	Basic Rate ^a	Debt Service ^b						
2008	\$ 0.70	\$ 0.01	\$ 0.71	\$ 1.38	\$ 0.07	\$ 0.50	\$ 2.67	
2009	0.71	0.01	0.72	1.42	0.08	0.49	2.71	
2010	0.68	0.01	0.69	1.42	0.08	0.49	2.68	
2011	0.71	0.01	0.72	1.38	0.10	0.44	2.64	
2012	0.69	0.01	0.70	1.37	0.11	0.44	2.62	
2013	0.60	0.01	0.61	1.26	0.16	0.44	2.47	
2014	0.66	0.01	0.67	1.28	0.18	0.43	2.55	
2015	0.66	0.01	0.68	1.29	0.24	0.44	2.65	
2016	0.71	0.01	0.72	1.31	0.29	0.45	2.77	
2017	0.73	0.01	0.74	1.33	0.33	0.45	2.85	

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

TEWKSBURY TOWNSHIP									
Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate			Local School District	Overlapping Rates		Total Direct and Overlapping Tax Rate		
	General Obligation		Total Direct		Tewksbury Township	Hunterdon County			
	Basic Rate ^a	Debt Service ^b							
2008	\$ 0.48	\$ 0.01	\$ 0.49	\$ 0.86	\$ 0.36	\$ 0.48	\$ 2.19		
2009	0.51	0.01	0.52	0.87	0.36	0.47	2.22		
2010	0.46	0.01	0.47	0.87	0.36	0.47	2.18		
2011	0.50	0.01	0.51	0.86	0.38	0.45	2.21		
2012	0.54	0.01	0.55	0.86	0.39	0.45	2.25		
2013	0.56	0.01	0.57	0.87	0.39	0.45	2.27		
2014	0.61	0.01	0.62	0.87	0.39	0.45	2.33		
2015	0.60	0.01	0.61	0.90	0.41	0.44	2.36		
2016	0.63	0.01	0.64	0.93	0.43	0.44	2.44		
2017	0.65	0.01	0.66	0.97	0.44	0.45	2.52		

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

UNION TOWNSHIP								
Year Ended December 31,	North Hunterdon-Voorhees Regional High School District Direct Rate			Local School District	Overlapping Rates		Total Direct and Overlapping Tax Rate	
	General Obligation		Total Direct		Union Township	Hunterdon County		
	Basic Rate ^a	Debt Service ^b						
2008	\$ 0.68	\$ 0.01	\$ 0.69	\$ 1.30	\$ 0.19	\$ 0.51	\$ 2.68	
2009	0.73	0.01	0.74	1.33	0.20	0.50	2.77	
2010	0.73	0.01	0.75	1.33	0.20	0.50	2.77	
2011	0.73	0.01	0.74	1.37	0.23	0.44	2.77	
2012	0.73	0.01	0.74	1.26	0.23	0.44	2.67	
2013	0.73	0.01	0.74	1.27	0.22	0.44	2.67	
2014	0.68	0.01	0.70	1.28	0.25	0.43	2.65	
2015	0.65	0.01	0.67	1.27	0.26	0.44	2.64	
2016	0.67	0.01	0.68	1.22	0.27	0.43	2.60	
2017	0.67	0.01	0.68	1.25	0.29	0.43	2.65	

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

Source: Municipal Tax Collector and School Business Administrator

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Bethlehem Township

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
2 Gas Pipelines	\$ 9,759,400	1	1.85%
Pipeline Gas	4,917,500	2	0.93%
Asbury-West portal, 156	2,655,300	3	0.50%
Vliet Farm Rd, 2	2,000,000	4	0.38%
Vliet Farm Rd, 6	1,231,800	5	0.23%
Asbury-West Portal, 222	1,013,600	6	0.19%
Hill View Lane, 7	978,500	7	0.19%
Black Brook Road, 174	942,200	8	0.18%
Iron Bridge Road, 963	855,800	9	0.16%
Black brook Road, 115	851,500	10	0.16%
Total	<u>\$ 25,205,600</u>		<u>4.77%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Transcontinental Gas Pipeline	\$ 9,759,400	1	1.85%
Columbia Gas Transmission	4,917,500	2	0.93%
Individual Taxpayer	2,942,600	3	0.56%
Asbury Graphite Mills, Inc.	2,850,000	4	0.54%
Individual Taxpayer	1,357,400	5	0.26%
Individual Taxpayer	1,231,800	6	0.23%
Alpha Omega Equities	1,075,800	7	0.20%
Individual Taxpayer	942,200	8	0.18%
Individual Taxpayer	854,900	9	0.16%
Individual Taxpayer	844,100	10	0.16%
Total	<u>\$ 26,775,700</u>		<u>5.06%</u>

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Califon Borough

	2017		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

INFORMATION IS NOT AVAILABLE

	2008		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
County Square, Inc. Individual Taxpayer	\$ 2,389,700	1	1.44%
Columbia Gas Transmission Corp	1,815,500	2	1.10%
Staiano Wood Products, Inc.	1,531,500	3	0.93%
United Telephone of NJ Individual Taxpayer	1,324,500	4	0.80%
Individual Taxpayer	1,314,154	5	0.79%
Individual Taxpayer	1,021,000	6	0.62%
Individual Taxpayer	847,400	7	0.51%
Individual Taxpayer	816,800	8	0.49%
Individual Taxpayer	774,600	9	0.47%
D&B Holding, LLC	753,700	10	0.46%
Total	\$ 12,588,854		7.61%

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Clinton Town

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Park Valley Clinton LLC	\$ 7,159,700	1	1.95%
SNG properties LLC	4,302,600	2	1.17%
FMCD Realty LP c/o M Lazowsky	3,900,000	3	1.06%
Highway 22 Grocery Owners LLC	3,632,500	4	0.99%
Unity Bancorp Inc	3,347,400	5	0.91%
Goldstar Prop. LLC	3,290,400	6	0.90%
Clinton Garden Assoc.	2,979,500	7	0.81%
Rowland House LLC/Clinton UU LLC	2,777,500	8	0.76%
Main Street LLC/Main Street Parners LLC	2,071,800	9	0.56%
Chrisellen Investors, Partnership	1,788,500	10	0.49%
Total	\$ 35,249,900		9.60%

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Clinton Hotel Associates	\$ 7,810,000	1	1.83%
Rowland House LLC	4,152,200	2	0.97%
Clinton Garden Assoc.	3,938,500	3	0.92%
Clinton Unity Group LLC	3,780,800	4	0.89%
Goldstar Properties LLC	3,396,800	5	0.80%
Great Atlantic & Pacific Tea Co.	2,887,000	6	0.68%
Chrisellen Investors, Partnerships	2,164,200	7	0.51%
FMCD Realty LP	2,079,600	8	0.49%
Individual Taxpayer	1,649,600	9	0.39%
Clinton Management Group	1,550,000	10	0.36%
Total	\$ 33,408,700		7.84%

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Clinton Township

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Exxon Capital Corp.	\$ 112,100,000	1	5.21%
111 Cokesbury LLC	22,586,800	2	1.05%
NY Life	21,603,500	3	1.00%
East Coast the Mews	17,600,000	4	0.82%
ARCP OFC Annandale NJ LLC	16,075,400	5	0.75%
Transcontinental Gas Pipeline	11,973,000	6	0.56%
Hunterdon Medical Center	6,808,600	7	0.32%
Meridian Prop. Group LLC	6,350,000	8	0.30%
Annandale Falls LLC	5,638,200	9	0.26%
Kullman Associates LLC	4,249,500	10	0.20%
Total	<u>\$ 224,985,000</u>		<u>10.45%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Exxon Capital Corp	\$ 125,655,300	1	4.82%
NY Life Insurance Co.	40,000,000	2	1.53%
IR Clinton Funding LLC	25,650,000	3	0.98%
HBG New Jersey LLC	24,746,700	4	0.95%
Clinton Building Associates	20,858,900	5	0.80%
United Telephone Company of NJ	17,292,403	6	0.66%
American Golf Corp	8,263,900	7	0.32%
Chance Development Corp	8,149,000	8	0.31%
Meridian Prop. Group LLC	7,829,800	9	0.30%
Individual Taxpayer	5,985,000	10	0.23%
Total	<u>\$ 284,431,003</u>		<u>10.91%</u>

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Franklin Township

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
National Project Resources LP	\$ 20,000,000	1	3.68%
IHM Clinton LLC	6,500,000	2	1.20%
AT&T Communications	2,631,200	3	0.48%
Individual Taxpayer	2,361,200	4	0.43%
Individual Taxpayer	1,854,800	5	0.34%
Individual Taxpayer	1,845,500	6	0.34%
Individual Taxpayer	1,630,600	7	0.30%
Individual Taxpayer	1,364,300	8	0.25%
Individual Taxpayer	1,358,500	9	0.25%
Individual Taxpayer	1,289,300	10	0.24%
Total	<u>\$ 40,835,400</u>		<u>7.52%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
National Project Resources LP	\$ 20,000,000	1	3.63%
Franklin Hotel Associates	7,000,000	2	1.27%
AT&T Communications	3,125,000	3	0.57%
Individual Taxpayer	2,550,700	4	0.46%
Individual Taxpayer	1,960,227	5	0.36%
Individual Taxpayer	1,945,127	6	0.35%
Individual Taxpayer	1,786,086	7	0.32%
Individual Taxpayer	1,773,300	8	0.32%
Individual Taxpayer	1,729,134	9	0.31%
Individual Taxpayer	1,586,300	10	0.29%
Total	<u>\$ 43,455,874</u>		<u>7.88%</u>

Note: Individual taxpayers in 2017 and 2008 may be different.

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Glen Gardner Borough

	2017		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

INFORMATION IS NOT AVAILABLE

	2008		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Individual Taxpayer	\$ 1,216,700	1	0.87%
Individual Taxpayer	866,200	2	0.62%
Eastern Concrete Materials, Inc.	794,500	3	0.57%
Individual Taxpayer	653,468	4	0.47%
Glen Gardner Partnership	585,400	5	0.42%
Heartland Incorporated	584,000	6	0.42%
Individual Taxpayer	542,900	7	0.39%
Individual Taxpayer	535,400	8	0.38%
Individual Taxpayer	531,600	9	0.38%
Terminus Occidentalis	531,200	10	0.38%
Total	\$ 6,841,368		4.90%

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Hampton Borough

	2017		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

INFORMATION IS NOT AVAILABLE

	2008		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
RHAF Company LLC	\$ 2,100,000	1	1.39%
K-Land No 61 LLC	2,089,800	2	1.38%
United Telephone	1,292,468	3	0.85%
Stickel Investments LLC	1,252,000	4	0.83%
Individual Taxpayer	1,086,000	5	0.72%
Individual Taxpayer	1,034,100	6	0.68%
Hampton Point Associates LLC	820,000	7	0.54%
Individual Taxpayer	812,066	8	0.54%
Kappus Plastic Company, Inc.	797,300	9	0.53%
Individual Taxpayer	762,705	10	0.50%
Total	\$ 12,046,439		7.96%

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

High Bridge Borough

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
1742 Square Associates LTD	\$ 5,799,900	1	1.76%
Glassman Family Realty LLC	2,168,300	2	0.66%
Bitow Enterprises LLC	1,793,500	3	0.54%
Sentinel Self Storage	1,437,600	4	0.44%
Individual Taxpayer	917,200	5	0.28%
Individual Taxpayer	914,700	6	0.28%
Individual Taxpayer	870,200	7	0.26%
Individual Taxpayer	822,900	8	0.25%
Individual Taxpayer	822,800	9	0.25%
Luvavan LLC	793,700	10	0.24%
Total	<u>\$ 16,340,800</u>		<u>4.96%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Glassman Family Realty LLC	\$ 3,085,400	1	0.80%
1742 Square Assoc. Ltd.	2,695,100	2	0.70%
Individual Taxpayer	2,073,100	3	0.54%
Individual Taxpayer	1,999,800	4	0.52%
Individual Taxpayer	1,728,000	5	0.45%
Country Club Self Storage, LLC	1,706,000	6	0.44%
United Telephone Company	1,223,606	7	0.32%
Individual Taxpayer	1,112,000	8	0.29%
37 Main Street LLC	1,053,500	9	0.27%
Individual Taxpayer	898,800	10	0.23%
Total	<u>\$ 17,575,306</u>		<u>4.57%</u>

Note: Individual taxpayers in 2017 and 2008 may be different.

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Lebanon Borough

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
710 Presidential Place Drive, LLC	\$ 26,000,000	1	9.48%
Wells Operating Part LP	16,000,000	2	5.83%
Camelot Ridge, LLC	14,881,900	3	5.42%
IHP Lebanon NJ	7,382,800	4	2.69%
Hunterdon Executive Center	6,000,000	5	2.19%
Architectural Holdings, LLC	5,700,000	6	2.08%
Cokesbury Road Industrial Park LLC	5,500,000	7	2.00%
Moglia, Joseph P & Daughters LLC	5,272,900	8	1.92%
Hunterdon Plaza Associates, LLC	5,050,000	9	1.84%
111 Cokesbury LLC	3,885,380	10	1.42%
Total	<u>\$ 95,672,980</u>		<u>34.87%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Wells Operating Partnership	\$ 22,086,700	1	6.67%
Aqua Realty LLC	22,000,000	2	6.65%
Bellemead Dev. Corp./Macl-Cali Realty	8,880,000	3	2.68%
Camelot Ridge, LLC	8,140,700	4	2.46%
Architectural Holdings, LLC	7,569,900	5	2.29%
IA Orchard Hotels Lebanon LLC	7,500,000	6	2.27%
Moglia, Joseph P. & Daughters LLC	6,454,100	7	1.95%
Cokesbury Road Industrial park LLC	6,165,600	8	1.86%
Hunterdon Plaza Associates LLC	5,900,000	9	1.78%
HBG New Jersey LLC	5,657,600	10	1.71%
Total	<u>\$ 100,354,600</u>		<u>30.31%</u>

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Lebanon Township

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Columbia TransCanada	\$ 3,916,300	1	0.53%
JJM Realty Enterprises LLC	3,161,400	2	0.42%
Individual Taxpayer	2,909,389	3	0.39%
Trimmer Road Company LLC	2,672,736	4	0.36%
Davara Industrial Center LLC	2,019,700	5	0.27%
Rt 513 at Sliker LLC	2,000,100	6	0.27%
Rellum Realty c/o Muller Toyota	1,770,000	7	0.24%
Eastern Concrete Materials Inc	1,750,000	8	0.23%
Individual Taxpayer	1,372,100	9	0.18%
GenOn Rema	1,311,400	10	0.18%
Total	<u>\$ 22,883,125</u>		<u>3.07%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Columbia Gas Transmission Corp	\$ 3,916,300	1	0.52%
Individual Taxpayer	2,334,500	2	0.31%
Trimmer Road Company LLC	2,303,100	3	0.31%
Davara Industrial Center LLC	1,948,100	4	0.26%
Eastern Concrete Materials, Inc.	1,750,000	5	0.23%
Individual Taxpayer	1,702,737	6	0.23%
Individual Taxpayer	1,480,840	7	0.20%
Individual Taxpayer	1,403,800	8	0.19%
High Bridge Quartet	1,255,800	9	0.17%
Reliant Energy	1,236,500	10	0.16%
Total	<u>\$ 19,331,677</u>		<u>2.57%</u>

Note: Individual taxpayers in 2017 and 2008 may be different.

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Tewksbury Township

	2017		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

INFORMATION IS NOT AVAILABLE

	2008		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
AM Best Co	\$ 37,058,000	1	2.73%
Stavola Quarries LLC	5,778,200	2	0.43%
Individual Taxpayer	5,754,700	3	0.42%
Individual Taxpayer	4,008,200	4	0.30%
Individual Taxpayer	2,938,500	5	0.22%
Hill and Dale Farms	2,597,300	6	0.19%
Individual Taxpayer	2,422,300	7	0.18%
Individual Taxpayer	2,416,800	8	0.18%
Individual Taxpayer	2,231,000	9	0.16%
Individual Taxpayer	2,201,600	10	0.16%
Total	\$ 67,406,600		4.97%

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Union Township

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Energy (NJ)	\$ 31,240,250	1	4.47%
Transco Pipeline/AD Valorem Tax	15,682,632	2	2.24%
Perryville SPE LLC	15,000,000	3	2.15%
Kramer Electronics Holding LLC	5,750,000	4	0.82%
FW LLC/FW Realty	5,341,950	5	0.76%
Country Arch Care Center	4,690,800	6	0.67%
Amsdell Storage Ventures XXXVII LLC	3,642,400	7	0.52%
Evergreen Associates	3,464,965	8	0.50%
Pilot Travel Centers	2,502,200	9	0.36%
FDRA LLC	2,475,400	10	0.35%
Total	<u>\$ 89,790,597</u>		<u>12.84%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Energy LLC	\$ 31,240,251	1	4.57%
Crown Perryville LLC	19,000,000	2	2.78%
INO Therapeutics, Inc.	8,610,000	3	1.26%
Transco Pipeline/Ad Valorem Tax	4,909,700	4	0.72%
Country Arch Care Center	4,618,500	5	0.68%
Evergreen Associates	4,099,100	6	0.60%
FW LLC/FW LLC Realty	3,484,750	7	0.51%
Clinton Block LLC	3,445,400	8	0.50%
FDRA LLC	2,513,000	9	0.37%
Perryville Centre LLC	2,080,300	10	0.30%
Total	<u>\$ 84,001,001</u>		<u>12.29%</u>

Source: Municipal Tax Assessor

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

BETHLEHEM TOWNSHIP

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 3,394,584	\$ 3,394,584	100.00%	\$ -0-
2010	3,369,299	3,369,299	100.00%	-0-
2011	3,608,270	3,608,270	100.00%	-0-
2012	3,450,922	3,450,922	100.00%	-0-
2013	3,470,892	3,470,892	100.00%	-0-
2014	3,577,719	3,577,719	100.00%	-0-
2015	3,460,612	3,460,612	100.00%	-0-
2016	3,751,401	3,751,401	100.00%	-0-
2017	3,769,581	3,769,581	100.00%	-0-
2018	3,564,950	3,564,950	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

CALIFON BOROUGH

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 758,380	\$ 758,380	100.00%	\$ -0-
2010	753,521	753,521	100.00%	-0-
2011	787,415	787,415	100.00%	-0-
2012	864,897	864,897	100.00%	-0-
2013	861,863	861,863	100.00%	-0-
2014	796,161	796,161	100.00%	-0-
2015	889,663	889,663	100.00%	-0-
2016	887,770	887,770	100.00%	-0-
2017	869,909	869,909	100.00%	-0-
2018	1,028,293	1,028,293	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

CLINTON TOWN

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 2,085,411	\$ 2,085,411	100.00%	\$ -0-
2010	2,147,869	2,147,869	100.00%	-0-
2011	2,186,270	2,186,270	100.00%	-0-
2012	2,185,468	2,185,468	100.00%	-0-
2013	2,193,707	2,193,707	100.00%	-0-
2014	2,030,266	2,030,266	100.00%	-0-
2015	1,983,294	1,983,294	100.00%	-0-
2016	1,839,419	1,839,419	100.00%	-0-
2017	2,051,934	2,051,934	100.00%	-0-
2018	2,052,544	2,052,544	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

CLINTON TOWNSHIP

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 13,237,706	\$ 13,237,706	100.00%	\$ -0-
2010	13,842,723	13,842,723	100.00%	-0-
2011	13,861,837	13,861,837	100.00%	-0-
2012	13,739,949	13,739,949	100.00%	-0-
2013	13,760,940	13,760,940	100.00%	-0-
2014	13,794,261	13,794,261	100.00%	-0-
2015	14,089,806	14,089,806	100.00%	-0-
2016	14,089,806	14,089,806	100.00%	-0-
2017	14,065,693	14,065,693	100.00%	-0-
2018	14,052,889	14,052,889	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

FRANKLIN TOWNSHIP

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 3,434,251	\$ 3,434,251	100.00%	\$ -0-
2010	3,278,235	3,278,235	100.00%	-0-
2011	3,178,488	3,178,488	100.00%	-0-
2012	3,330,142	3,330,142	100.00%	-0-
2013	3,436,045	3,436,045	100.00%	-0-
2014	3,575,130	3,575,130	100.00%	-0-
2015	3,606,557	3,606,557	100.00%	-0-
2016	3,394,773	3,394,773	100.00%	-0-
2017	3,230,484	3,230,484	100.00%	-0-
2018	3,269,332	3,269,332	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

GLEN GARDNER BOROUGH

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 1,045,144	\$ 1,045,144	100.00%	\$ -0-
2010	1,095,583	1,095,583	100.00%	-0-
2011	1,061,791	1,061,791	100.00%	-0-
2012	1,036,112	1,036,112	100.00%	-0-
2013	955,805	955,805	100.00%	-0-
2014	959,993	959,993	100.00%	-0-
2015	1,031,958	1,031,958	100.00%	-0-
2016	926,578	926,578	100.00%	-0-
2017	938,314	938,314	100.00%	-0-
2018	801,965	801,965	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

HAMPTON BOROUGH

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 680,812	\$ 680,812	100.00%	\$ -0-
2010	792,915	792,915	100.00%	-0-
2011	755,595	755,595	100.00%	-0-
2012	803,947	803,947	100.00%	-0-
2013	806,945	806,945	100.00%	-0-
2014	797,213	797,213	100.00%	-0-
2015	800,395	800,395	100.00%	-0-
2016	820,397	820,397	100.00%	-0-
2017	719,538	719,538	100.00%	-0-
2018	679,911	679,911	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

HIGH BRIDGE BOROUGH

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 2,015,856	\$ 2,015,856	100.00%	\$ -0-
2010	1,930,640	1,930,640	100.00%	-0-
2011	2,137,753	2,137,753	100.00%	-0-
2012	2,187,434	2,187,434	100.00%	-0-
2013	2,009,597	2,009,597	100.00%	-0-
2014	2,269,070	2,269,070	100.00%	-0-
2015	2,163,708	2,163,708	100.00%	-0-
2016	1,904,183	1,904,183	100.00%	-0-
2017	1,964,322	1,964,322	100.00%	-0-
2018	1,704,078	1,704,078	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

LEBANON BOROUGH

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy^a</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2009	\$ 1,145,792	\$ 1,145,792	100.00%	\$ -0-
2010	1,121,754	1,121,754	100.00%	-0-
2011	1,506,122	1,506,122	100.00%	-0-
2012	1,626,134	1,626,134	100.00%	-0-
2013	1,530,022	1,530,022	100.00%	-0-
2014	1,708,523	1,708,523	100.00%	-0-
2015	1,716,430	1,716,430	100.00%	-0-
2016	1,628,575	1,628,575	100.00%	-0-
2017	1,529,875	1,529,875	100.00%	-0-
2018	1,324,115	1,324,115	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

LEBANON TOWNSHIP

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 5,361,423	\$ 5,361,423	100.00%	\$ -0-
2010	5,426,557	5,426,557	100.00%	-0-
2011	5,265,586	5,265,586	100.00%	-0-
2012	5,384,156	5,384,156	100.00%	-0-
2013	5,198,112	5,198,112	100.00%	-0-
2014	5,279,455	5,279,455	100.00%	-0-
2015	4,932,887	4,932,887	100.00%	-0-
2016	5,001,830	5,001,830	100.00%	-0-
2017	5,326,732	5,326,732	100.00%	-0-
2018	5,528,162	5,528,162	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

TEWKSBURY TOWNSHIP

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 6,648,565	\$ 6,648,565	100.00%	\$ -0-
2010	7,050,418	7,050,418	100.00%	-0-
2011	6,454,332	6,454,332	100.00%	-0-
2012	6,985,439	6,985,439	100.00%	-0-
2013	7,390,121	7,390,121	100.00%	-0-
2014	7,686,213	7,686,213	100.00%	-0-
2015	8,439,453	8,439,453	100.00%	-0-
2016	8,249,646	8,249,646	100.00%	-0-
2017	8,629,669	8,629,669	100.00%	-0-
2018	8,982,781	8,982,781	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

UNION TOWNSHIP

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 4,719,415	\$ 4,719,415	100.00%	\$ -0-
2010	5,164,570	5,164,570	100.00%	-0-
2011	5,196,376	5,196,376	100.00%	-0-
2012	5,087,862	5,087,862	100.00%	-0-
2013	5,069,415	5,069,415	100.00%	-0-
2014	5,132,380	5,132,380	100.00%	-0-
2015	4,727,144	4,727,144	100.00%	-0-
2016	4,727,144	4,727,144	100.00%	-0-
2017	4,745,604	4,745,604	100.00%	-0-
2018	4,751,565	4,751,565	100.00%	-0-

Source: North Hunterdon-Voorhees Regional High School District records including the Certificate and Report of School Taxes (A4F form)

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases				
2009	\$ 5,245,000	\$ 33,880	\$ 5,278,880	0.14%	\$ 100.55	
2010	4,615,000		4,615,000	0.08%	57.66	
2011	4,040,000	7,782,467	11,822,467	0.32%	231.42	
2012	3,440,000	7,571,082	11,011,082	0.29%	216.63	
2013	2,815,000	7,196,654	10,011,654	0.26%	197.30	
2014	2,160,000	6,682,900	8,842,900	0.22%	175.30	
2015	1,475,000	6,195,091	7,670,091	0.19%	152.83	
2016	755,000	5,625,029	6,380,029	0.16%	128.05	
2017	9,743,000	5,080,514	14,823,514	0.36%	297.96	
2018	9,205,000	4,525,340	13,730,340	0.34%	275.99	

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

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation ^a Taxable	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 5,245,000	\$ -0-	\$ 5,245,000	0.06%	\$ 99.90
2010	4,615,000	-0-	4,615,000	0.06%	57.66
2011	4,040,000	-0-	4,040,000	0.05%	79.08
2012	3,440,000	-0-	3,440,000	0.04%	67.68
2013	2,815,000	-0-	2,815,000	0.04%	55.48
2014	2,160,000	-0-	2,160,000	0.03%	42.82
2015	1,475,000	-0-	1,475,000	0.02%	29.39
2016	755,000	-0-	755,000	0.01%	15.15
2017	9,743,000	-0-	9,743,000	0.13%	195.84
2018	9,205,000	-0-	9,205,000	0.12%	185.03

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

a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b Population data can be found in Exhibit J-14. This ratio is calculated using population for the prior calendar year.

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
UNAUDITED
AS OF DECEMBER 31, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Bethlehem Township	\$ 5,172,919	100.00%	\$ 5,172,919
Califon Borough	1,495,919	100.00%	1,495,919
Clinton Town	31,381,560	100.00%	31,381,560
Clinton Township	22,886,179	100.00%	22,886,179
Franklin Township	472,843	100.00%	472,843
Glen Gardner Borough	2,220,233	100.00%	2,220,233
Hampton Borough	1,755,147	100.00%	1,755,147
High Bridge Borough	14,273,880	100.00%	14,273,880
Lebanon Borough	4,743,773	100.00%	4,743,773
Lebanon Township	5,346,509	100.00%	5,346,509
Tewksbury Township	19,514,201	100.00%	19,514,201
Union Township	5,311,676	100.00%	5,311,676
County of Hunterdon - Share: General Obligation Debt (Bethlehem)	85,249,037.26	2.579%	2,198,734.09
County of Hunterdon - Share: General Obligation Debt (Califon)	85,249,037.26	0.662%	564,317.48
County of Hunterdon - Share: General Obligation Debt (Town of Clinton)	85,249,037.26	1.810%	1,543,080.56
County of Hunterdon - Share: General Obligation Debt (Township of Clinton)	85,249,037.26	10.585%	9,023,978.16
County of Hunterdon - Share: General Obligation Debt (Franklin)	85,249,037.26	2.583%	2,201,784.40
County of Hunterdon - Share: General Obligation Debt (Glen Gardner)	85,249,037.26	0.724%	617,452.80
County of Hunterdon - Share: General Obligation Debt (Hampton)	85,249,037.26	0.551%	469,651.22
County of Hunterdon - Share: General Obligation Debt (High Bridge)	85,249,037.26	1.669%	1,423,188.07
County of Hunterdon - Share: General Obligation Debt (Borough of Lebanon)	85,249,037.26	1.310%	1,116,498.60
County of Hunterdon - Share: General Obligation Debt (Township of Lebanon)	85,249,037.26	4.250%	3,623,283.83
County of Hunterdon - Share: General Obligation Debt (Tewksbury)	85,249,037.26	7.680%	6,546,985.49
County of Hunterdon - Share: General Obligation Debt (Union)	85,249,037.26	3.777%	3,220,093.72
Subtotal, Overlapping Debt			147,123,888
North Hunterdon-Voorhees Regional School District Direct Debt			14,547,272
Total Direct And Overlapping Debt			<u>\$ 161,671,160</u>

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

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

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

NORTH HUNTERDON-VORHEES REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2018

	Legal Debt Margin Calculation for Fiscal Year 2018										
	Township of Bethlehem	Borough of Califon	Town of Clinton	Township of Clinton	Township of Franklin	Borough of Glen Gardner	Borough of Hampton	Township of Lebanon	Township of Tewksbury	Township of Union	Total
Equalized valuation basis:											
2015	\$ 559,214,141	\$ 138,019,640	\$ 381,961,452	\$ 2,237,984,484	\$ 552,387,623	\$ 154,096,441	\$ 119,501,670				
2016	553,500,082	142,188,996	388,046,500	2,270,014,985	549,811,072	155,216,645	119,382,843				
2017	560,642,697	144,606,177	385,677,787	2,284,182,870	572,830,022	158,673,027	122,109,138				
	<u>\$ 1,673,356,920</u>	<u>\$ 424,814,813</u>	<u>\$ 1,155,685,739</u>	<u>\$ 6,792,182,339</u>	<u>\$ 1,675,028,717</u>	<u>\$ 467,986,113</u>	<u>\$ 360,993,651</u>				
		Borough of High Bridge	Borough of Lebanon	Township of Lebanon	Township of Tewksbury	Township of Union	Total				
		\$ 358,735,187	\$ 277,425,967	\$ 904,293,335	\$ 1,616,212,358	\$ 804,151,933	\$ 8,103,984,231				
		356,866,725	278,671,997	909,557,934	1,645,885,370	808,410,134	8,177,553,283				
		329,580,100	277,439,222	916,527,996	1,639,021,201	819,570,509	8,210,860,746				
		<u>\$ 1,045,182,012</u>	<u>\$ 833,537,186</u>	<u>\$ 2,730,379,265</u>	<u>\$ 4,901,118,929</u>	<u>\$ 2,432,132,576</u>	<u>\$ 24,492,398,260</u>				
Average Equalized Valuation of Taxable Property											\$ 8,164,132,753
Debt Limit (3.5% of average equalization value ^a)											\$ 285,744,646
Net Bonded School Debt as of June 30, 2018											9,205,000
Legal Debt Margin											<u>\$ 276,539,646</u>

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 285,625,573	\$ 285,684,587	\$ 277,550,298	\$ 266,887,969	\$ 256,287,663	\$ 167,244,836	\$ 241,998,658	\$ 241,673,400	\$ 243,141,353	\$ 285,744,646
Total Net Debt Applicable to Limit	5,245,000	4,615,000	4,040,000	3,440,000	2,815,000	2,160,000	1,475,000	755,000	9,743,000	9,205,000
Legal Debt Margin	\$ 280,380,573	\$ 281,069,587	\$ 273,510,298	\$ 263,447,969	\$ 253,472,663	\$ 165,084,836	\$ 240,523,658	\$ 240,918,400	\$ 233,398,353	\$ 276,539,646
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	1.84%	1.62%	1.46%	1.29%	1.10%	1.29%	0.61%	0.31%	4.01%	3.22%

^a A Limit set by NJSIA 18A:24-19 for a 6 through 12 district; other % limits would be applicable for other districts

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

NORTH HUNTERDON-VOORHEES REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Hunterdon County

Year	Population ^a	Hunterdon County Per Capita Personal Income ^c	Personal Income (thousands of dollars) ^b	Unemployment Rate ^d
2009	52,500	\$ 71,528	\$ 3,755,220,000	6.80%
2010	80,038	71,251	5,702,787,538	7.80%
2011	51,087	72,813	3,719,797,731	6.90%
2012	50,829	75,650	3,845,213,850	7.10%
2013	50,743	75,384	3,825,210,312	5.90%
2014	50,445	78,301	3,949,893,945	4.70%
2015	50,186	80,625	4,046,246,250	4.10%
2016	49,826	82,109	4,091,163,034	4.04%
2017	49,750	82,109 **	4,084,922,750	3.62%
2018	49,750 *	82,109 **	4,084,922,750 ***	N/A

* - Latest population data available (2017) was used for calculation purposes.

** - Latest Warren County per capita personal income available (2016) was used for calculation purposes.

*** - Latest available population data (2017) and latest available Warren County per capita personal income (2016) was used for calculation purposes.

N/A - Information Unavailable

Source:

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

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

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

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

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS, COUNTY OF HUNTERDON
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2017		
	Employees	Rank	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

Employer	2008		
	Employees	Rank (Optional)	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

UNAUDITED

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction										
Regular	200	193	185	178	185	189	186	181	185	178
Special Education	46	44	40	43	43	39	38	37	33	33
Other Special Education										
Other Instruction										
Support Services:										
Student and Instruction Related Services	66	58	58	67	63	62	59	60	53	52
School Administrative Services	60	53	53	46	46	47	45	46	43	33
General and Business Administrative Services	29	24	24	23	23	23	22	25	26	29
Plant Operations and Maintenance	52	45	41	39	36	38	38	38	37	38
Pupil Transportation	10	9	9	8	8	7	7	6	1	1
Other Support Services										6
Total	463	426	410	404	404	405	395	393	378	370

Source: District Personnel Records

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^e	% Change in Average Daily Enrollment	Student Attendance Percentage
2009	3,023	\$ 53,303,790	\$ 17,632.75	6.50%	291	10:1	2,912	2,889	-2.49%	99.22%
2010	3,011	54,002,506	17,935.07	1.71%	284	11:1	2,802	2,750	-3.76%	98.13%
2011	2,941	51,258,399	17,428.90	-2.82%	278	11:1	2,806	2,761	0.13%	98.41%
2012	2,910	50,476,525	17,345.88	-0.48%	267	11:1	2,853	2,803	1.70%	98.24%
2013	2,906	53,736,072	18,491.42	6.60%	274	11:1	2,833	2,782	-0.71%	98.22%
2014	2,930	53,130,300	18,133.21	-1.94%	274	11:1	2,893	2,874	2.13%	99.34%
2015	2,926	54,615,455	18,665.57	2.94%	258	11:1	2,822	2,718	-2.45%	96.32%
2016	2,858	55,153,248	19,297.85	3.39%	250	11:1	2,790	2,701	-1.13%	96.79%
2017	2,747	58,543,303	21,311.72	10.44%	250	11:1	2,790	2,692	-0.03%	96.52%
2018	2,678	58,547,644	21,862.45	13.29%	238	11:1	2,774	2,631	-0.58%	94.82%

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).
- d The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment.
This Cost Per Pupil may be different from other Cost Per Pupil calculations.

Source: North Hunterdon-Voorhees Regional High School District records

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

<u>District Building</u>	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
High Schools:										
North Hunterdon High School										
Square Feet	284,219	287,219	284,219	284,219	281,219	284,219	284,219	284,219	291,637	291,637
Capacity (students)	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618
Enrollment	1,875	1,861	1,804	1,801	1,766	1,828	1,797	1,780	1,687	1,652
Voorhees High School										
Square Feet	276,312	276,312	276,312	276,312	276,312	276,312	276,312	276,312	252,777	252,777
Capacity (students)	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152	1,152
Enrollment	1,148	1,150	1,137	1,109	1,140	1,102	1,129	1,078	1,060	1,026

Number of Schools at June 30, 2018
 High School = 2

* - These are high school students included in enrollment count for high school noted above

Note: Enrollment is based on the annual October district count.

Source: North Hunterdon-Voorhees Regional High School District records

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

Undistributed Expenditures - Required
 Maintenance For School Facilities
 11-000-261-xxx

Fiscal Year Ended June 30,	Administrative	North Hunterdon High School	Voorhees High School	Total
2009		\$ 677,250	\$ 655,850	\$ 1,333,100
2010		726,300	525,400	1,251,700
2011		639,203	460,301	1,099,504
2012		669,304	463,993	1,133,297
2013		738,569	532,917	1,271,486
2014	\$ 70,833	410,816	622,620	1,104,269
2015	87,125	658,474	495,472	1,241,071
2016	94,216	740,104	654,401	1,488,721
2017	166,475	1,157,689	738,199	2,062,363
2018	234,777	914,817	497,149	1,646,743

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

Source: North Hunterdon-Voorhees Regional High School District records

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2018

	<u>Coverage</u>	<u>Deductible</u>
Otterstedt Insurance Agency - N.J. Schools Insurance Group - School Package Policy:		
Real and Personal Property	\$ 134,223,936	\$ 5,000
Electronic Data Processing	250,000	1,000
Boiler and Machinery Insurance	100,000,000	5,000
School Board Legal Liability - NJSIG	16,000,000	10,000
Comprehensive Automobile Liability	16,000,000	1,000
Public Employees' Performance Bond - Treasurer of School Monies	320,000	
Public Employees' Performance Bond - Business Administrator	320,000	
Public Employee Dishonesty	250,000	

Source: North Hunterdon-Voorhees Regional High School District records

SINGLE AUDIT



Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mt. Arlington, NJ 07856
973-328-1825 | 973-328-0507 Fax

Lawrence Business Center
11 Lawrence Road
Newton, NJ 07860
973-383-6699 | 973-383-6555 Fax

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*

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
North Hunterdon-Voorhees Regional High School District
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the North Hunterdon-Voorhees Regional High School District, in the County of Hunterdon (the "District") as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 18, 2019.

Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
North Hunterdon-Voorhees Regional High School District
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

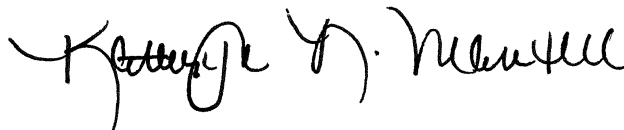
Purpose of this Report

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



NISIVOCCIA LLP

January 18, 2019
Mount Arlington, NJ



Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax
 Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Report on Compliance For Each Major State Program;
 Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 North Hunterdon-Voorhees Regional High School District
 County of Hunterdon, New Jersey

Report on Compliance for Each Major State Program

We have audited the Board of Education of the North Hunterdon-Voorhees Regional High School District's (the "District's") compliance with the types of compliance requirements described in the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2018. The District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

The Honorable President and Members
of the Board of Education
North Hunterdon-Voorhees Regional High School District
Page 2

Opinion on Each Major State Program

In our opinion, the 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 state programs for the fiscal year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

Nisivoccia, LLP

NISIVOCCIA LLP

January 18, 2019
Mount Arlington, NJ

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass Through Grantor/ Program or Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at		Budgetary Expendi- tures	Cash Received	Adjustment	Balance at June 30, 2018		Amounts Provided to Subrecipients
					June 30, 2017	Budgetary Accounts Receivable				Budgetary Accounts Receivable	Due to Grantor	
U.S. Department of Education:												
Passed-through State Department of Education:												
Special Revenue Fund:												
Elementary and Secondary Education Act:												
Title I	84.410	ESEA366018	7/1/17-6/30/18	\$ 68,582	\$ 56,603	\$ (66,005)	\$ (9,402)	\$ 1,650				
Title I	84.410	ESEA366017	7/1/16-6/30/17	100,177	12,834							
Title I - Reward School	84.410	ESEA366017	7/1/16-6/30/17	40,000	802			\$ (802)				
Subtotal - Title I												
Title IIA	84.367	ESEA366018	7/1/17-6/30/18	31,128	17,393	(23,737)	(9,402)	1,650				
Title IIA	84.367	ESEA366017	7/1/16-6/30/17	38,154	7,535		(6,344)					
Subtotal - Title IIA												
Title IV	84.424	ESEA366018	7/1/17-6/30/18	10,000		(5,000)	(5,000)					
Subtotal - Title IV												
Special Education Cluster:												
I.D.E.A. Part B, Basic	84.027	IDEA366018	7/1/17-6/30/18	514,067	478,978	(514,067)	(35,089)					
I.D.E.A. Part B, Basic	84.027	IDEA366017	7/1/16-6/30/17	512,789	51,017							
Total Special Education Cluster					529,995	(514,067)	(35,089)					
Total U.S. Department of Education / Special Revenue Fund					624,360	(608,809)	(801)	1,650				
U.S. Department of Health and Human Services:												
Medicaid Cluster:												
Medical Assistance Program	93.778	N/A	7/1/17-6/30/18	23,051	23,051	(23,051)						
Total U.S. Department of Health and Human Services/Total Medicaid Cluster					23,051	(23,051)						
Total Federal Awards					\$ 647,411	\$ (631,860)	\$ (801)	\$ 1,650			\$ -0-	
N/A - Not Applicable/Available												

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

NORTH HUNTERDON-YOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2017		Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2018		MEMO Cumulative Total Expenditures
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Budgetary Accounts Receivable	
<u>State Department of Education:</u>											
<u>General Fund State Aid:</u>											
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	\$ 3,405,928			\$ 3,108,654	\$ (3,405,928)		\$ (297,274)	\$ 3,405,928	
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	282,618			257,950	(282,618)		(24,668)	282,618	
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	1,738,465			1,586,729	(1,738,465)		(151,736)	1,738,465	
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	44,422			40,545	(44,422)		(3,877)	44,422	
PARCC Readiness	18-495-034-5120-098	7/1/17-6/30/18	27,890			25,456	(27,890)		(2,434)	27,890	
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	27,890			25,456	(27,890)		(2,434)	27,890	
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	27,110			24,744	(27,110)		(2,366)	27,110	
State Reimbursements for Lead Testing of Drinking Water	N/A	7/1/17-6/30/18	2,976			2,976	(2,976)			2,976	
Extraordinary Special Education Costs Aid	18-495-034-5120-044	7/1/17-6/30/18	573,142				(573,142)		(573,142)	573,142	
Reimbursement of Nonpublic School Transportation Costs	18-495-034-5120-014	7/1/17-6/30/18	29,580				(29,580)		(29,580)	29,580	
Reimbursed TPAF Social Security	18-495-034-5094-003	7/1/17-6/30/18	1,495,752			1,422,929	(1,495,752)		(72,823)	1,495,752	
On-Behalf TPAF Post Retirement Contributions	18-495-034-5094-001	7/1/17-6/30/18	1,984,597			1,984,597	(1,984,597)			1,984,597	
On-Behalf TPAF Pension Contributions	18-495-034-5094-002	7/1/17-6/30/18	2,999,909			2,999,909	(2,999,909)			2,999,909	
On-Behalf TPAF Non-Contributory Insurance	18-495-034-5094-004	7/1/17-6/30/18	72,800			72,800	(72,800)			72,800	
On-Behalf TPAF Long-Term Disability Insurance	18-495-034-5094-004	7/1/17-6/30/18	4,517			4,517	(4,517)			4,517	
Equalization Aid	17-495-034-5120-078	7/1/16-6/30/17	3,405,928	\$ (336,545)		336,545				3,405,928	
Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	282,618	(27,926)		27,926				282,618	
Special Education Aid	17-495-034-5120-089	7/1/16-6/30/17	1,738,465	(171,780)		171,780				1,738,465	
Security Aid	17-495-034-5120-084	7/1/16-6/30/17	44,422	(4,389)		4,389				44,422	
PARCC Readiness	17-495-034-5120-098	7/1/16-6/30/17	27,890	(2,756)		2,756				27,890	
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	27,890	(2,756)		2,756				27,890	
Professional Learning Community Aid	17-495-034-5120-101	7/1/16-6/30/17	27,110	(2,679)		2,679				27,110	
Extraordinary Special Education Costs Aid	17-495-034-5120-044	7/1/16-6/30/17	665,887	(665,887)		665,887				665,887	
Reimbursement of Nonpublic School Transportation Costs	17-495-034-5120-014	7/1/16-6/30/17	21,620	(21,620)		21,620				21,620	
Reimbursed TPAF Social Security	17-495-034-5094-003	7/1/16-6/30/17	1,491,123	(71,591)		71,591				1,491,123	
Subtotal - General Fund				(1,307,929)		12,865,191	(12,717,596)		(675,545)	(1,160,334)	20,469,381
Special Revenue Fund Aid:											
State of New Jersey Teacher Mentoring	N/A	7/1/07-6/30/18	20,000		\$ 102		(101)	\$ (1)		19,999	
Governor's Teacher Recognition	N/A	7/1/04-6/30/05	1,000		110		(110)			890	
Subtotal - Special Revenue Fund					212		(101)	(111)		20,889	
Total NJ Department of Education				(1,307,929)	212	12,865,191	(12,717,697)	(111)	(675,545)	(1,160,334)	20,490,270

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2017		Cash Received	Budgetary Expenditures	Cancellation of Accounts Receivable	Balance at June 30, 2018		MEMO Cumulative Total Expenditures	
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Budgetary Accounts Receivable		
NJ Schools Development Authority:												
Capital Projects Fund:												
Educational Facilities Construction and Financing Act:												
North Hunterdon High School Fire Alarm and Security Upgrades	3660-050-14-1005	8/25/14-5/31/17	\$ 374,118				\$ (374,118)		\$ (374,118)	\$ (374,118)	\$ 374,118	
Total NJ Schools Development Authority												
Total State Awards				\$ (1,307,929)	\$ 212	\$ 12,865,191	\$ (13,091,815)	\$ (111)	\$ (1,049,663)	\$ (1,534,452)	\$ 20,864,388	
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Contributions	18-495-034-5094-001	7/1/17-6/30/18	(1,984,597)				1,984,597					
On-Behalf TPAF Pension Contributions	18-495-034-5094-002	7/1/17-6/30/18	(2,999,909)				2,999,909					
On-Behalf TPAF Non-Contributory Insurance	18-495-034-5094-004	7/1/17-6/30/18	(72,800)				72,800					
On-Behalf TPAF Long-Term Disability Insurance	18-495-034-5094-004	7/1/17-6/30/18	(4,517)				4,517					
Subtotal - On-Behalf TPAF Pension System Contributions							5,061,823					
Total State Awards Subject to Single Audit Major Program Determination							\$ (8,029,992)					

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, North Hunterdon-Voorhees Regional High School District, under programs of the federal and state governments for the fiscal year ended June 30, 2018. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. 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 funds to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes those payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. The capital projects fund is presented in the accompanying schedules on the budgetary basis with the exception of the revenue recognition of the Educational Facilities Construction and Financing Act grants which are realized as revenue upon their award, whereas the GAAP basis recognizes the revenue to the extent of actual expenditures and when funds are submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$64,042 for the General Fund and (\$11,007) for the Special Revenue Fund (which includes \$11,007 related local grants). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue and capital projects funds. Awards and financial assistance revenue are reported on the Board’s basic financial statements on a GAAP basis as presented on the following page.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	Federal	State	Total
General Fund	\$ 23,051	\$ 12,781,638	\$ 12,804,689
Special Revenue Fund	608,809	101	608,910
Capital Projects Fund		374,118	374,118
Total Awards	\$ 631,860	\$ 13,155,857	\$ 13,787,717

NOTE 5. 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 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the year ended June 30, 2018.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA) GRANTS

The District has been awarded eight grants in the amount of \$3,411,152 in the Capital Projects Fund from the New Jersey Schools Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2018, six projects have been completed. \$2,748,628 of the grant funds has been expended and drawn down on a GAAP basis and \$592,833 was cancelled. In the Capital Projects Fund, the District realizes the full amount of the grant revenue on a budgetary basis in the year awarded and realizes the grant revenue on a GAAP basis as it is expended and submitted for reimbursement. Expenditures reported under the NJSDA on the Schedule of Expenditures of State Awards represent reimbursement requests submitted to the NJSDA.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on all major state programs.
- The District was not subject to the single audit provisions of the Uniform Guidance for fiscal year end June 30, 2018 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Circular.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's program tested as major state programs for the current fiscal year consisted of the following:

<u>General Fund State Fund:</u>	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>State:</u>				
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	\$3,405,928	\$ 3,405,928
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	1,738,465	1,738,465
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	44,422	44,422
PARCC Readiness	18-495-034-5120-098	7/1/17-6/30/18	27,890	27,890
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	27,890	27,890
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	27,110	27,110

- The threshold used for distinguishing between state Type A and B programs was \$750,000.
- The District was determined to be a "low-risk" auditee for state programs.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

NORTH HUNTERDON-VOORHEES REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Status of Prior Year Findings:

The District had no prior year audit findings.