

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018



Oakland, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Ramapo Indian Hills Regional High School District

Oakland, New Jersey

For The Fiscal Year Ended June 30, 2018

Prepared by

Business Office

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

Letter of Transmittal	1-6
Organizational Chart	7
Roster of Officials	8
Consultants and Advisors	9
Certificate of Excellence in Financial Reporting Award	10

FINANCIAL SECTION

Independent Auditor's Report	11-13
------------------------------	-------

REQUIRED SUPPLEMENTARY INFORMATION- PART I

Management's Discussion and Analysis	14-27
--------------------------------------	-------

Basic Financial Statements

A. District-Wide Financial Statements

A-1 Statement of Net Position	28
A-2 Statement of Activities	29

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	30-31
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	32
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the District-Wide Statements	33

Proprietary Funds

B-4 Statement of Net Position	34
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	35
B-6 Statement of Cash Flows	36

Fiduciary Funds

B-7 Statement of Fiduciary Net Position	37
B-8 Statement of Changes in Fiduciary Net Position	38

Notes to the Financial Statements	39-81
--	-------

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS**

		<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION - PART II		
C. Budgetary Comparison Schedules		
C-1	Budgetary Comparison Schedule – General Fund	82-88
C-2	Budgetary Comparison Schedule – Special Revenue Fund	89
C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information	90
REQUIRED SUPPLEMENTARY INFORMATION - PART III		
L. Schedules Related to Accounting and Reporting for Pensions and OPEB (GASB 68 and 75)		
L-1	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	91
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	92
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	93
L-4	Notes to Required Supplementary Information – Net Pension Liability	94
L-5	Required Supplementary Information – Schedule of District’s Proportionate Share of Total OPEB Liability	95
L-6	Notes to Required Supplementary Information – OPEB Liability	96
OTHER SUPPLEMENTARY INFORMATION		
D. School Level Schedules – Not Applicable		
E. Special Revenue Fund		
E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund – Budgetary Basis	97
E-2	Early Childhood Program Aid Schedule of Expenditures – Budgetary Basis – Not Applicable	
F. Capital Projects Fund		
F-1	Summary Schedule of Project Expenditures	98
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	99
F-2a-	Schedule of Project Revenues, Expenditures, Project Balances and Project	
F-2v	Status-Budgetary Basis	100-115
G. Proprietary Funds		
<i>Enterprise Fund</i>		
G-1	Statement of Net Position	116
G-2	Statement of Revenues, Expenses and Changes in Net Position	116
G-3	Statement of Cash Flows	116

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS**

		<u>Page</u>
H.	Fiduciary Funds	
H-1	Combining Statement of Agency Assets and Liabilities	117
H-2	Combining Statement of Changes in Fiduciary Net Position	118
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	119
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	119
I.	Long-Term Debt	
I-1	Schedule of Bonds Payable	120
I-2	Schedule of Obligations under Lease Purchase Obligations	121
I-3	Budgetary Comparison Schedule – Debt Service Fund	122
J.	STATISTICAL SECTION (Unaudited)	
J-1	Net Position by Component	123
J-2	Changes in Net Position	124-125
J-3	Fund Balances – Governmental Funds	126
J-4	Changes in Fund Balances - Governmental Funds	127
J-5	General Fund Other Local Revenue by Source	128
J-6	Assessed Value and Actual Value of Taxable Property – Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	129
J-7	Direct and Overlapping Property Tax Rates - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	130
J-8	Principal Property Taxpayers - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	131
J-9	Property Tax Levies and Collections	132
J-10	Ratios of Outstanding Debt by Type - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	133
J-11	Ratios of Net General Bonded Debt Outstanding - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	134
J-12	Computation of Direct and Overlapping Outstanding Bonded Debt	135
J-13	Legal Debt Margin Information (Combined)	136
J-14	Demographic and Economic Statistics - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	137
J-15	Principal Employers - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	138
J-16	Full-Time Equivalent District Employees by Function/Program	139
J-17	Operating Statistics	140
J-18	School Building Information	141
J-19	Schedule of Required Maintenance for School Facilities	142
J-20	Schedule of Insurance	143

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS**

Page

K.

SINGLE AUDIT SECTION

K-1	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 Auditor’s Report	144-145
K-2	Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance as Required By New Jersey OMB Circular 15-08 – Independent Auditor’s Report	146-148
K-3	Schedule of Expenditures of Federal Awards	149
K-4	Schedule of Expenditures of State Financial Assistance	150-151
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	152-153
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	154-155
K-7	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	156
K-7	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	157
K-8	Summary Schedule of Prior Year Audit Findings and Questioned Costs	158

INTRODUCTORY SECTION

**BOARD OF EDUCATION
RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT**

131 YAWPO AVENUE
OAKLAND, NEW JERSEY 07436

RAMAPO HIGH SCHOOL
Franklin Lakes, N.J. 07417
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INDIAN HILLS HIGH SCHOOL
Oakland, N.J. 07436
(201) 337-0100

January 24, 2019

Honorable President and
Members of the Board of Education and Constituents
Ramapo Indian Hills Regional High School District
131 Yawpo Avenue
Oakland, New Jersey 07436

Dear Board Members and Constituents:

The comprehensive annual financial report of the Ramapo Indian Hills Regional High School District for the fiscal year ended June 30, 2018 is hereby submitted. Responsibility for the accuracy of the data and the completeness and fairness of the presentation including all disclosures rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Ramapo Indian Hills Regional High School's MD&A can be found immediately following the "Independent Auditor's Report".

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, and a list of principal officials. The financial section includes the independent auditor's report, management's discussion and analysis (MD&A), the basic financial statements including the government-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (uniform Guidance) and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments".

Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

Reporting Entity and High School Services: The Ramapo Indian Hills Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14. All funds of the District are included in this report.

The District provides a full range of educational services appropriate to grade levels 9 through 12 for all students enrolled in the District. The District reported for the 2017-18 fiscal year an enrollment of 2,325 students, which is 16 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last nine (9) years and the projected enrollment for the next year:

Enrollment (October 15th of each year)

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2018-2019	2,277 (projected)	(2.1%)
2017-2018	2,325	.7%
2016-2017	2,309	(.69%)
2015-2016	2,325	(.21%)
2014-2015	2,330	(.08%)
2013-2014	2,350	n/a
2012-2013	2,352	1.90%
2011-2012	2,308	(3.5%)
2010-2011	2,388	.9%
2009-2010	2,366	1.4%

Initiatives: Through the use of an RFP process, the District engaged with an Architectural/Engineering firm for a Facility Review, Conditions Report and Feasibility Study for both high schools. In addition, a Facilities Master Plan was created but not finalized.

One general instructional classroom at each school was turned into a Classroom of the Future. The purpose of the room was to act as a testing platform for various building materials, furnishings and technology equipment.

Capital Improvements: During the Summer and fall of 2017, approximately \$1.5 million in construction/renovation work was completed. Projects included the replacement of home grandstands at Ramapo High School, various restroom renovations at Indian Hills and silicon roof re-coating in various sections at both schools.

District Curriculum Initiatives during the 2017-2018 School Year: The District has continued to follow the three-year curriculum renewal cycle during the 2017-2018 school year, where different content areas went through a curriculum evaluation, revision, implementation, or final revision phase depending on where they were in the cycle. Science, World Languages, and Health and Physical Education began the curriculum evaluation process during the 2017-2018 school year, with plans of revising curriculum in

the summer of 2018 and implementing the revised curriculum in the fall of 2018. All of the District's curriculum has been revised and approved in accordance with the New Jersey Student Learning Standards and follows all adoption dates found in the Quality Single Accountability Continuum (QSAC) for the NJ Department of Education.

Several new courses have been added to various content areas during the 2017-2018 school year, including Introduction to Engineering, Honors Engineering, and Robotics in the Applied Technology department, Current Events: Investigating Modern Media, and Your World: Community Problem Solving in the Social Studies department, and PARCC Algebra in the Mathematics department. The District also continued to integrate curricular initiatives that supported the 2017-2018 goals in the areas of wellness, the engaged-learner, and differentiated instruction.

Relevant Financial Policies: The operations of the Ramapo Indian Hills Regional High School District are financed through a combination of local property taxes, state and federal aid and other local miscellaneous revenue. Property Taxes, the largest local revenue source (84%) for the District, have increased by roughly 2% each year over the past five years.

The second largest revenue source (approximately 14% of revenue) for the District is State and Federal aid/grants. Approximately \$5.9 million of the aid pertains to on-behalf payments made by the State for pension and social security, of those district employees enrolled in teachers' pension plan. The other significant sources of aid pertain to funding special education, security and transportation aid, extraordinary aid and additional nonpublic transportation aid.

Economic Condition and Outlook: The school district serves three communities: Township of Wyckoff, Borough of Franklin Lakes and Borough of Oakland. All three towns are stable, vibrant, residential communities located less than 40 miles from New York City. The locations of the towns afford residents employment opportunities throughout the deep and diverse New York City and northern New Jersey economies.

The school district is comprised of two high school buildings: Ramapo High School originally built in 1956 and Indian Hills High School built in 1964.

The District is in a strong economic position. For the current year the District ended with a total General Fund budgetary fund balance in excess of \$23.9 million, an amount that represents 43% of the General Fund's current year's expenditures. As a result of this surplus, the District was able to replenish a net \$2,110,556 to its Capital Reserve Account, \$42,713 to its Maintenance Reserve Account and \$1,000,000 to Excess Surplus that will be utilized in the District's 2019-20 budget as an appropriated funding source. These amounts are in addition to the \$1,600,000 that has already been designated as a fund balance funding source for the 2018-2019 school year.

Awards: The District received a Certificate of Excellence in Financial Reporting from ASBO International for the 5th consecutive year.

Internal Accounting Controls: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objects 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 judgements by management.

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

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

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. 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 projects fund. The final budget amount is amended for the fiscal year and reflected in the financial section.

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

Accounting System Reports: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements", Note 1.

Long-Term Financial Planning: Each year, as part of the annual budget development process, the administration sets forth the District's statement of priorities. This statement is used to document a District's initiatives, goals and priorities and how they relate to the budget process.

The following initiatives were outlined in the District's Statement of Priorities for the budget planning process:

- Maintain our School System
- Raising Standards and Expanding Opportunities
- Building Professionalism
- Protecting Our Investment
- Planning for the Future

In addition, the board annually adopts district goals. The goals presented often balance fiscal and program issues. Goals for 2017-18 are as follows –

1. Continue to build upon our physical and digital environments of overall wellness, including the social, mental, emotional, and physical health of our students, staff, and families. Through these interrelated components emphasizing perseverance and independence coupled with healthy and supportive face-to-face and digital interactions, we will increase the preparedness of our students for college, career, and adult life.
2. Increase the level of understanding and application of differentiated instruction, including the integration of applicable methodologies or strategies in the physical and digital learning spaces to meet the varied needs of the students at all academic levels.
3. Continue to build upon a community of engaged learners, emphasizing communication, collaboration, creativity, and critical thinking. The District will prepare students for college and career readiness in a global marketplace by widening the exploration and application of these important soft skills through the face-to-face and digital learning environments.

The budget process is a collaborative effort between District administrators, building principals and staff members with input from parents and community members as well. With the economic crisis in New Jersey, everything changed drastically for all school districts in our state. Budgeting is the process of allocating finite resources to the prioritized needs of our district.

Through the diligent efforts of our staff, the District continues to provide academic improvement programs such as tutorials, which were established in previous budgets. Curriculum development, data analysis and staff development continue to be ongoing and essential to the educational process for students.

Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Higgins LLP, 17-17 Route 208 N., Fair Lawn, New Jersey, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirement of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State Treasury Circular Letter 15-08 OMB.

The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

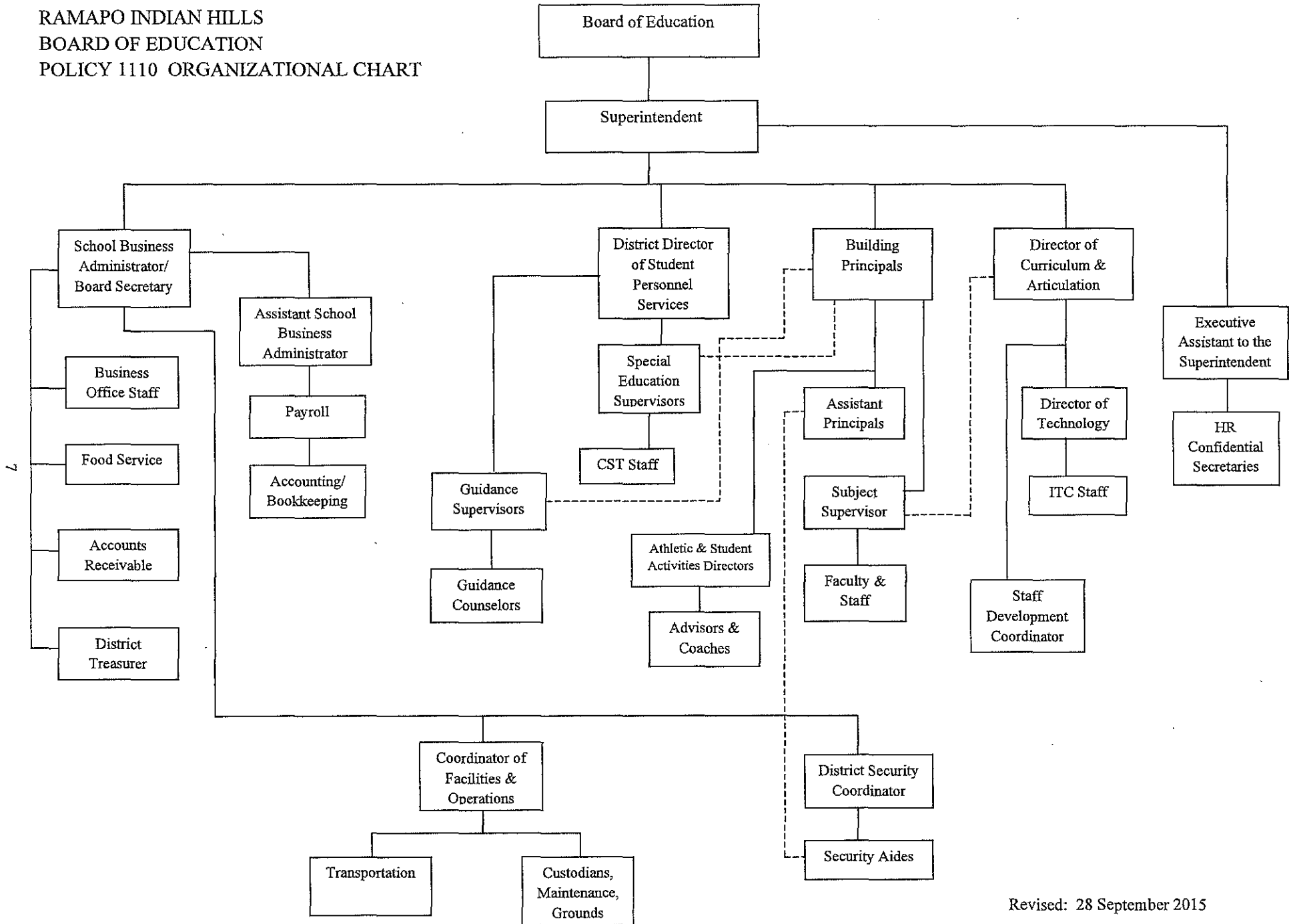


Beverly MacKay
Superintendent of Schools



Frank Ceurvels
Business Administrator / Board Secretary

RAMAPO INDIAN HILLS
 BOARD OF EDUCATION
 POLICY 1110 ORGANIZATIONAL CHART



Revised: 28 September 2015

**BOARD OF EDUCATION
RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT**

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**ROSTER OF OFFICIALS
JUNE 30, 2018**

Members of the Board of Education

Term Expires

Jane Castor, President	2018
John Butto, Vice President	2019
Thomas Bunting	2019
Christine Becker	2019
E. David Becker	2020
Teresa Kilday	2020
Sadie Quinlan	2020
Thomas Rukaj	2018
Kenneth Porro	2018

Other Officials

Beverly MacKay	Superintendent of Schools
Frank Ceurvels	Business Administrator/Board Secretary
Joseph Amatuzzi	Treasurer of School Monies
Stephen Fogarty	Board Attorney

**BOARD OF EDUCATION
RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT**

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(201) 337-0100

**CONSULTANTS AND ADVISORS
JUNE 30, 2018**

Architects

Lan Associates
445 Godwin Avenue
Midland Park, New Jersey 07432

DiCara Rubino Architects
30 Galesi Drive, West Wing
Wayne, New Jersey 07470

Attorney

Fogarty and Hara
21-00 State Highway Route 208
Fair Lawn, New Jersey 07410

Audit Firm

Lerch, Vinci & Higgins
17-17 State Highway Route 208
Fair Lawn, New Jersey 07410

Official Depository

Columbia Bank
1901 Route 208 North
Fair Lawn, NJ. 07410



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Ramapo Indian Hills Regional High School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink that reads 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA

GARY J. VINCI, CPA, RMA, PSA

GARY W. HIGGINS, CPA, RMA, PSA

JEFFREY C. BLISS, CPA, RMA, PSA

PAUL J. LERCH, CPA, RMA, PSA

DONNA L. JAPHET, CPA, PSA

JULIUS B. CONSONI, CPA, PSA

ANDREW D. PARENTE, CPA, RMA, PSA

Honorable President and Members

of the Board of Education

Ramapo Indian Hills Regional High School District

Oakland, New Jersey

INDEPENDENT AUDITOR'S REPORT

ELIZABETH A. SHICK, CPA, RMA, PSA

ROBERT W. HAAG, CPA, PSA

DEBORAH K. LERCH, CPA, PSA

RALPH M. PICONE, CPA, RMA, PSA

DEBRA GOLLE, CPA

MARK SACO, CPA

SHERYL M. LEIDIG, CPA, PSA

ROBERT LERCH, CPA

CHRIS SOHN, CPA

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 Ramapo Indian Hills Regional High School District, as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramapo Indian Hills Regional High School District 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

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2018 the Ramapo Indian Hills Regional High School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and other postemployment benefits information 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 Ramapo Indian Hills Regional High School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Ramapo Indian Hills Regional High School District.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 24, 2019 on our consideration of the Ramapo Indian Hills Regional High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ramapo Indian Hills Regional High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Ramapo Indian Hills Regional High School District's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 24, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

This section of the Ramapo Indian Hills Regional High School District's comprehensive annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2018. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2017-2018) and the prior year (2016-2017) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2017-2018 fiscal year include the following:

- The assets and deferred outflows of resources of the Ramapo Indian Hills Regional High School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$54,075,922 (net position).
- Overall revenues, including sale of assets, were \$72,474,543. General revenues, transfers and special items accounted for \$53,303,525 or 74% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$19,171,018 or 26% of total revenues.
- The school district had \$66,840,655 in expenses for governmental activities; only \$17,648,580 of these expenses were offset by program specific charges, grants or contributions. General revenues, transfers and special items (predominantly property taxes) of \$53,363,500 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$25,714,765.
- The General Fund (GAAP Basis) fund balance at June 30, 2018 was \$24,281,248 an increase of \$2,287,036 when compared with the beginning balance at July 1, 2017 of \$21,994,212.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental 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.

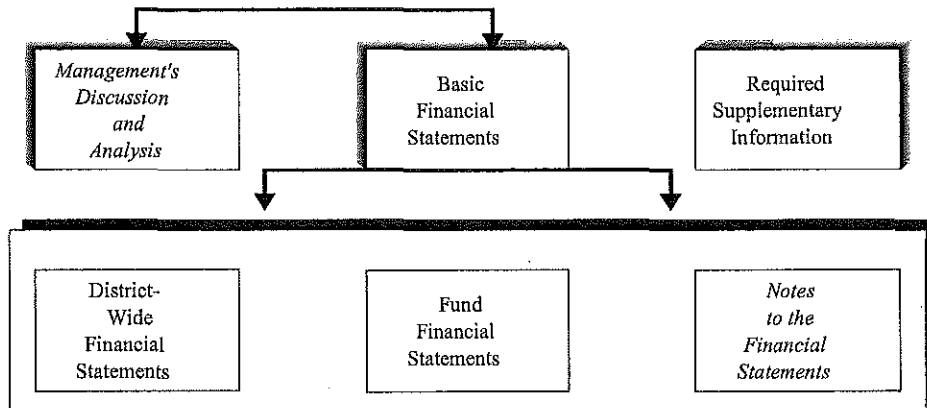
RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

- 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 district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
 - Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.
 - 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 to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1



RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

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 the structure and contents of each of the statements.

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 regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as Unemployment, Payroll Agency, and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements 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 focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset/ deferred Outflows/inflows of resources/ liability information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues 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 revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-wide financial 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 outflows/inflows of resources and liabilities. All of the current year's revenues 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 and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health or position.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

District-wide financial statements (continued)

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the overall health of the District you need to consider additional non-financial 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 shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund and 1 to 1 Initiative (Laptop Insurance Program) Fund are included under this category.

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 bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state 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 to 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, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) 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 in the fund financial statements as district-wide statements.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

Fund financial statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds.

- Food Service (Cafeteria)
- 1 to 1 Initiative (Laptop Insurance Program)

• *Fiduciary funds* – The District is the trustee, or fiduciary, for assets that belong to others. 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. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The first part of required supplementary information is concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB statement No. 68. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the required supplementary information.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Ramapo Indian Hills Regional High School District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$54,075,922 as of June 30, 2018.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position As of June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current Assets	\$ 28,462,508	\$ 27,144,524	\$ 960,883	\$ 872,813	\$ 29,423,391	28,017,337
Capital Assets	<u>60,345,739</u>	<u>60,288,558</u>	<u>77,988</u>	<u>89,108</u>	<u>60,423,727</u>	<u>60,377,666</u>
Total Assets	<u>88,808,247</u>	<u>87,433,082</u>	<u>1,038,871</u>	<u>961,921</u>	<u>89,847,118</u>	<u>88,395,003</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	446,425	525,194	-	-	446,425	525,194
Deferred Amounts on Net Pension Liability	<u>3,922,711</u>	<u>4,739,225</u>	<u>-</u>	<u>-</u>	<u>3,922,711</u>	<u>4,739,225</u>
Total Deferred Outflows of Resources	<u>4,369,136</u>	<u>5,264,419</u>	<u>-</u>	<u>-</u>	<u>4,369,136</u>	<u>5,264,419</u>
Total Assets and Deferred Outflows of Resources	<u>93,177,383</u>	<u>92,697,501</u>	<u>1,038,871</u>	<u>961,921</u>	<u>94,216,254</u>	<u>93,659,422</u>
Liabilities						
Long-Term Liabilities	34,091,702	40,058,748			34,091,702	40,058,748
Other Liabilities	<u>2,786,476</u>	<u>3,217,687</u>	<u>140,218</u>	<u>125,065</u>	<u>2,926,694</u>	<u>3,342,752</u>
Total Liabilities	<u>36,878,178</u>	<u>43,276,435</u>	<u>140,218</u>	<u>125,065</u>	<u>37,018,396</u>	<u>43,401,500</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	<u>3,121,936</u>	<u>415,222</u>	<u>-</u>	<u>-</u>	<u>3,121,936</u>	<u>415,222</u>
Total Deferred Inflows of Resources	<u>3,121,936</u>	<u>415,222</u>	<u>-</u>	<u>-</u>	<u>3,121,936</u>	<u>415,222</u>
Total Liabilities and Deferred Inflows of Resources	<u>40,000,114</u>	<u>43,691,657</u>	<u>140,218</u>	<u>125,065</u>	<u>40,140,332</u>	<u>43,816,722</u>
Net Position						
Net Investment in Capital Assets	43,393,135	42,294,899	77,988	89,108	43,471,123	42,384,007
Restricted	21,117,838	22,435,929			21,117,838	22,435,929
Unrestricted	<u>(11,333,704)</u>	<u>(15,724,984)</u>	<u>820,665</u>	<u>747,748</u>	<u>(10,513,039)</u>	<u>(14,977,236)</u>
Total Net Position	<u>\$ 53,177,269</u>	<u>\$ 49,005,844</u>	<u>\$ 898,653</u>	<u>\$ 836,856</u>	<u>\$ 54,075,922</u>	<u>\$ 49,842,700</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

Changes in Net Position For the Fiscal Years Ended June 30, 2018 and 2017

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues						
Program Revenues						
Charges for Services	\$ 246,132	\$ 184,100	\$ 1,522,438	\$ 1,466,111	\$ 1,768,570	\$ 1,650,211
Operating Grants and Contributions	17,402,448	15,784,715			17,402,448	15,784,715
Capital Grants and Contributions		491,754			-	491,754
General Revenues						
Property Taxes	50,424,260	49,666,764			50,424,260	49,666,764
Unrestricted State Aid	72,932	68,174			72,932	68,174
Other	1,667,403	659,637	6,105	2,072	1,673,508	661,709
Total Revenues	<u>69,813,175</u>	<u>66,855,144</u>	<u>1,528,543</u>	<u>1,468,183</u>	<u>71,341,718</u>	<u>68,323,327</u>
Expenses						
Instruction						
Regular	29,953,704	30,823,984			29,953,704	30,823,984
Special Education	6,634,085	5,971,270			6,634,085	5,971,270
Other Instruction	66,207	106,224			66,207	106,224
Other Instructional/Supplemental Programs	733,538	624,233			733,538	624,233
School Sponsored Activities and Athletics	3,818,895	3,452,812			3,818,895	3,452,812
Support Services						
Student and Instruction Related Serv.	9,245,740	8,726,716			9,245,740	8,726,716
School Administrative Services	3,680,283	3,169,276			3,680,283	3,169,276
General Administrative Services	1,055,019	960,247			1,055,019	960,247
Plant Operations and Maintenance	6,487,363	6,334,414			6,487,363	6,334,414
Pupil Transportation	2,587,510	2,229,600			2,587,510	2,229,600
Business and Other Support Services	2,039,587	1,881,170			2,039,587	1,881,170
Interest on Long-Term Debt	538,724	571,649			538,724	571,649
Food Services			1,317,617	1,212,272	1,317,617	1,212,272
1 to 1 Initiative	-	-	83,049	109,481	83,049	109,481
Total Expenses	<u>66,840,655</u>	<u>64,851,595</u>	<u>1,400,666</u>	<u>1,321,753</u>	<u>68,241,321</u>	<u>66,173,348</u>
Increase (Decrease) in Net Position						
Before Transfers and Special Item	2,972,520	2,003,549	127,877	146,430	3,100,397	2,149,979
Transfers	66,080	-	(66,080)	-	-	-
Special Item	1,132,825	-	-	-	1,132,825	-
Change in Net Position	4,171,425	2,003,549	61,797	146,430	4,233,222	2,149,979
Net Position Beginning of Year	<u>49,005,844</u>	<u>47,002,295</u>	<u>836,856</u>	<u>690,426</u>	<u>49,842,700</u>	<u>47,692,721</u>
Net Position, End of Year	<u>\$ 53,177,269</u>	<u>\$ 49,005,844</u>	<u>\$ 898,653</u>	<u>\$ 836,856</u>	<u>\$ 54,075,922</u>	<u>\$ 49,842,700</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

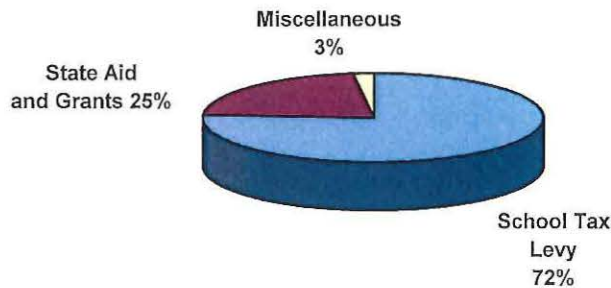
Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$69,813,175 for the fiscal year ended June 30, 2018, an increase of \$2,958,031 or 4.4% over the previous year. A significant amount of this increase is attributable to the adjustment to the on-behalf OPEB contribution to recognize the actuarially determined amount that should have been contributed by the State on-behalf of the District. Property taxes of \$50,424,260 represented 72% of revenues. Another significant portion of revenues came from State, Federal and Local aid; total State, Federal, Local and formula aid was \$17,475,380 (25%) of revenues. Another source of revenues is miscellaneous income, which includes items such as rentals, prior year refunds, interest etc. which amounts to \$1,667,403 (2%) of total revenues. The smallest component of revenues is charges for services, which includes tuition from other LEAs and individuals and transportation fees from individuals.

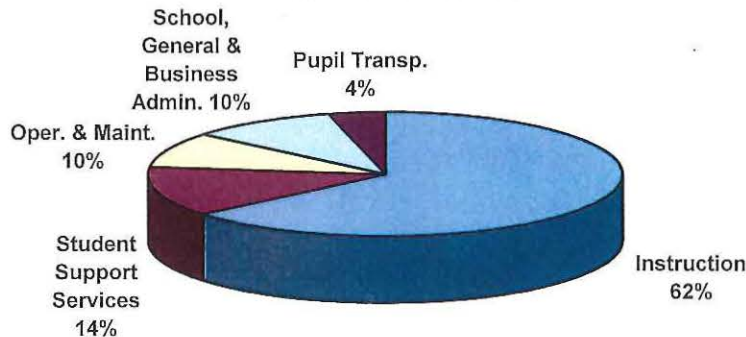
The total cost of all governmental activities programs and services was \$66,840,655. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$41,206,429 (62%) of total expenses. Support services totaled \$25,095,502, or 38% of total expenses. The remaining expenses relate to interest and other charges on long-term debt which were \$538,724, or less than 1% of total expenses.

Total governmental activities revenues, transfers and special item surpassed expenses, increasing net position \$4,171,425 over the previous year.

Revenues by Source- Governmental Activities
For Fiscal Year 2018



Expenses by Type- Governmental Activities
For Fiscal Year 2018



Total and Net Cost of Governmental Activities. The District's total cost of services was \$66,840,655. After applying program revenues, derived from charges for services of \$246,132 and operating and capital grants and contributions of \$17,402,448 the net cost of services of the District is \$49,192,075.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2018 and 2017**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Instruction				
Regular	\$ 29,953,704	\$ 30,823,984	\$ 19,929,938	\$ 21,067,920
Special Education	6,634,085	5,971,270	3,714,855	3,434,394
Other Instruction	66,207	106,224	44,070	68,499
Other Instructional/Supplemental Programs	733,538	624,233	477,071	624,233
School Sponsored Activities and Athletics	3,818,895	3,452,812	3,596,164	3,229,257
Support Services				
Student and Instruction Related Svcs.	9,245,740	8,726,716	6,906,549	6,581,363
School Administrative Services	3,680,283	3,169,276	2,598,991	2,249,293
General Administrative Services	1,055,019	960,247	1,013,415	960,247
Plant Operations and Maintenance	6,487,363	6,334,414	6,202,404	5,803,147
Pupil Transportation	2,587,510	2,229,600	2,229,467	1,919,854
Business and Other Support Services	2,039,587	1,881,170	1,940,427	1,881,170
Interest on Long-Term Debt	538,724	571,649	538,724	571,649
Total	<u>\$ 66,840,655</u>	<u>\$ 64,851,595</u>	<u>\$ 49,192,075</u>	<u>\$ 48,391,026</u>

Business-Type Activities – The District's total business-type activities revenues were \$1,528,543 for the year ended June 30, 2018. Charges for services accounted for more than 99% of total revenues for the year.

The total cost of all business-type activities programs and services was \$1,400,666. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District as well as a 1 to 1 initiative (laptop insurance) program.

Total business-type activities revenues surpassed expenses and transfers increasing net position by \$61,797 over the previous year.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$25,714,765. At June 30, 2017, the fund balance was \$23,967,841. This increase is predominately attributable to a minimal increase in spending due to careful monitoring of the District's expenditures and the reserving of funds needed to fund future anticipated costs.

Revenues and other financing sources for the District's governmental funds were \$64,982,030, while total expenses and other financing uses were \$63,235,106, thereby increasing fund balance by \$1,746,924.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from grades 9-12 including pupil transportation activities and other support services.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 48,842,210	\$ 48,103,336	\$ 738,874	2%
Tuition	178,065	108,646	69,419	64%
Transportation	68,067	75,454	(7,387)	-10%
Interest	299,850	87,956	211,894	241%
Miscellaneous	1,367,553	571,681	795,872	139%
State Sources	<u>7,711,912</u>	<u>6,731,005</u>	<u>980,907</u>	15%
 Total General Fund Revenues	 <u>\$ 58,467,657</u>	 <u>\$ 55,678,078</u>	 <u>\$ 2,789,579</u>	 5%

Total General Fund Revenues increased by \$2,789,579 or 5% compared with the previous year. The on-behalf state revenues and property taxes were largely attributable for the increase, along with the cancellation of prior year accounts payable.

Local property taxes increased approximately 2% from the previous year. State aid revenues increased \$980,907, or 15% predominantly attributable to the increase in the State's contribution for on-behalf TPAF pension system accrued liability costs.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

Miscellaneous revenues increased primarily due to reimbursements of utility expenses through E-Rate funding, as well as the aforementioned cancellation of prior year accounts payable.

Interest income revenues increased due to increased available cash balances as well as an increase in interest rates resulting from a change in official depositories.

Tuition revenues increased due to a change in enrollment of students received from outside the District.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>	Amount of Increase <u>(Decrease)</u>	Percent <u>Change</u>
Instruction	\$ 32,469,223	\$ 33,142,881	\$ (673,658)	-2%
Support Services	21,039,132	20,040,214	998,918	5%
Debt Service	1,935,870	694,243	1,241,627	179%
Capital Outlay	<u>159,230</u>	<u>209,549</u>	<u>(50,319)</u>	-24%
 Total Expenditures	 <u>\$ 55,603,455</u>	 <u>\$ 54,086,887</u>	 <u>\$ 1,516,568</u>	 3%

Total General Fund expenditures increased \$1,516,568 or 3% over the previous year.

In 2017-2018 General Fund revenues and financing sources exceeded expenditures and other financing uses by \$2,287,036. As a result, total fund balance increased to \$24,281,248 at June 30, 2018. After deducting transfers and reserves, the unassigned fund balance increased from \$913,114 at June 30, 2017 to \$1,004,054 at June 30, 2018.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$533,313, for the fiscal year ended June 30, 2018. Federal sources accounted for the majority of Special Revenue Fund's revenue, which represented 92% of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$99,429 or 16% from the previous year. Federal sources increased \$8,311 or 2%, State sources increased \$885 or 2% and local sources decreased \$108,625.

Expenditures of the Special Revenue Fund were \$533,313. Instructional expenditures accounted for 93% of the expenditures for the fiscal year ended June 30, 2018.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

Capital Projects Fund - The Capital Projects Fund expenditures and other financing uses exceeded revenues and other financing sources by \$540,112 resulting in a remaining fund balance of \$1,433,517 at June 30, 2018. The fund balance mostly represents the unexpended local share of capital projects approved by the Board.

Proprietary Funds

The District maintains an Enterprise Fund to account for activities, which are supported in part through user fees.

Enterprise Funds - The District uses Enterprise Funds to report activities related to the Food Services and 1 to 1 Initiative (Laptop Insurance) Programs. The District's Enterprise Funds provide the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of these Funds have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories

- Implementing budgets for specially funded projects, which include both federal and State grants, and reinstating prior year purchase orders being carried over.
- Increases in appropriations for the funding of capital projects approved in the Long-Range Facilities Plan.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2018 amounts to \$60,423,727 (net of accumulated depreciation). The capital assets consist of land, land improvements, construction in progress, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2017-2018 amounted to \$2,418,232 for governmental activities and \$11,120 for business-type activities.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

Capital Assets at June 30, 2018 and 2017 (Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land and Improvements						
Other Than Building	\$ 1,420,085	\$ 1,556,142			\$ 1,420,085	\$ 1,556,142
Building and Building Improvements	56,090,964	57,556,211			56,090,964	57,556,211
Machinery and Equipment	941,933	981,790	\$ 77,988	\$ 89,108	1,019,921	1,070,898
Construction in Progress	<u>1,892,757</u>	<u>194,415</u>	<u>-</u>	<u>-</u>	<u>1,892,757</u>	<u>194,415</u>
Total Capital Assets, Net	<u>\$ 60,345,739</u>	<u>\$ 60,288,558</u>	<u>\$ 77,988</u>	<u>\$ 89,108</u>	<u>\$ 60,423,727</u>	<u>\$ 60,377,666</u>

Additional information on the District's capital assets are presented in the "Notes to the Financial Statements" of this report.

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$872,823, lease purchase obligations of \$1,881,026 and bonds payable of \$17,399,029 and net pension liability of \$13,938,824.

Additional information of the District's long-term liabilities is presented in the "Notes to the Financial Statements" of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Currently, the District is in good financial condition. Everyone associated with Ramapo Indian Hills Regional High School is grateful for the community support.

The School Funding and Reform Act (SFRA) was enacted in 2008 and established a statewide, weighted student funding formula. For reasons beyond our control, the aid amount to Ramapo Indian Hills School District has been significantly under-funded since 2011-12. If the district were to receive its full share of funding under the formula in 2017-18, it would be entitled to receive state categorical aid in the amount of \$2,102,944. Instead, the district received \$1,403,572. In addition, the district did not receive its full share of funding for excess special education costs through the State of New Jersey's extraordinary aid program. The total excess costs included in the district's extraordinary aid application were \$671,231. The District received funding in the amount of \$336,467. With respect to the categorical state aid and extraordinary aid, the district is being underfunded by the State in the amount of \$1,0234,136. This shortfall is thereby absorbed by the taxpayers in all 3 communities and magnifies the over-reliance on property taxes to fund our local schools.

Many factors were considered by the District's administration during the process of developing the fiscal year 2017-2018 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2018-2019. Budgeted expenditures in the General Fund increased 1.8 percent to \$53,769,401 for fiscal year 2018-2019.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors 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 information contact the School Business Administrator, Ramapo Indian Hills Regional High School, 131 Yawpo Avenue, Oakland, NJ 07436.

BASIC FINANCIAL STATEMENTS

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 28,081,526	\$ 954,901	\$ 29,036,427
Receivables, net	380,362		380,362
Inventories		5,982	5,982
Due from Other Funds	620		620
Capital Assets:			
Not Being Depreciated	2,071,392		2,071,392
Being Depreciated, net	58,274,347	77,988	58,352,335
Total Assets	<u>88,808,247</u>	<u>1,038,871</u>	<u>89,847,118</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	446,425		446,425
Deferred Amounts on Net Pension Liability	3,922,711	-	3,922,711
Total Deferred Outflows of Resources	<u>4,369,136</u>	<u>-</u>	<u>4,369,136</u>
Total Assets and Deferred Outflows of Resources	<u>93,177,383</u>	<u>1,038,871</u>	<u>94,216,254</u>
LIABILITIES			
Accounts Payable and Other Liabilities	2,573,626	108,506	2,682,132
Accrued Interest Payable	38,733		38,733
Payable to State Government	32,769		32,769
Unearned Revenue	141,348	31,712	173,060
Noncurrent Liabilities :			
Due Within One Year	1,773,976		1,773,976
Due Beyond One Year	32,317,726	-	32,317,726
Total Liabilities	<u>36,878,178</u>	<u>140,218</u>	<u>37,018,396</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	3,121,936	-	3,121,936
Total Deferred Inflows of Resources	<u>3,121,936</u>	<u>-</u>	<u>3,121,936</u>
Total Liabilities and Deferred Inflows of Resources	<u>40,000,114</u>	<u>140,218</u>	<u>40,140,332</u>
NET POSITION			
Net Investment in Capital Assets	43,393,135	77,988	43,471,123
Restricted for:			
Capital Projects	16,975,125		16,975,125
Other Purposes	4,142,713		4,142,713
Unrestricted	(11,333,704)	820,665	(10,513,039)
Total Net Position	<u>\$ 53,177,269</u>	<u>\$ 898,653</u>	<u>\$ 54,075,922</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 29,953,704	\$ 35,581	\$ 9,988,185		\$ (19,929,938)		\$ (19,929,938)
Special Education	6,634,085	142,484	2,776,746		(3,714,855)		(3,714,855)
Other Instruction	66,207		22,137		(44,070)		(44,070)
Other Supplemental / At-Risk Programs	733,538		256,467		(477,071)		(477,071)
School Sponsored Activities and Athletics	3,818,895		222,731		(3,596,164)		(3,596,164)
Support Services:							
Student & Instruction Related Services	9,245,740		2,339,191		(6,906,549)		(6,906,549)
School Administrative Services	3,680,283		1,081,292		(2,598,991)		(2,598,991)
General Administrative Services	1,055,019		41,604		(1,013,415)		(1,013,415)
Plant Operations and Maintenance	6,487,363		284,959		(6,202,404)		(6,202,404)
Pupil Transportation	2,587,510	68,067	289,976		(2,229,467)		(2,229,467)
Business and Other Support Services	2,039,587		99,160		(1,940,427)		(1,940,427)
Interest on Long-Term Debt	538,724	-	-	-	(538,724)	-	(538,724)
Total Governmental Activities	<u>66,840,655</u>	<u>246,132</u>	<u>17,402,448</u>	<u>-</u>	<u>(49,192,075)</u>	<u>-</u>	<u>(49,192,075)</u>
Business-Type Activities:							
Food Service	1,317,617	1,364,691			-	\$ 47,074	47,074
1 to 1 Initiative	83,049	157,747			-	74,698	74,698
Total Business-Type Activities	<u>1,400,666</u>	<u>1,522,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,772</u>	<u>121,772</u>
Total Primary Government	<u>\$ 68,241,321</u>	<u>\$ 1,768,570</u>	<u>\$ 17,402,448</u>	<u>\$ -</u>	<u>(49,192,075)</u>	<u>121,772</u>	<u>(49,070,303)</u>
General Revenues and Transfers:							
Taxes:							
Property Taxes, Levied For General Purposes					48,842,210		48,842,210
Property Taxes Levied for Debt Service					1,582,050		1,582,050
Unrestricted State Aid					72,932		72,932
Investment Earnings					299,850	6,105	305,955
Miscellaneous Income					1,367,553	-	1,367,553
Transfers					66,080	(66,080)	-
Special Item - Sale of Assets - Computers					1,132,825	-	1,132,825
Total General Revenues, Transfers and Special Item					<u>53,363,500</u>	<u>(59,975)</u>	<u>53,303,525</u>
Change in Net Position					4,171,425	61,797	4,233,222
Net Position, Beginning of Year					49,005,844	836,856	49,842,700
Net Position, End of Year					<u>\$ 53,177,269</u>	<u>\$ 898,653</u>	<u>\$ 54,075,922</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

FUND FINANCIAL STATEMENTS

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 26,421,700	\$ 28,851	\$ 1,630,975		\$ 28,081,526
Receivables From Other Governments	51,790	130,929	24,095		206,814
Other Receivables	173,548				173,548
Due from Other Funds	620	-	-	-	620
	<u>26,647,658</u>	<u>159,780</u>	<u>1,655,070</u>	<u>-</u>	<u>28,462,508</u>
Total Assets	\$ 26,647,658	\$ 159,780	\$ 1,655,070	\$ -	\$ 28,462,508
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 2,354,733	\$ 8,687	\$ 210,206		\$ 2,573,626
Payable to State Government		32,769			32,769
Unearned Revenue	11,677	118,324	11,347	-	141,348
	<u>2,366,410</u>	<u>159,780</u>	<u>221,553</u>	<u>-</u>	<u>2,747,743</u>
Total Liabilities	2,366,410	159,780	221,553	-	2,747,743
Fund Balances:					
Restricted					
Excess Surplus - Designated for Subsequent Year's (2018/19) Budget	1,600,000				1,600,000
Excess Surplus	1,000,000				1,000,000
Capital Reserve	15,541,608				15,541,608
Maintenance Reserve	4,142,713				4,142,713
Emergency Reserve	482,170				482,170
Capital Projects			1,433,517		1,433,517
Committed					
Encumbrances	119,752				119,752
Assigned					
Encumbrances	390,951				390,951
Unassigned	1,004,054	-	-	-	1,004,054
	<u>24,281,248</u>	<u>-</u>	<u>1,433,517</u>	<u>-</u>	<u>25,714,765</u>
	<u>\$ 26,647,658</u>	<u>\$ 159,780</u>	<u>\$ 1,655,070</u>	<u>\$ -</u>	<u>\$ 28,462,508</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018**

Total Fund Balances (Exhibit B-1) **\$ 25,714,765**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$95,692,660 and the accumulated depreciation is \$35,346,921. 60,345,739

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 446,425

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources	\$ 3,922,711	
Deferred Inflows of Resources	<u>(3,121,936)</u>	800,775

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (38,733)

Long-term liabilities, including bonds payable, and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. (See Note 2) (34,091,702)

Net Position of Governmental Activities \$ 53,177,269

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 48,842,210			\$ 1,582,050	\$ 50,424,260
Tuition	178,065				178,065
Transportation Fees	68,067				68,067
Interest	299,850				299,850
Miscellaneous	<u>1,367,553</u>	<u>\$ 5,198</u>	<u>-</u>	<u>-</u>	<u>1,372,751</u>
Total - Local Sources	50,755,745	5,198	-	1,582,050	52,342,993
State Sources	7,711,912	38,671			7,750,583
Federal Sources	<u>-</u>	<u>489,444</u>	<u>-</u>	<u>-</u>	<u>489,444</u>
Total Revenues	<u>58,467,657</u>	<u>533,313</u>	<u>-</u>	<u>1,582,050</u>	<u>60,583,020</u>
EXPENDITURES					
Current					
Regular Instruction	23,018,224	86,303			23,104,527
Special Education Instruction	5,551,040	411,376			5,962,416
Other Instructional Programs	48,197				48,197
Other Supplemental / At Risk Programs	558,861				558,861
School Sponsored Activities and Athletics	3,292,901				3,292,901
Support Services					
Student & Instruction Related Services	7,362,556	35,634			7,398,190
General Administrative Services	944,756				944,756
School Administrative Services	2,874,350				2,874,350
Business and Other Support Services	1,710,712				1,710,712
Plant Operations and Maintenance	5,773,598				5,773,598
Pupil Transportation	2,373,160				2,373,160
Debt Service					
Principal	1,935,870			1,090,000	3,025,870
Interest and Other Charges				492,050	492,050
Capital Outlay	<u>159,230</u>	<u>-</u>	<u>\$ 2,316,183</u>	<u>-</u>	<u>2,475,413</u>
Total Expenditures	<u>55,603,455</u>	<u>533,313</u>	<u>2,316,183</u>	<u>1,582,050</u>	<u>60,035,001</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,864,202</u>	<u>-</u>	<u>(2,316,183)</u>	<u>-</u>	<u>548,019</u>
OTHER FINANCING SOURCES (USES)					
Sale of Assets - Computers	1,132,825				1,132,825
Transfers Out	(2,488,088)		(712,017)		(3,200,105)
Transfers In	<u>778,097</u>	<u>-</u>	<u>2,488,088</u>	<u>-</u>	<u>3,266,185</u>
Total Other Financing Sources and Uses	<u>(577,166)</u>	<u>-</u>	<u>1,776,071</u>	<u>-</u>	<u>1,198,905</u>
Net Change in Fund Balances	2,287,036	-	(540,112)	-	1,746,924
Fund Balance, Beginning of Year	<u>21,994,212</u>	<u>-</u>	<u>1,973,629</u>	<u>-</u>	<u>23,967,841</u>
Fund Balance, End of Year	<u>\$ 24,281,248</u>	<u>\$ -</u>	<u>\$ 1,433,517</u>	<u>\$ -</u>	<u>\$ 25,714,765</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 1,746,924

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlay to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are allocated over their estimated useful lives as annual depreciation expense.

Capital Outlay	\$ 2,475,413	
Depreciation Expense	<u>(2,418,232)</u>	
		57,181

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Additionally, governmental funds report the effect of premiums, discounts and similar items when the debt is issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal Repayments:		
General Obligations Bonds	1,090,000	
Lease Purchase Agreements	<u>1,935,870</u>	
		3,025,870

In the statement of activities, costs related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, the issuance costs are reported upon issuance of the debt. This amount represents the current year amortization of the costs related to the issuance of long term debt in previous years.

Deferred Amount on Refunding of Debt	(78,769)	
Original Issue Premium	<u>29,824</u>	
		(48,945)

In the statement of activities, certain operating expenses - compensated absences and pension expense - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Increase in Compensated Absences	(61,431)	
Increase in Pension Expense	<u>(550,445)</u>	
		(611,876)

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation.

2,271

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 4,171,425

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2018**

	<u>Food Service Fund</u>	<u>Non-Major Enterprise Fund</u>	<u>Total Enterprise Funds</u>
ASSETS			
Current Assets			
Cash	\$ 608,344	\$ 346,557	\$ 954,901
Inventories	5,982	-	5,982
Total Current Assets	<u>614,326</u>	<u>346,557</u>	<u>960,883</u>
Capital Assets			
Equipment	270,204		270,204
Less: Accumulated Depreciation	<u>(192,216)</u>	<u>-</u>	<u>(192,216)</u>
Total Capital Assets, Net	<u>77,988</u>	<u>-</u>	<u>77,988</u>
Total Assets	<u>692,314</u>	<u>346,557</u>	<u>1,038,871</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	108,347	159	108,506
Unearned Revenue	<u>31,712</u>	<u>-</u>	<u>31,712</u>
Total Current Liabilities	<u>140,059</u>	<u>159</u>	<u>140,218</u>
NET POSITION			
Investment in Capital Assets	77,988		77,988
Unrestricted	<u>474,267</u>	<u>346,398</u>	<u>820,665</u>
Total Net Position	<u>\$ 552,255</u>	<u>\$ 346,398</u>	<u>\$ 898,653</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Food Service Fund</u>	<u>Non-Major Enterprise Fund</u>	<u>Total Enterprise Funds</u>
OPERATING REVENUES			
Charges for Services			
Sales	\$ 1,364,691		\$ 1,364,691
Program Fees	-	\$ 157,747	157,747
	<u>1,364,691</u>	<u>157,747</u>	<u>1,522,438</u>
Total Operating Revenues			
	<u>1,364,691</u>	<u>157,747</u>	<u>1,522,438</u>
OPERATING EXPENSES			
Cost of Sales	607,439		607,439
Salaries and Employee Benefits	500,771	73,792	574,563
Purchased Professional and Technical Services		8,192	8,192
Supplies and Materials	28,928		28,928
Management Fees	35,306		35,306
Depreciation	11,120		11,120
Refunds/Returns		1,065	1,065
Repairs and Maintenance	38,004		38,004
Miscellaneous Expenditures	96,049	-	96,049
	<u>1,317,617</u>	<u>83,049</u>	<u>1,400,666</u>
Total Operating Expenses			
	<u>1,317,617</u>	<u>83,049</u>	<u>1,400,666</u>
Operating Income	<u>47,074</u>	<u>74,698</u>	<u>121,772</u>
NONOPERATING REVENUES AND EXPENSES			
Interest Revenue	<u>6,105</u>	<u>-</u>	<u>6,105</u>
Total Nonoperating Revenues and Expenses			
	<u>6,105</u>	<u>-</u>	<u>6,105</u>
Income Before Transfers	53,179	74,698	127,877
Transfer Out	<u>-</u>	<u>(66,080)</u>	<u>(66,080)</u>
Change in Net Position	53,179	8,618	61,797
Net Position, Beginning of Year	<u>499,076</u>	<u>337,780</u>	<u>836,856</u>
Net Position, End of Year	<u>\$ 552,255</u>	<u>\$ 346,398</u>	<u>\$ 898,653</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Food Service Fund</u>	<u>Non-Major Enterprise Fund</u>	<u>Total Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 1,367,369	\$ 157,747	\$ 1,525,116
Cash Payments for Employees' Salaries and Benefits	(500,771)	(73,792)	(574,563)
Cash Payments to Suppliers for Goods and Services	<u>(792,628)</u>	<u>(9,257)</u>	<u>(801,885)</u>
Net Cash Provided by Operating Activities	<u>73,970</u>	<u>74,698</u>	<u>148,668</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Payments to General Fund	<u>-</u>	<u>(66,080)</u>	<u>(66,080)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(66,080)</u>	<u>(66,080)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	<u>6,105</u>	<u>-</u>	<u>6,105</u>
Net Cash Provided by Investing Activities	<u>6,105</u>	<u>-</u>	<u>6,105</u>
Net Increase in Cash	80,075	8,618	88,693
Cash, Beginning of Year	<u>528,269</u>	<u>337,939</u>	<u>866,208</u>
Cash, End of Year	<u>\$ 608,344</u>	<u>\$ 346,557</u>	<u>\$ 954,901</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$ 47,074	\$ 74,698	\$ 121,772
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation	11,120		11,120
Change in Assets and Liabilities			
(Increase)/Decrease in Other Accounts Receivable	2,678		2,678
(Increase)/Decrease in Inventories	(2,055)		(2,055)
Increase/(Decrease) in Accounts Payable	13,983		13,983
Increase/(Decrease) in Unearned Revenue	<u>1,170</u>	<u>-</u>	<u>1,170</u>
Total Adjustments	<u>26,896</u>	<u>-</u>	<u>26,896</u>
Net Cash Provided by Operating Activities	<u>\$ 73,970</u>	<u>\$ 74,698</u>	<u>\$ 148,668</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2018**

	<u>Scholarship Fund</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Agency Fund</u>
ASSETS			
Cash	\$ 97,974	\$ 960,507	\$ 517,022
Cash with Fiscal Agents	-	-	22,226
	<hr/>	<hr/>	<hr/>
Total Assets	<u>97,974</u>	<u>960,507</u>	<u>\$ 539,248</u>
LIABILITIES			
Payroll Deductions and Withholdings			\$ 232,810
Accrued Salaries and Wages			98
Flexible Spending (Sect. 125) Account			22,199
Intergovernmental Payable		2,015	
Due to Other Funds			620
Due to Student Groups	-	-	283,521
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>-</u>	<u>2,015</u>	<u>\$ 539,248</u>
NET POSITION			
Reserved For Scholarships	<u>\$ 97,974</u>		
Held in Trust for Unemployment Claims		<u>\$ 958,492</u>	

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Scholarship Fund</u>	<u>Unemployment Compensation Trust Fund</u>
ADDITIONS		
Contributions		
Employee Deductions		\$ 57,866
Donations	\$ 20,250	
Investment Earnings		
Interest	1,050	8,956
	<hr/>	<hr/>
Total Additions	21,300	66,822
	<hr/>	<hr/>
DEDUCTIONS		
Scholarships Awarded	27,800	
Unemployment Claims and Contributions	-	35,725
	<hr/>	<hr/>
Total Deductions	27,800	35,725
	<hr/>	<hr/>
Change in Net Position	(6,500)	31,097
Net Position, Beginning of Year	104,474	927,395
	<hr/>	<hr/>
Net Position, End of Year	\$ 97,974	\$ 958,492
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Ramapo Indian Hills Regional High School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A superintendent of schools is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Ramapo Indian Hills Regional High School District this includes general operations, food service, a 1 to 1 initiative for laptop initiative and student related activities of the District.

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

B. New Accounting Standards

During fiscal year 2018, the District adopted the following GASB statements as required:

- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits (OPEB)).
- GASB No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, will be effective beginning with the fiscal year ending June 30, 2019. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the fiscal year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and the food service enterprise fund to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District reports the following non-major proprietary fund which is organized to be self-supporting through user charges:

The *1 to 1 initiative (laptop insurance program) fund* accounts for the non-refundable deposits charged to students to repair and replenish the District's laptop computers provided to students as part of the 1 to 1 technology initiative program.

Additionally, the government reports the following fund types:

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims and for private donations for scholarship awards. All resources of the funds, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

The *fiduciary agency funds* account for assets held by the District as an agent for student activities and for payroll deductions and withholdings. The funds for the student activities fund are solely for noninstructional student activities that are supported and controlled by student organizations and clubs for which school administration does not have management involvement. The payroll funds are held to remit employee withholdings to respective state, federal and other agencies.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, tuition, transportation fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

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

1. *Cash, Cash Equivalents and Investments*

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. *Receivables*

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

3. *Inventories*

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

Food Service Fund inventories are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

4. *Restricted Assets*

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and their use is limited by state or county regulations for capital projects, facilities maintenance and emergencies.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Improvements Other than Buildings	20
Buildings	45
Building Improvements	20
Heavy Equipment	10
Office Equipment and Furniture	10
Computer Equipment	5

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from the loss on a debt refunding reported in the district wide statement of net position. Deferred amounts on debt refunding result from the loss on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type of item, which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

7. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, personal and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds do not permit to accrual of unused personal and sick leave. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

8. Pensions

In the district-wide financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

9. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Gains resulting from debt refundings are classified as deferred inflows of resources and losses are reported as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains and losses resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Long-Term Obligations

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Net Position/Fund Balance

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

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

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

Excess Surplus – Designated for Subsequent Year's Budget - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2017 audited excess surplus that was appropriated in the 2018/2019 original budget certified for taxes.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2018 audited excess surplus that is required to be appropriated in the 2019/2020 original budget certified for taxes.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3b).

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 3c).

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 3d).

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

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

Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

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

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Fund Balance Policies (Continued)

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 2016-2017 and 2017-2018 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund and of the 1 to 1 initiative (laptop insurance program) enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the district-wide statement of net position

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position– governmental activities as reported in the district-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details are as follows:

Bonds Payable	\$ 17,230,000
Issuance Premium (to be amortized as interest expense)	169,029
Lease Purchase Obligations	1,881,026
Compensated Absences	872,823
Net Pension Liability	<u>13,938,824</u>
 Net Adjustment to reduce Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities	 <u>\$ 34,091,702</u>

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 15, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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. The Board approved several budget transfers during 2017/2018. Also, during 2017/2018 the Board increased the original budget by \$2,736,209. The increase was funded by an additional capital reserve withdrawal, prior year state aid appropriated, grant awards and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 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 which are reappropriated and honored during the subsequent fiscal year.

B. Capital Reserve

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 12,685,136
Increased by		
Interest Earnings	\$ 96,973	
Budgeted Increase to Capital Reserve	1,866,938	
Return of Unexpended Funding from Capital Projects Fund	375,554	
Deposits Approved by Board Resolution	<u>2,973,447</u>	
Total Increases		<u>5,312,912</u>
		17,998,048
Withdrawals		
Approved by Board Resolutions	2,105,000	
Budgeted Withdrawal	<u>351,440</u>	
Total Withdrawals		<u>2,456,440</u>
Balance, June 30, 2018		<u>\$ 15,541,608</u>

The District's Long Range Facilities Plan balance of local support costs of uncompleted capital projects is \$59,877,996. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan.

C. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 4,100,000
Increased by		
Interest earnings	\$ 38,713	
Deposits Approved in District Budget	<u>4,000</u>	
		<u>42,713</u>
Balance, June 30, 2018		<u>\$ 4,142,713</u>

The June 30, 2018 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$5,359,905.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 477,164
Increased by		
Interest Earnings	\$ 4,506	
Deposits Approved in District Budget	<u>500</u>	
		<u>5,006</u>
Balance, June 30, 2018		<u>\$ 482,170</u>

E. Transfers to Capital Outlay

During the 2017/2018 school year, the district transferred \$248,062 to the non-equipment capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved in the budget certified for taxes pursuant to N.J.A.C. 6A:23-8.4.

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for 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 in excess of 2% of budget expenditures 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 excess fund balance at June 30, 2018 is \$2,600,000. Of this amount, \$1,600,000 was designated and appropriated in the 2018/2019 original budget certified for taxes and the remaining amount of \$1,000,000 will be appropriated in the 2019/2020 original budget certified for taxes.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2018, the book value of the Board's deposits were \$30,634,156 and bank and brokerage firm balances of the Board's deposits amounted to \$33,388,047. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	\$ 33,365,821
Uninsured and Collateralized	
Cash with Fiscal Agent	<u>22,226</u>
	<u>\$ 33,388,047</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2018 the Board's bank balance of \$22,226 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized	
Collateral held by pledging financial institution's trust department not in the Board's name	<u>\$ 22,226</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; 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 obligations bear a fixed rate of interest not dependent on any index or other external factor; 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; 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 "Local Authorities Fiscal Control Law," (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 school districts; Local Government investment pools; 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); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2018, the Board had no outstanding investments.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund.

B. Receivables

Receivables as of June 30, 2018 for the district's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Receivables:				
Accounts	\$ 173,548			\$ 173,548
Intergovernmental				
State	51,790		\$ 24,095	75,885
Federal	-	\$ 130,929	-	130,929
Gross Receivables	225,338	130,929	24,095	380,362
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 225,338</u>	<u>\$ 130,929</u>	<u>\$ 24,095</u>	<u>\$ 380,362</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

General Fund		
Tuition Received in Advance	\$	11,677
Special Revenue Fund		
Unencumbered Grant Draw Downs		118,324
Capital Projects Fund		
Unrealized School Facilities Grants		<u>11,347</u>
 Total Unearned Revenue for Governmental Funds	\$	<u>141,348</u>

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	Balance <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Balance, <u>June 30, 2018</u>
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 178,635				\$ 178,635
Construction in Progress	<u>194,415</u>	\$ <u>2,316,183</u>	<u>-</u>	\$ <u>(617,841)</u>	<u>1,892,757</u>
Total Capital Assets, Not Being Depreciated	<u>373,050</u>	<u>2,316,183</u>	<u>-</u>	<u>(617,841)</u>	<u>2,071,392</u>
Capital Assets, Being Depreciated:					
Buildings	85,805,748			617,841	86,423,589
Improvements Other Than Buildings	3,301,642	-			3,301,642
Machinery and Equipment	<u>3,778,155</u>	<u>159,230</u>	\$ <u>(41,348)</u>	<u>-</u>	<u>3,896,037</u>
Total Capital Assets Being Depreciated	<u>92,885,545</u>	<u>159,230</u>	<u>(41,348)</u>	<u>617,841</u>	<u>93,621,268</u>
Less Accumulated Depreciation for:					
Buildings	(28,249,537)	(2,083,088)			(30,332,625)
Improvements Other Than Buildings	(1,924,135)	(136,057)			(2,060,192)
Machinery and Equipment	<u>(2,796,365)</u>	<u>(199,087)</u>	<u>41,348</u>	<u>-</u>	<u>(2,954,104)</u>
Total Accumulated Depreciation	<u>(32,970,037)</u>	<u>(2,418,232)</u>	<u>41,348</u>	<u>-</u>	<u>(35,346,921)</u>
Total Capital Assets, Being Depreciated, Net	<u>59,915,508</u>	<u>(2,259,002)</u>	<u>-</u>	<u>617,841</u>	<u>58,274,347</u>
Governmental Activities Capital Assets, Net	\$ <u>60,288,558</u>	\$ <u>57,181</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>60,345,739</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2018</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 273,804	\$ -	\$ (3,600)	\$ 270,204
Total Capital Assets Being Depreciated	<u>273,804</u>	<u>-</u>	<u>(3,600)</u>	<u>270,204</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(184,696)	(11,120)	3,600	(192,216)
Total Accumulated Depreciation	<u>(184,696)</u>	<u>(11,120)</u>	<u>3,600</u>	<u>(192,216)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 89,108</u>	<u>\$ (11,120)</u>	<u>\$ -</u>	<u>\$ 77,988</u>

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

Governmental Activities:

Instruction	
Regular	\$ 1,023,719
Special Education	99,464
Other Instruction	4,986
Other Supplemental / At-Risk Programs	23,793
School Sponsored Activities and Athletics	162,217
Total Instruction	<u>1,314,179</u>
Support Services	
Student and Instruction Related Services	295,439
General Administrative Services	42,313
School Administrative Services	123,457
Plant Operations and Maintenance	313,627
Pupil Transportation	162,296
Business and Other Support Services	166,921
Total Support Services	<u>1,104,053</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,418,232</u>
Business-Type Activities:	
Food Service Fund	\$ 11,120
Total Depreciation Expense-Business-Type Activities	<u>\$ 11,120</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2018:

<u>Project Title/Description</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment June 30, 2018</u>
<u>Capital Projects Fund</u>		
Visitors Bleachers Replacement Project - IHHS	\$ 505,288	\$ 784,712
Visitors Bleachers Replacement Project - RHS	394,759	85,241
Silicone/Polyurethane Foam Roof - - IHHS	13,000	<u>194,030</u>
		<u>\$ 1,063,983</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2018, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Student Activity Fund	\$ 70
General Fund	Payroll Agency Fund	<u>550</u>
		<u>\$ 620</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund.

The District expects all interfund balances to be liquidated within one year.

Interfund transfers

	<u>Transfer In</u>		<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	
<u>Transfer Out:</u>			
General Fund	\$ 712,017	\$ 2,488,088	\$ 3,200,105
Capital Projects Fund	2,488,088	712,017	3,200,105
1 to 1 Laptop Initiative Fund	<u>66,080</u>	<u>-</u>	<u>66,080</u>
Total Transfers Out	<u>\$ 3,266,185</u>	<u>\$ 3,200,105</u>	<u>\$ 6,466,290</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Operating Leases

The District leases copiers and computer equipment under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2018 were \$55,383. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2019	\$ <u>27,691</u>
Total	\$ <u>27,691</u>

The District is leasing computer supplies totaling \$2,555,002 under capital leases. The leases are for terms of 3 to 5 years.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2019	\$ 673,976
2020	673,975
2021	<u>533,075</u>
Total minimum lease payments	\$ <u>1,881,026</u>

G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2018 are comprised of the following issues:

\$20,775,000, 2015 School Refunding Bonds, due in annual installments of \$1,100,000 to \$1,615,000 through June 1, 2031, interest at 2.50% to 3.00%	<u>\$17,230,000</u>
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**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2019	\$ 1,100,000	\$ 464,800	\$ 1,564,800
2020	1,130,000	437,300	1,567,300
2021	1,150,000	409,050	1,559,050
2022	1,190,000	380,300	1,570,300
2023	1,225,000	350,550	1,575,550
2024-2028	6,765,000	1,268,650	8,033,650
2029-2032	<u>4,670,000</u>	<u>283,650</u>	<u>4,953,650</u>
Total	<u>\$ 17,230,000</u>	<u>3,594,300</u>	<u>\$ 20,824,300</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2018 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 342,607,589
Less: Net Debt	<u>17,230,000</u>
Remaining Borrowing Power	<u>\$ 325,377,589</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2018, was as follows:

	Balance, July 1, 2017	Additions	Reductions	Balance, June 30, 2018	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 18,320,000		\$ (1,090,000)	\$ 17,230,000	\$ 1,100,000
Add:					
Unamortized Premium	198,853	-	(29,824)	169,029	-
Total Bonds Payable	18,518,853	-	(1,119,824)	17,399,029	1,100,000
Lease Purchase Obligations	3,816,896		(1,935,870)	1,881,026	673,976
Compensated Absences	811,392	\$ 181,386	(119,955)	872,823	
Net Pension Liability	16,911,607	-	(2,972,783)	13,938,824	-
Governmental Activities Long-Term Liabilities	<u>\$ 40,058,748</u>	<u>\$ 181,386</u>	<u>\$ (6,148,432)</u>	<u>\$ 34,091,702</u>	<u>\$ 1,773,976</u>

For the governmental activities, the liability for lease purchase obligations and compensated absences are generally liquidated by the general fund.

NOTE 5 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NESBIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance fund is on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

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

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018	None	\$ 57,866	\$ 35,725	\$ 958,492
2017	None	56,123	39,595	927,395
2016	None	65,871	79,398	907,346

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2018, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2018, the District has not estimated its arbitrage earnings due to the IRS, if any.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan.

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

The following represents the membership tiers for PERS:

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

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

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions.

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.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The following represent 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

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

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

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

Other Pension Funds

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

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Investments are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

Funding Status and Funding Progress

As of July 1, 2016, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 33 percent with an unfunded actuarial accrued liability of \$90.90 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 25.41 percent and \$67.6 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 48.10 percent and \$23.3 billion, respectively.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Funding Status and Funding Progress (Continued)

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2016 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.00 percent and (b) projected salary increases applied through the year 2026 of 1.65-5.15 percent based on age for the PERS and varying percentages based on experience for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.34% for PERS, 7.34% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2018.

Annual Pension Costs (APC)

For the fiscal year ended June 30, 2018 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2018, 2017 and 2016 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, was required to contribute for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2018	\$ 554,713	\$ 2,770,085	\$ 24,983
2017	507,275	2,061,113	10,952
2016	512,746	1,429,098	26,881

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC)

In addition for fiscal years 2017/2018 and 2016/2017 the District contributed \$9,264 and \$2,994, respectively for PERS and the State contributed \$4,218 and \$4,577, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,346,840 during the fiscal year ended June 30, 2018 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the fiscal year ended June 30, 2017. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits ("Division") administers one cost-sharing multiple employer defined benefit pension plan, separate actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2017 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2017.

At June 30, 2018, the District reported in the statement of net position (accrual basis) a liability of \$13,938,824 for its proportionate share of the PERS 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 that date. The District's proportionate share 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 governmental entities, actuarially determined. At June 30, 2017, the District's proportionate share was 0.05987 percent, which was an increase of 0.00277 percent from its proportionate share measured as of June 30, 2016 of 0.05710 percent.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,105,158 for PERS. The pension contribution made by the District during the current 2017/2018 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2018 with a measurement date of the prior fiscal year end of June 30, 2017. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2018 for contributions made subsequent to the current fiscal year end. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 328,211	
Changes of Assumptions	2,808,193	\$ 2,797,897
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	94,914	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>691,393</u>	<u>324,039</u>
Total	<u>\$ 3,922,711</u>	<u>\$ 3,121,936</u>

At June 30, 2018, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2019	\$ 790,415
2020	790,415
2021	790,415
2022	790,415
2023	(2,360,885)
Thereafter	<u>-</u>
	<u>\$ 800,775</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's 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%
Mortality Rate Table	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

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.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans' 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%
US Equities	30.00%	8.19%
Non-US Developed Markets Equity	11.50%	9.00%
Emerging Market Equities	6.50%	11.64%
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 Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	5.00%
2017	June 30, 2016	3.98%

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

* The municipal bond return rate used is 3.58% as of the measurement date of June 30, 2017. 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.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 5.00%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00 percent) or 1-percentage-point higher (6.00 percent) than the current rate:

	1% Decrease <u>(4.00%)</u>	Current Discount Rate <u>(5.00%)</u>	1% Increase <u>(6.00%)</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 17,080,402</u>	<u>\$ 13,938,824</u>	<u>\$ 11,345,179</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2017. A sensitivity analysis specific to the District's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as a non-employer toward the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2017. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2017, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$8,558,811 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State's proportionate share of the net pension liability attributable to the District is \$123,548,447. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2017. At June 30, 2017, the state's share of the net pension liability attributable to the District was 0.18324 percent, which was an increase of .00475 percent from its proportionate share measured as of June 30, 2016 of 0.17849 percent.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

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%

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year 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.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans' 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 Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

Fiscal Year	Measurement Date	Discount Rate
2018	June 30, 2017	4.25%
2017	June 30, 2016	3.22%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

Long-Term Expected Rate of Return Through June 30, 2036

Municipal Bond Rate * From July 1, 2036
and Thereafter

* The municipal bond return rate used is 3.58% as of the measurement date of June 30, 2017. 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.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.25%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current rate:

	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 147,544,456</u>	<u>\$ 123,548,447</u>	<u>\$ 103,952,609</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2017. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2017 was not provided by the pension system.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans (OPEB)*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report effective for the fiscal year ended June 30, 2017. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension (GASB No. 75)*, the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage and prescription drug benefits to qualified retired education participants. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2016:

Active Plan Members	\$223,747
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	142,331
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
Total	<u>\$366,078</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plans. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Funded Status and Funding Progress

As of July 1, 2016, the most recent actuarial valuation date, the State had a \$69.3 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$25.5 billion for state active and retired members and \$43.8 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Funded Status and Funding Progress (Continued)

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2016, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2017, there were 112,966, retirees receiving post-retirement medical benefits and the State contributed \$1.39 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (ABP) who retired from a board of education or county college with 25 years of service. The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in Fiscal Year 2017.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2018, 2017 and 2016 were \$1,789,139, \$1,717,376 and \$1,701,660, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired for PERS retirees' post-retirement benefits on behalf for the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal year ended June 30, 2017. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District’s proportionate share percentage determined under Statement No. 75 is zero percent and the State’s proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$5,230,568. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State’s proportionate share of the OPEB liability attributable to the District is \$86,069,876. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2017 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2017. At June 30, 2017, the state’s share of the OPEB liability attributable to the District was .16046 percent, which was a decrease of .0001 percent from its proportionate share measured as of June 30, 2016 of .16056 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of June 30, 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	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	RP-2014 Headcount-Weighted Healthy Employee, Healthy Annuitant and Disabled Male/Female Mortality Table with Fully Generational Mortality Improvement Projections from the Central Year Using Scale MP-2017
Long-Term Rate of Return	1.00%

*Salary increases are based on the defined benefit plan that the individual is enrolled in and his or her year of service for TPAF or his or her age for PERS.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions (Continued)

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5 percent and decreases to a 5.0 percent long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

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

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2017.

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	3.58%
2017	June 30, 2016	2.85%

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 (measurement date June 30, 2017) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2016 Measurement Date	\$ <u>92,855,991</u>
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 3,693,844
Interest on the Total OPEB Liability	2,728,661
Changes of Assumptions	(11,371,076)
Gross Benefit Payments	(1,907,794)
Contributions from the Member	<u>70,250</u>
Net Changes	\$ <u>(6,786,115)</u>
Balance, June 30, 2017 Measurement Date	\$ <u>86,069,876</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.85 percent in 2016 to 3.58 percent in 2017.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2017 was not provided by the pension system.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.58%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current rate:

	1% Decrease <u>(2.58%)</u>	Current Discount Rate <u>(3.58%)</u>	1% Increase <u>(4.58%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>102,171,152</u>	\$ <u>86,069,876</u>	\$ <u>73,298,191</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	<u>\$ 70,784,153</u>	<u>\$ 86,069,876</u>	<u>\$ 106,369,137</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017 were not provided by the pension system.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 48,842,210		\$ 48,842,210	\$ 48,842,210	
Tuition - Intergovernmental	64,177		64,177	142,484	\$ 78,307
Tuition - Individuals	17,499		17,499	35,581	18,082
Transportation Fees from Individuals	47,000		47,000	68,067	21,067
Interest on Capital Reserve	10,000		10,000	96,973	86,973
Interest on Maintenance Reserve	4,000		4,000	38,713	34,713
Interest on Emergency Reserve	500		500	4,506	4,006
Interest				159,658	159,658
Miscellaneous-Restricted	350,000		350,000	401,565	51,565
Miscellaneous - Unrestricted	133,099	-	133,099	965,988	832,889
Total Local Revenues	49,468,485	-	49,468,485	50,755,745	1,287,260
State Sources					
Special Education Aid	1,085,582		1,085,582	1,085,582	
Security Aid	40,228		40,228	40,228	
Transportation Aid	207,672		207,672	207,672	
PARCC Readiness Aid	23,430		23,430	23,430	
Per Pupil Growth Aid	23,430		23,430	23,430	
Professional Learning Community Aid	23,230		23,230	23,230	
Extraordinary Aid				336,467	336,467
Additional Nonpublic Transportation Aid				51,790	51,790
Lead Testing for Schools Aid	-	-	-	3,300	3,300
Subtotal Non On-behalf State Revenues	1,403,572	-	1,403,572	1,795,129	391,557
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				1,346,840	1,346,840
On-behalf TPAF Pension System Contributions-(Non-Budget)					
Normal Cost and Accrued Liability				2,704,455	2,704,455
Non-Contributory Insurance				65,630	65,630
Long Term Disability				4,218	4,218
Post-Retirement	-	-	-	1,789,139	1,789,139
Subtotal On-Behalf TPAF State Revenues	-	-	-	5,910,282	5,910,282
Total Revenues	50,872,057	-	50,872,057	58,461,156	7,589,099
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Grades 9-12	15,015,130	\$ (381,907)	14,633,223	14,195,141	438,082
Home Instruction					
Salaries of Teachers	70,000		70,000	46,950	23,050
Purchased Professional/Educational Services	15,000		15,000	8,801	6,199
Regular Programs - Undistributed Instruction					
Purchased Professional/Educational Services	6,100	(3,499)	2,601	2,541	60
Other Purchased Services	715,221	(12,064)	703,157	673,571	29,586
Other Purchased Services- Lease Purchase Principal Payoff		1,198,905	1,198,905	1,198,905	
General Supplies	403,406	92,236	495,642	460,535	35,107
Textbooks	299,993	(66,958)	233,035	230,277	2,758
Other Objects	15,103	(5,033)	10,070	9,885	185
Total Regular Programs	16,539,953	821,680	17,361,633	16,826,606	535,027

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Special Education					
Cognitive -Mild					
Salaries of Teachers	\$ 150,543	\$ 7,145	\$ 157,688	\$ 157,688	
Other Salaries of Instruction	113,416	12,675	126,091	124,130	\$ 1,961
Other Purchased Services	300		300	139	161
General Supplies	4,000	(573)	3,427	3,277	150
Textbooks	50	-	50	-	50
	<u>268,309</u>	<u>19,247</u>	<u>287,556</u>	<u>285,234</u>	<u>2,322</u>
Behavioral Disabilities					
Purchased Professional-Education Services	130,500	-	130,500	130,100	400
	<u>130,500</u>	<u>-</u>	<u>130,500</u>	<u>130,100</u>	<u>400</u>
Resource Room/Resource Center					
Salaries of Teachers	1,084,914	66,362	1,151,276	1,150,112	1,164
Other Salaries of Instruction	48,205	872	49,077	49,077	
Other Purchased Services	1,000	(580)	420	420	
General Supplies	12,500	(1,470)	11,030	10,258	772
Textbooks	3,200	(578)	2,622	2,622	-
	<u>1,149,819</u>	<u>64,606</u>	<u>1,214,425</u>	<u>1,212,489</u>	<u>1,936</u>
Home Instruction					
Salaries of Teachers	50,000		50,000	18,835	31,165
Purchased Professional Educational Services	118,000	12,500	130,500	125,760	4,740
	<u>168,000</u>	<u>12,500</u>	<u>180,500</u>	<u>144,595</u>	<u>35,905</u>
	<u>1,716,628</u>	<u>96,353</u>	<u>1,812,981</u>	<u>1,772,418</u>	<u>40,563</u>
Basic Skills/Remedial					
Salaries of Teachers	56,658	(24,507)	32,151	32,151	-
	<u>56,658</u>	<u>(24,507)</u>	<u>32,151</u>	<u>32,151</u>	<u>-</u>
School Sponsored Co/Extra-curricular Activities					
Salaries	701,200		701,200	615,288	85,912
Purchased Services	11,700		11,700	11,700	
Supplies and Materials	47,100	(5,011)	42,089	21,881	20,208
Other Objects	26,922	427	27,349	26,005	1,344
	<u>786,922</u>	<u>(4,584)</u>	<u>782,338</u>	<u>674,874</u>	<u>107,464</u>
School Sponsored Athletics					
Salaries	1,200,300	28,272	1,228,572	1,194,085	34,487
Purchased Services	170,450	7,622	178,072	167,580	10,492
Supplies and Materials	190,747	(2,661)	188,086	165,326	22,760
Other Objects	403,843	(5,406)	398,437	388,735	9,702
	<u>1,965,340</u>	<u>27,827</u>	<u>1,993,167</u>	<u>1,915,726</u>	<u>77,441</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Other Supplemental / At-Risk Programs - Instruction					
Salaries of Teachers	\$ 333,687	\$ 42,149	\$ 375,836	\$ 372,489	\$ 3,347
General Supplies	500	-	500	468	32
Total Other Instructional Programs- Instruction	334,187	42,149	376,336	372,957	3,379
Total - Instruction	21,399,688	958,918	22,358,606	21,594,732	763,874
Undistributed Expenditures					
Instruction					
Tuition Other LEA's Within the State - Regular	14,000	(731)	13,269	13,269	
Tuition Other LEA's Within the State - Special	327,134	87,318	414,452	362,961	51,491
Tuition to County Vocational School - Regular	813,852	1,056	814,908	813,742	1,166
Tuition to County Vocational School - Special	160,200	-	160,200	160,200	
Tuition to CSSD & Regional Day Schools	437,140	(4,500)	432,640	419,140	13,500
Tuition to Private School for the Disabled - Within State	1,857,704	71,555	1,929,259	1,567,911	361,348
Tuition to Private School for the Disabled & Other LEA's - Special, Outside the State	320,830	120,734	441,564	440,240	1,324
Tuition - State Facilities	32,952	-	32,952	32,952	
Tuition - Other	69,300	37,200	106,500	98,835	7,665
Total Undistributed Expenditures - Instruction	4,033,112	312,632	4,345,744	3,909,250	436,494
Attendance and Social Work Services					
Salaries	200,240	8,208	208,448	199,340	9,108
Total Attendance and Social Work Services	200,240	8,208	208,448	199,340	9,108
Health Services					
Salaries	284,280	7,975	292,255	290,172	2,083
Purchased Professional and Technical Services	12,500	7,550	20,050	17,853	2,197
Other Purchased Services	2,000	(24)	1,976	1,818	158
Supplies and Materials	13,250	(2,666)	10,584	6,308	4,276
Other Objects	915	(218)	697	297	400
Total Health Services	312,945	12,617	325,562	316,448	9,114
Speech, OT, PT, & Related Services					
Purchased Professional and Ed. Svcs.	87,700	3,000	90,700	90,219	481
Total Speech, OT, PT & Related Services	87,700	3,000	90,700	90,219	481
Other Support Services - Students - Extra. Serv.					
Salaries	366,182	75,878	442,060	436,051	6,009
Purchased Professional Educational Svcs.	289,000	41,350	330,350	313,409	16,941
Supplies and Materials	1,500	-	1,500	200	1,300
Total Other Support Services - Students - Extra. Serv.	656,682	117,228	773,910	749,660	24,250
Guidance					
Salaries of Other Professional Staff	1,134,355	(29,207)	1,105,148	1,074,978	30,170
Salaries of Secretarial and Clerical Assistants	240,305	4,187	244,492	244,492	
Purchased Professional Educational Svcs.	15,000	4,117	19,117	6,775	12,342
Other Purchased Services	4,000	(390)	3,610	3,219	391
Supplies and Materials	48,149	(6,813)	41,336	36,293	5,043
Other Objects	11,704	(4,610)	7,094	5,743	1,351
Total Guidance	1,453,513	(32,716)	1,420,797	1,371,500	49,297

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Child Study Teams					
Salaries of Other Professional Staff	\$ 806,688	\$ (65,375)	\$ 741,313	\$ 682,384	\$ 58,929
Salaries of Secretarial and Clerical Assists.	157,710	2,119	159,829	159,829	
Purchased Professional - Educational Services	44,228	(2,000)	42,228	38,524	3,704
Other Purchased Services	5,000		5,000	2,814	2,186
Miscellaneous Purchased Services	1,500		1,500	1,500	
Supplies and Materials	11,500	(313)	11,187	9,128	2,059
Other Objects	1,600	-	1,600	1,160	440
	<u>1,028,226</u>	<u>(65,569)</u>	<u>962,657</u>	<u>893,839</u>	<u>68,818</u>
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	54,395	270	54,665	54,664	1
Salaries of Secretarial and Clerical Assistants	33,310	842	34,152	34,152	
Other Salaries	88,675		88,675	88,675	
Other Purchased Services	521	205	726	618	108
Supplies and Materials	4,020		4,020	3,891	129
Other Objects	500	-	500	480	20
	<u>181,421</u>	<u>1,317</u>	<u>182,738</u>	<u>182,480</u>	<u>258</u>
Educational Media Services/School Library					
Salaries	305,560	6,683	312,243	312,243	
Salaries of Technology Coordinators	157,343	(781)	156,562	148,959	7,603
Purchased Professional and Technical Services	35,000		35,000	35,000	
Other Purchased Services	2,000	(90)	1,910	1,818	92
Supplies and Materials	61,182	(15,057)	46,125	45,248	877
Other Objects	665	88	753	695	58
	<u>561,750</u>	<u>(9,157)</u>	<u>552,593</u>	<u>543,963</u>	<u>8,630</u>
Instructional Staff Training Services					
Salaries of Supervisors of Instruction	655,342	10,239	665,581	657,549	8,032
Salaries of Secretarial and Clerical Assistants	113,672	2,780	116,452	116,452	
Other Salaries	122,710		122,710	102,684	20,026
Purchased Professional Educational Services	35,000		35,000	29,473	5,527
Other Purchased Services	42,500	(6,290)	36,210	18,840	17,370
Supplies and Materials	2,000		2,000	938	1,062
Other Objects	4,000	-	4,000	2,553	1,447
	<u>975,224</u>	<u>6,729</u>	<u>981,953</u>	<u>928,489</u>	<u>53,464</u>
Support Services General Administration					
Salaries	341,029	(2,802)	338,227	337,977	250
Legal Services	140,000	(1,094)	138,906	117,794	21,112
Audit Fees	43,500	850	44,350	41,850	2,500
Other Purchased Professional Services	20,000	26,800	46,800	45,504	1,296
Communications/Telephone	72,000	(8,326)	63,674	58,903	4,771
BOE Other Purchased Services	4,000	(2,000)	2,000	1,388	612
Misc Purchased Services	28,000	(6,000)	22,000	16,479	5,521
General Supplies	15,500	(1,000)	14,500	6,889	7,611
Judgements Against the School District	6,206	(6,206)			
Miscellaneous Expenditures	4,000		4,000	3,685	315
BOE Membership Dues and Fees	23,000	(1,400)	21,600	21,513	87
	<u>697,235</u>	<u>(1,178)</u>	<u>696,057</u>	<u>651,982</u>	<u>44,075</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,360,392	\$ 145,661	\$ 1,506,053	\$ 1,506,053	
Salaries of Secretarial and Clerical Assistants	366,486	(5,741)	360,745	360,193	\$ 552
Unused Vacation Payout to Terminated/Retired Staff	10,000	11,688	21,688	21,688	
Other Purchased Services	38,500	883	39,383	36,472	2,911
Supplies and Materials	20,657	(4,589)	16,068	14,436	1,632
Other Objects	46,575	(175)	46,400	44,050	2,350
Total Support Services School Administration	1,842,610	147,727	1,990,337	1,982,892	7,445
Support Services-Central Services					
Salaries	629,907		629,907	614,613	15,294
Purchased Professional Services	30,000		30,000	27,873	2,127
Purchased Technical Services	18,000	(3,500)	14,500	14,250	250
Misc. Purchased Services	22,000	(1,100)	20,900	12,550	8,350
Supplies and Materials	8,000	(500)	7,500	5,541	1,959
Other Objects	9,500	-	9,500	7,614	1,886
Total Support Services - Central Services	717,407	(5,100)	712,307	682,441	29,866
Support Services - Admin. Info. Tech.					
Salaries	197,359	1,866	199,225	190,917	8,308
Purchased Technical Services	156,630	41,444	198,074	176,139	21,935
Other Purchased Services	158,100	(9,003)	149,097	147,192	1,905
Supplies and Materials	187,600	115,306	302,906	291,360	11,546
Total Support Services Admin. Info. Tech.	699,689	149,613	849,302	805,608	43,694
Required Maintenance of School Facilities					
Salaries	220,381	8,357	228,738	221,825	6,913
Cleaning, Repair and Maintenance Services	592,500	331,689	924,189	668,533	255,656
General Supplies	101,000	12,708	113,708	83,619	30,089
Total Required Maintenance of School Facilities	913,881	352,754	1,266,635	973,977	292,658
Custodial Services					
Salaries	1,082,411	64,485	1,146,896	1,013,295	133,601
Unused Vacation Payout to Terminated/Retired Staff		9,016	9,016	9,016	
Purchased Professional and Technical Services	142,000	69,124	211,124	182,978	28,146
Cleaning, Repair and Maintenance Services	749,000	(25,850)	723,150	691,972	31,178
Rental of Land & Bldgs- Other Than Lease Purchase	15,600		15,600	15,093	507
Other Purchased Property Services	45,000	(9,000)	36,000	27,167	8,833
Insurance	320,000	(19,650)	300,350	300,350	
Miscellaneous Purchased Services	3,000		3,000	1,541	1,459
General Supplies	190,000	69,175	259,175	176,693	82,482
Energy (Natural Gas)	500,000	(63,500)	436,500	238,405	198,095
Energy (Electricity)	672,000	(132,245)	539,755	524,270	15,485
Total Custodial Services	3,719,011	(38,445)	3,680,566	3,180,780	499,786
Care and Upkeep of Grounds					
Salaries	313,774	10,584	324,358	312,772	11,586
Cleaning, Repair and Maintenance Services	67,000	35,700	102,700	50,935	51,765
General Supplies	47,000	(2,200)	44,800	30,499	14,301
Total Care and Upkeep of Grounds	427,774	44,084	471,858	394,206	77,652

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Security					
Salaries	\$ 443,781		\$ 443,781	\$ 424,330	\$ 19,451
Purchased Professional and Technical Services	15,500		15,500	9,060	6,440
Cleaning, Repair and Maintenance Services	25,000		25,000	3,860	21,140
General Supplies	20,000	\$ (6,000)	14,000	13,928	72
Other Objects	1,000	-	1,000	960	40
Total Security	<u>505,281</u>	<u>(6,000)</u>	<u>499,281</u>	<u>452,138</u>	<u>47,143</u>
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	130,300	3,825	134,125	129,200	4,925
Salaries for Pupil Transportation (Other Than Between Home and School)	140,625		140,625	129,711	10,914
Cleaning, Repair and Maintenance Services	20,000		20,000	19,109	891
Contracted Services Transportation (Bet Home & School) - Vendors	905,595	32,650	938,245	926,417	11,828
Contracted Services Transportation (Other Than Between Home and School) - Vendors	159,020	109,047	268,067	254,776	13,291
Contracted Services Transportation (Spec.Ed.)-Vend.	625,000	31,587	656,587	656,582	5
Contracted Services - Aid in Lieu of Payments- Non Public Sch.	135,252	10,000	145,252	136,421	8,831
Miscellaneous Purchased Services-Transportation	7,000		7,000	6,116	884
Transportation Supplies	29,000		29,000	14,333	14,667
Other Objects	1,000	-	1,000	-	1,000
Total Student Transportation Services	<u>2,152,792</u>	<u>187,109</u>	<u>2,339,901</u>	<u>2,272,665</u>	<u>67,236</u>
Allocated Benefits					
Instructional Staff Training Services					
Tuition Reimbursement	80,000	-	80,000	54,319	25,681
Total Allocated Benefits	<u>80,000</u>	<u>-</u>	<u>80,000</u>	<u>54,319</u>	<u>25,681</u>
Unallocated Benefits					
Social Security Contributions	680,000		680,000	599,466	80,534
Other Retirement Contributions - PERS	565,000	49,981	614,981	614,981	
Other Retirement Contributions - Regular	30,000		30,000	24,983	5,017
Workers Compensation	240,000	(12,252)	227,748	172,058	55,690
Health Benefits	5,921,200	(168,626)	5,752,574	5,609,983	142,591
Other Employee Benefits	145,000	(17,559)	127,441	119,954	7,487
Total Unallocated Benefits	<u>7,581,200</u>	<u>(148,456)</u>	<u>7,432,744</u>	<u>7,141,425</u>	<u>291,319</u>
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				1,346,840	(1,346,840)
On-behalf TPAF Pension System Contributions- Normal Cost (Non-Budget)				2,704,455	(2,704,455)
Non-Contributory Insurance (Non-Budget)				65,630	(65,630)
Long Term Disability (Non-Budget)				4,218	(4,218)
Post-Retirement (Non-Budget)	-	-	-	1,789,139	(1,789,139)
Total On-behalf TPAF Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,910,282</u>	<u>(5,910,282)</u>
Total Undistributed Expenditures	<u>28,827,693</u>	<u>1,036,397</u>	<u>29,864,090</u>	<u>33,687,903</u>	<u>(3,823,813)</u>
Total Current Expenditures	<u>50,227,381</u>	<u>1,995,315</u>	<u>52,222,696</u>	<u>55,282,635</u>	<u>(3,059,939)</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	\$ 10,000		\$ 10,000		\$ 10,000
Interest Deposit to Maintenance Reserve	4,000		4,000		4,000
Interest Deposit to Emergency Reserve	500	-	500	-	500
Total Interest Deposit to Reserves	<u>14,500</u>	<u>-</u>	<u>14,500</u>	<u>-</u>	<u>14,500</u>
Equipment					
Grades 9-12		\$ 107,709	107,709	\$ 52,260	55,449
School-Sponsored and Other Instructional Programs		22,199	22,199	2,731	19,468
Undistributed					
Support Serv. - Students - Reg.		2,725	2,725	2,500	225
Admin. Information Technology	120,000	(46,451)	73,549	39,609	33,940
Care and Upkeep of Grounds	60,000	61,200	121,200	62,130	59,070
School Buses - Regular		61,000	61,000		61,000
Undistributed Expenditures - Non-Inst. Serv.	-	3,694	3,694	-	3,694
Total Equipment	<u>180,000</u>	<u>212,076</u>	<u>392,076</u>	<u>159,230</u>	<u>232,846</u>
Facilities Acquisition and Construction Services					
Other Objects	161,590	-	161,590	161,590	-
Total Facilities and Construction Services	<u>161,590</u>	<u>-</u>	<u>161,590</u>	<u>161,590</u>	<u>-</u>
Total Capital Outlay	<u>356,090</u>	<u>212,076</u>	<u>568,166</u>	<u>320,820</u>	<u>247,346</u>
Total Expenditures	<u>50,583,471</u>	<u>2,207,391</u>	<u>52,790,862</u>	<u>55,603,455</u>	<u>(2,812,593)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>288,586</u>	<u>(2,207,391)</u>	<u>(1,918,805)</u>	<u>2,857,701</u>	<u>4,776,506</u>
Other Financing Sources (Uses)					
Transfers In Capital Projects				712,017	712,017
Transfers in from 1 to 1 Initiative Laptop Insurance Program - Enterprise Fund		66,080	66,080	66,080	-
Capital Outlay Transfer to Capital Projects	(31,648)	-	(31,648)	(31,648)	-
Capital Reserve Transfer to Capital Projects	(2,208,378)	(248,062)	(2,456,440)	(2,456,440)	-
Sale of Assets - Computers	-	1,132,825	1,132,825	1,132,825	-
Total Other Financing Sources (Uses)	<u>(2,240,026)</u>	<u>950,843</u>	<u>(1,289,183)</u>	<u>(577,166)</u>	<u>712,017</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(1,951,440)</u>	<u>(1,256,548)</u>	<u>(3,207,988)</u>	<u>2,280,535</u>	<u>5,488,523</u>
Fund Balances, Beginning of Year	<u>22,428,541</u>	<u>-</u>	<u>22,428,541</u>	<u>22,428,541</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 20,477,101</u>	<u>\$ (1,256,548)</u>	<u>\$ 19,220,553</u>	<u>\$ 24,709,076</u>	<u>\$ 5,488,523</u>
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				\$ 15,541,608	
Emergency Reserve				482,170	
Maintenance Reserve				4,142,713	
Excess Surplus - Designated for Subsequent Year's (2018/19) Budget				1,600,000	
Excess Surplus				1,000,000	
Committed Fund Balance					
Year End Encumbrances				119,752	
Assigned Fund Balance					
Year End Encumbrances				390,951	
Unassigned				<u>1,431,882</u>	
Fund Balance- Budgetary Basis				24,709,076	
Reconciliation of Governmental Funds Statements (GAAP):					
Less: State Aid Revenues not recognized on GAAP basis				<u>(427,828)</u>	
Fund Balance per Governmental Funds Statements (GAAP)				<u>\$ 24,281,248</u>	

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGETARY (NON-GAAP) BASIS AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 46,407	\$ 25,033	\$ 71,440	\$ 38,671	\$ (32,769)
Federal	420,070	132,201	552,271	489,444	(62,827)
Local	-	123,522	123,522	5,198	(118,324)
Total Revenues	<u>466,477</u>	<u>280,756</u>	<u>747,233</u>	<u>533,313</u>	<u>(213,920)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	19,205	(15,450)	3,755	198	3,557
Other Salaries	43,241	(16,640)	26,601	26,601	-
Purchased Professional/Educational Services	32,014	24,227	56,241	32,677	23,564
Tuition	357,624	102,052	459,676	411,376	48,300
General Supplies	9,641	14,886	24,527	10,994	13,533
Textbooks	4,752	(370)	4,382	-	4,382
Miscellaneous Expenditures	-	89,767	89,767	-	89,767
Total Instruction	<u>466,477</u>	<u>198,472</u>	<u>664,949</u>	<u>481,846</u>	<u>183,103</u>
Support Services					
Salaries		34,790	34,790	30,036	4,754
Personal Services-Employee Benefits		18,494	18,494	18,131	363
Purchased Professional/Educational Services	-	4,000	4,000	3,300	700
Total Support Services	<u>-</u>	<u>57,284</u>	<u>57,284</u>	<u>51,467</u>	<u>5,817</u>
Facilities Acquisition and Construction					
Building Renovations	-	25,000	25,000	-	25,000
Total Facilities Acq. & Construction	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total Expenditures	<u>466,477</u>	<u>280,756</u>	<u>747,233</u>	<u>533,313</u>	<u>213,920</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL AND SPECIAL REVENUE FUNDS
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual Revenues Budgetary Basis - Exhibits C-1 and C-2	\$ 58,461,156	\$ 533,313
<p>The State aid payments are recognized as revenue for budgetary purposes. This differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenditure.</p>		
State Aid recognized for GAAP purposes not recognized for budgetary statements (2016/2017 Aid)	434,329	
State Aid recognized for budgetary purposes not recognized for GAAP statements (2017/2018 State Aid)	<u>(427,828)</u>	<u>-</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 58,467,657</u>	<u>\$ 533,313</u>
Uses/outflows of resources		
Actual Expenditures Budgetary Basis - Exhibits C-1 and C-2	<u>\$ 55,603,455</u>	<u>\$ 533,313</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 55,603,455</u>	<u>\$ 533,313</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III
PENSION AND OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Five Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.05987%	0.05710%	0.05961%	0.05966%	0.5695%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 13,938,824	\$ 16,911,607	\$ 13,380,986	\$ 11,170,110	\$ 10,884,362
District's Covered-Employee Payroll	\$ 3,934,979	\$ 4,184,646	\$ 4,033,071	\$ 3,952,062	\$ 4,100,264
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	354%	404%	332%	283%	265%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Five Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 554,713	\$ 507,275	\$ 512,746	\$ 491,573	\$ 426,980
Contributions in Relation to the Contractually Required Contribution	<u>\$ 554,713</u>	<u>\$ 507,275</u>	<u>\$ 512,746</u>	<u>491,573</u>	<u>426,980</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 3,934,979	\$ 4,184,646	\$ 4,033,071	\$ 3,952,062	\$ 4,100,264
Contributions as a Percentage of Covered-Employee Payroll	14%	12%	13%	12%	10%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Five Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 123,548,447</u>	<u>\$ 140,415,293</u>	<u>\$ 114,294,133</u>	<u>\$ 99,811,190</u>	<u>\$ 94,072,613</u>
Total	<u>\$ 123,548,447</u>	<u>\$ 140,415,293</u>	<u>\$ 114,294,133</u>	<u>\$ 99,811,190</u>	<u>\$ 94,072,613</u>
District's Covered-Employee Payroll	\$ 18,928,345	\$ 18,741,295	\$ 18,164,827	\$ 17,968,791	\$ 18,334,273
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	25.41%	22.33%	28.71%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 5D.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last One Fiscal Year*

	2018
Total OPEB Liability	
Service Cost	\$ 3,693,844
Interest on Total OPEB Liability	2,728,661
Changes of Assumptions	(11,371,076)
Gross Benefit Payments	(1,907,794)
Contribution from the Member	70,250
Net Change in Total OPEB Liability	(6,786,115)
Total OPEB Liability - Beginning	92,855,991
Total OPEB Liability - Ending	\$ 86,069,876
District's Proportionate Share of OPEB Liability	\$ -
State's Proportionate Share of OPEB Liability	86,069,876
Total OPEB Liability - Ending	\$ 86,069,876
District's Covered-Employee Payroll	\$ 22,863,324
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%

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

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 5e.

SPECIAL REVENUE FUND

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	IDEA Part B Basic	NCLB Title I	NCLB Title II-A	NCLB Title IV	Non-Public Nursing	Chapter 192	Chapter 193			Other Local Grants	Grand Total
						Compensatory Education	Examination & Classification	Corrective Speech	Supplementary Instruction		
REVENUES											
Intergovernmental											
State					\$ 5,994	\$ 16,831	\$ 7,103	\$ 893	\$ 7,850		\$ 38,671
Federal	\$ 427,209	\$ 26,601	\$ 26,998	\$ 8,636							489,444
Local	-	-	-	-	-	-	-	-	-	\$ 5,198	5,198
Total Revenues	\$ 427,209	\$ 26,601	\$ 26,998	\$ 8,636	\$ 5,994	\$ 16,831	\$ 7,103	\$ 893	\$ 7,850	\$ 5,198	\$ 533,313
EXPENDITURES											
Instruction											
Salaries of Teachers										\$ 198	\$ 198
Other Salaries		\$ 26,601									26,601
Purchased Prof & Educ Svcs						\$ 16,831	\$ 7,103	\$ 893	\$ 7,850		32,677
Tuition	\$ 411,376										411,376
General Supplies	-	-	-	-	\$ 5,994	-	-	-	-	5,000	10,994
Total Instruction	411,376	26,601	-	-	5,994	16,831	7,103	893	7,850	5,198	481,846
Support Services											
Salaries			25,080	4,956							30,036
Personal Svcs. -Emp. Benefits	15,833		1,918	380							18,131
Other Purchased Services	-	-	-	3,300	-	-	-	-	-	-	3,300
Total Support Services	15,833	-	26,998	8,636	-	-	-	-	-	-	51,467
Total Expenditures	\$ 427,209	\$ 26,601	\$ 26,998	\$ 8,636	\$ 5,994	\$ 16,831	\$ 7,103	\$ 893	\$ 7,850	\$ 5,198	\$ 533,313

CAPITAL PROJECTS FUND

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Project Title/Description	Original Appropriations	Modified Appropriation	Expenditures to Date		Prior Year	Current Year Cancelled / Adjusted	Balance June 30, 2018	
			Prior Years	Current Year	Payables Cancelled			
IHHS Bathroom Upgrade	\$ 426,700	\$ 308,451	\$ 308,451			\$ 47,300	\$ 70,949	
IHHS HVAC Upgrades	1,657,100	1,627,508	1,627,508			11,837	17,755	
RHS Window and Door Replacement	2,328,400	2,013,003	2,013,003			126,159	189,238	
Exterior Masonry Upgrades - RHS	1,152,200	1,131,375	1,071,779				\$ 59,596	
Exterior Masonry Upgrades - IHHS	1,932,000	1,769,319	1,769,319			65,069	97,612	
Nurse's Office Upgrade - IHHS	460,800	448,502	448,502				12,298	
Boys/Girls Locker Room Upgrades - RHS	626,470	589,761	589,761				36,709	
Boys/Girls Locker Room Upgrades - IHHS	538,192	496,339	476,493	\$ 16,453			41,853	
Roof Recoat - RHS	194,917	103,605	103,605				91,312	
Roof Recoat - IHHS	151,755	103,532	103,532				48,223	
Roof Section 14 - RHS	115,500	61,657	8,257	53,400			53,843	
Roof Sections 12 & 14 - IHHS	264,000	211,775	20,895	190,880			52,225	
Bathroom Upgrades - IHHS	450,000	450,000	60,957	266,999			122,044	
Bleachers - RHS	664,500	664,500	104,306	541,162			19,032	
Roof - IHHS	383,088	383,088		165,096			217,992	
Bleachers - RHS and IHHS	2,105,000	2,105,000	-	1,082,193			1,022,807	
	<u>\$ 13,450,622</u>	<u>\$ 12,467,415</u>	<u>\$ 8,706,368</u>	<u>\$ 2,316,183</u>	<u>\$ -</u>	<u>\$ 250,365</u>	<u>\$ 712,017</u>	<u>\$ 1,444,864</u>

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Return to Capital Reserve	\$ 375,554
Return to General Fund - Fund Balance	336,463
	<u>\$ 712,017</u>
Project Appropriation Balance	\$ 1,444,864
Less: Unrealized Grants (SDA)	(11,347)
Fund Balance, GAAP Basis	<u>\$ 1,433,517</u>
<u>Reconciliation of Fund Balance:</u>	
Restricted:	
Year End Encumbrances	\$ 934,061
Available for Capital Projects	<u>499,456</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 1,433,517</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Revenues and Other Financing Sources**Other Financing Sources**

Transfer from General Fund - Capital Outlay	\$ 31,648
Transfer from General Fund - Capital Reserve	<u>2,456,440</u>

Total Revenues and Other Financing sources	<u>2,488,088</u>
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Expenditures and Other Financing Uses**Expenditures**

Architectural / Engineering Services	198,890
Purchased Professional Services	980
Construction Services	2,116,313
Miscellaneous / Other Objects	
Transfer to General Fund -	
Fund Balance	336,463
Capital Reserve	<u>375,554</u>

Total Expenditures and Other Financing Uses	<u>3,028,200</u>
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Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(540,112)
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Fund Balance, Beginning of Year	<u>1,984,976</u>
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Fund Balance, End of Year	<u>\$ 1,444,864</u>
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Reconciliation to GAAP Basis:

Fund Balance (Budgetary Basis)	\$ 1,444,864
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Less:

Unrealized Revenue (SDA Grants)	<u>(11,347)</u>
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Fund Balance (GAAP Basis)	<u>\$ 1,433,517</u>
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**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
INDIAN HILLS HIGH SCHOOL BATHROOM UPGRADE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	\$ 123,380		\$ 123,380	\$ 123,380
Transfer from Capital Reserve	<u>256,020</u>	\$ (70,949)	<u>185,071</u>	<u>185,071</u>
 Total Revenues	 <u>379,400</u>	 <u>(70,949)</u>	 <u>308,451</u>	 <u>308,451</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>308,451</u>	<u>-</u>	<u>308,451</u>	<u>308,451</u>
 Total Expenditures and other Financing Sources	 <u>308,451</u>	 <u>-</u>	 <u>308,451</u>	 <u>308,451</u>
 Excess (deficiency) of Revenues over (under) Expenditures	 <u>\$ 70,949</u>	 <u>\$ (70,949)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

Project Number	4300-030-14-1008
Grant Number	
Grant Date	
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 426,700
Revised Authorized Cost	\$ 308,451
 Percentage Completion	 100%
Original Target Completion Date	2015/16
Revised Target Completion Date	2016/17

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
INDIAN HILLS HIGH SCHOOL HVAC UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	\$ 651,003		\$ 651,003	\$ 651,003
Transfer from Capital Reserve	994,260	\$ (17,755)	976,505	976,505
Total Revenues	<u>1,645,263</u>	<u>(17,755)</u>	<u>1,627,508</u>	<u>1,627,508</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>1,627,508</u>	<u>-</u>	<u>1,627,508</u>	<u>1,627,508</u>
Total Expenditures and other Financing Sources	<u>1,627,508</u>	<u>-</u>	<u>1,627,508</u>	<u>1,627,508</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 17,755</u>	<u>\$ (17,755)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4300-030-14-1011
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,657,100
Revised Authorized Cost	\$ 1,627,508
Percentage Completion	100%
Original Target Completion Date	2015/16
Revised Target Completion Date	2016/17

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
RAMAPO HIGH SCHOOL WINDOW AND DOOR REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
SDA Sources - SDA Grant	\$ 805,201		\$ 805,201	\$ 805,201
Transfer from Capital Reserve	<u>1,397,040</u>	\$ (189,238)	<u>1,207,802</u>	<u>1,207,802</u>
 Total Revenues	 <u>2,202,241</u>	 <u>(189,238)</u>	 <u>2,013,003</u>	 <u>2,013,003</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>2,013,003</u>	<u>-</u>	<u>2,013,003</u>	<u>2,013,003</u>
 Total Expenditures and other Financing Sources	 <u>2,013,003</u>	 <u>-</u>	 <u>2,013,003</u>	 <u>2,013,003</u>
 Excess (deficiency) of Revenues over (under) Expenditures	 <u>\$ 189,238</u>	 <u>\$ (189,238)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

Project Number	4300-050-14-1016
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,328,400
Revised Authorized Cost	\$ 2,013,003
 Percentage Completion	 100%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
EXTERIOR MASONRY UPGRADES - RAMAPO 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	\$ 440,055		\$ 440,055	\$ 440,055
Transfer from Capital Outlay	691,320	-	691,320	691,320
Total Revenues	<u>1,131,375</u>	<u>-</u>	<u>1,131,375</u>	<u>1,131,375</u>
 EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>1,071,779</u>	<u>-</u>	<u>1,071,779</u>	<u>1,131,375</u>
Total Expenditures and other Financing Sources	<u>1,071,779</u>	<u>-</u>	<u>1,071,779</u>	<u>1,131,375</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 59,596</u>	<u>\$ -</u>	<u>\$ 59,596</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4300-050-14-1015
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,152,200
Revised Authorized Cost	\$ 1,131,375
Percentage Completion	95%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
EXTERIOR MASONRY UPGRADES - INDIAN HILLS 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	\$ 707,731		\$ 707,731	\$ 707,731
Transfer from Capital Outlay	1,159,200	\$ (97,612)	1,061,588	1,061,588
Total Revenues	<u>1,866,931</u>	<u>(97,612)</u>	<u>1,769,319</u>	<u>1,769,319</u>
 EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>1,769,319</u>	<u>-</u>	<u>1,769,319</u>	<u>1,769,319</u>
Total Expenditures and other Financing Sources	<u>1,769,319</u>	<u>-</u>	<u>1,769,319</u>	<u>1,769,319</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 97,612</u>	<u>\$ (97,612)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4300-030-14-1009
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,932,000
Revised Authorized Cost	\$ 1,769,319
Percentage Completion	100%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
NURSES'S OFFICE UPGRADE - INDIAN HILLS 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>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 460,800	\$ (12,298)	\$ 448,502	\$ 448,502
Total Revenues	<u>460,800</u>	<u>(12,298)</u>	<u>448,502</u>	<u>448,502</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>448,502</u>	<u>-</u>	<u>448,502</u>	<u>448,502</u>
Total Expenditures and other Financing Sources	<u>448,502</u>	<u>-</u>	<u>448,502</u>	<u>448,502</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 12,298</u>	<u>\$ (12,298)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 460,800
Revised Authorized Cost	\$ 448,502
Percentage Completion	100%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BOYS/GIRLS LOCKER ROOM UPGRADES - RAMAPO 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 555,300	\$ (36,709)	\$ 518,591	\$ 518,591
Transfer from Capital Reserve	71,170	-	71,170	71,170
Total Revenues	<u>626,470</u>	<u>(36,709)</u>	<u>589,761</u>	<u>589,761</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	589,761	-	589,761	589,761
Total Expenditures and other Financing Sources	<u>589,761</u>	<u>-</u>	<u>589,761</u>	<u>589,761</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 36,709</u>	<u>\$ (36,709)</u>	<u>\$ -</u>	<u>\$ -</u>
 Additional Project Information:				
Project Number	N/A			
Grant Number	N/A			
Grant Date	N/A			
Bond Issue Date	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 626,470			
Revised Authorized Cost	\$ 589,761			
Percentage Completion	100%			
Original Target Completion Date	2015/2016			
Revised Target Completion Date	2016/2017			

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BOYS/GIRLS LOCKER ROOM UPGRADES - INDIAN HILLS 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>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 428,300	\$ (41,853)	\$ 386,447	\$ 386,447
Transfer from Capital Reserve	109,892	-	109,892	109,892
Total Revenues	<u>538,192</u>	<u>(41,853)</u>	<u>496,339</u>	<u>496,339</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>476,493</u>	<u>16,453</u>	<u>492,946</u>	<u>496,339</u>
Total Expenditures and other Financing Sources	<u>476,493</u>	<u>16,453</u>	<u>492,946</u>	<u>496,339</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 61,699</u>	<u>\$ (58,306)</u>	<u>\$ 3,393</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 538,192
Revised Authorized Cost	\$ 538,192
Percentage Completion	99%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF RECOAT - RAMAPO 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 194,917	\$ (91,312)	\$ 103,605	\$ 103,605
Total Revenues	<u>194,917</u>	<u>(91,312)</u>	<u>103,605</u>	<u>103,605</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>103,605</u>	<u>-</u>	<u>103,605</u>	<u>103,605</u>
Total Expenditures and other Financing Sources	<u>103,605</u>	<u>-</u>	<u>103,605</u>	<u>103,605</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 91,312</u>	<u>\$ (91,312)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 194,917
Revised Authorized Cost	\$ 103,605
Percentage Completion	100%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF RECOAT - INDIAN HILLS 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>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 151,755	\$ (48,223)	\$ 103,532	\$ 103,532
Total Revenues	<u>151,755</u>	<u>(48,223)</u>	<u>103,532</u>	<u>103,532</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>103,532</u>	<u>-</u>	<u>103,532</u>	<u>103,532</u>
Total Expenditures and other Financing Sources	<u>103,532</u>	<u>-</u>	<u>103,532</u>	<u>103,532</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 48,223</u>	<u>\$ (48,223)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 151,755
Revised Authorized Cost	\$ 103,532
Percentage Completion	100%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF SECTION 14 - RAMAPO 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 115,500	\$ (53,843)	\$ 61,657	\$ 61,657
Total Revenues	<u>115,500</u>	<u>(53,843)</u>	<u>61,657</u>	<u>61,657</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>8,257</u>	<u>53,400</u>	<u>61,657</u>	<u>61,657</u>
Total Expenditures and other Financing Sources	<u>8,257</u>	<u>53,400</u>	<u>61,657</u>	<u>61,657</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 107,243</u>	<u>\$ (107,243)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 115,500
Revised Authorized Cost	\$ 61,657
Percentage Completion	100%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2017/2018

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF SECTIONS 12 & 14- INDIAN HILLS 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 264,000	\$ (52,225)	\$ 211,775	\$ 211,775
Total Revenues	<u>264,000</u>	<u>(52,225)</u>	<u>211,775</u>	<u>211,775</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>20,895</u>	<u>190,880</u>	<u>211,775</u>	<u>211,775</u>
Total Expenditures and other Financing Sources	<u>20,895</u>	<u>190,880</u>	<u>211,775</u>	<u>211,775</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 243,105</u>	<u>\$ (243,105)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 264,000
Revised Authorized Cost	\$ 211,775
Percentage Completion	100%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2017/2018

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BATHROOM UPGRADES' - INDIAN HILLS 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 450,000	-	\$ 450,000	\$ 450,000
 Total Revenues	 450,000	 -	 450,000	 450,000
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	60,957	\$ 266,999	327,956	450,000
 Total Expenditures and other Financing Sources	 60,957	 266,999	 327,956	 450,000
 Excess (deficiency) of Revenues over (under) Expenditures	 \$ 389,043	 \$ (266,999)	 \$ 122,044	 \$ -

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 450,000
Revised Authorized Cost	\$ 450,000
 Percentage Completion	 73%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2017/2018

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BLEACHERS - RAMAPO 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 664,500	-	\$ 664,500	\$ 664,500
Total Revenues	<u>664,500</u>	<u>-</u>	<u>664,500</u>	<u>664,500</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>104,306</u>	\$ 541,162	<u>645,468</u>	<u>664,500</u>
Total Expenditures and other Financing Sources	<u>104,306</u>	<u>541,162</u>	<u>645,468</u>	<u>664,500</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 560,194</u>	<u>\$ (541,162)</u>	<u>\$ 19,032</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 664,500
Revised Authorized Cost	\$ 664,500
Percentage Completion	97%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2017/2018

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF - INDIAN HILLS 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>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay		\$ 31,648	\$ 31,648	\$ 31,648
Transfer from Capital Reserve	-	351,440	351,440	351,440
Total Revenues	-	383,088	383,088	383,088
 EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	165,096	165,096	383,088
Total Expenditures and other Financing Sources	-	165,096	165,096	383,088
Excess (deficiency) of Revenues over (under) Expenditures	\$ -	\$ 217,992	\$ 217,992	\$ -

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 383,088
Revised Authorized Cost	\$ 383,088
Percentage Completion	43%
Original Target Completion Date	2018/19
Revised Target Completion Date	2018/19

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BLEACHERS - RAMAPO HIGH SCHOOL AND INDIAN HILLS 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>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	-	\$ 2,105,000	\$ 2,105,000	\$ 2,105,000
Total Revenues	-	2,105,000	2,105,000	2,105,000
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	1,082,193	1,082,193	2,105,000
Total Expenditures and other Financing Sources	-	1,082,193	1,082,193	2,105,000
Excess (deficiency) of Revenues over (under) Expenditures	\$ -	\$ 1,022,807	\$ 1,022,807	\$ -

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,105,000
Revised Authorized Cost	\$ 2,105,000
Percentage Completion	51%
Original Target Completion Date	2018/19
Revised Target Completion Date	2018/19

PROPRIETARY FUNDS

EXHIBIT G-1

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2018**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 283,591	\$ 233,431	\$ 517,022
Cash with Fiscal Agents	-	22,226	22,226
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 283,591</u>	<u>\$ 255,657</u>	<u>\$ 539,248</u>
LIABILITIES			
Due to Other Funds	\$ 70	\$ 550	\$ 620
Payroll Deductions and Withholdings		232,810	232,810
Accrued Salaries and Wages		98	98
Due to Student Groups	283,521		283,521
Flexible Spending (Sec. 125) Account	-	22,199	22,199
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 283,591</u>	<u>\$ 255,657</u>	<u>\$ 539,248</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Balance, July 1, <u>2017</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2018</u>
Ramapo High School	\$ 73,287	\$ 283,697	\$ 273,409	\$ 83,575
Indian Hills High School	213,150	315,964	361,054	168,060
Athletic Account	29,536	389,517	387,167	31,886
Due to Other Funds	<u>22</u>	<u>70</u>	<u>22</u>	<u>70</u>
 Total All Schools	 <u>\$ 315,995</u>	 <u>\$ 989,248</u>	 <u>\$ 1,021,652</u>	 <u>\$ 283,591</u>

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Balance, July 1, <u>2017</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2018</u>
ASSETS				
Cash	\$ 48,739	\$ 29,872,389	\$ 29,687,697	\$ 233,431
Cash with Fiscal Agents	<u>23,538</u>	<u>78,015</u>	<u>79,327</u>	<u>22,226</u>
 Total Assets	 <u>\$ 72,277</u>	 <u>\$ 29,950,404</u>	 <u>\$ 29,767,024</u>	 <u>\$ 255,657</u>
LIABILITIES				
Due to Other Funds	\$ 230	\$ 3,272	\$ 2,952	\$ 550
Payroll Deductions and Withholdings	47,592	13,380,483	13,195,265	232,810
Accrued Salaries and Wages	997	16,499,477	16,500,376	98
Flexible Spending (Sect. 125) Account	<u>23,458</u>	<u>67,172</u>	<u>68,431</u>	<u>22,199</u>
 Total Liabilities	 <u>\$ 72,277</u>	 <u>\$ 29,950,404</u>	 <u>\$ 29,767,024</u>	 <u>\$ 255,657</u>

LONG-TERM DEBT

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2017</u>	<u>Retired</u>	<u>Balance, June 30, 2018</u>
			<u>Date</u>	<u>Amount</u>				
School Refunding Bonds, Series 2015	3/4/2015	\$ 20,775,000	6/1/2019	1,100,000	2.50%			
			6/1/2020	1,130,000	2.50%			
			6/1/2021	1,150,000	2.50%			
			6/1/2022	1,190,000	2.50%			
			6/1/2023	1,225,000	2.50%			
			6/1/2024	1,270,000	2.50%			
			6/1/2025	1,310,000	2.50%			
			6/1/2026	1,350,000	2.50%			
			6/1/2027	1,390,000	2.75%			
			6/1/2028	1,445,000	3.00%			
			6/1/2029	1,500,000	3.00%			
			6/1/2030	1,555,000	3.00%			
			6/1/2031	1,615,000	3.00%			
						<u>\$ 18,320,000</u>	<u>\$ 1,090,000</u>	<u>\$ 17,230,000</u>
						<u>\$ 18,320,000</u>	<u>\$ 1,090,000</u>	<u>\$ 17,230,000</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Description</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Balance, July 1, 2017</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2018</u>
			<u>Date</u>	<u>Amount</u>				
Computer Supplies	6/13/2017	\$ 422,702	7/30/2018	\$ 140,901				
			7/30/2019	140,900	\$ 422,702		\$ 140,901	\$ 281,801
Computer Supplies	6/13/2017	3,394,194	7/30/2018	533,075				
			7/30/2019	533,075				
			7/30/2020	533,075	<u>3,394,194</u>	<u>-</u>	<u>1,794,969</u>	<u>1,599,225</u>
					<u>\$ 3,816,896</u>	<u>-</u>	<u>\$ 1,935,870</u>	<u>\$ 1,881,026</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$1,582,050	-	\$1,582,050	\$ 1,582,050	-
Total Revenues	<u>1,582,050</u>	<u>-</u>	<u>1,582,050</u>	<u>1,582,050</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal	1,090,000		1,090,000	1,090,000	-
Interest	492,050	-	492,050	492,050	-
Total Expenditures	<u>1,582,050</u>	<u>-</u>	<u>1,582,050</u>	<u>1,582,050</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Ramapo Indian Hills Regional High School 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 government's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

J-16 to J-20

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 18,642,754	\$ 19,205,138	\$ 20,265,853	\$ 33,895,064	\$ 34,085,038	\$ 34,108,759	\$ 35,365,773	\$ 40,451,949	\$ 42,294,899	\$ 43,393,135
Restricted	1,407,508	1,082,196	5,295,561	7,690,323	9,220,197	11,726,973	15,770,653	16,667,517	18,758,765	21,117,838
Unrestricted	4,110,635	5,109,991	2,656,608	3,220,602	4,112,757	(9,245,048)	(9,074,834)	(10,117,171)	(12,047,820)	(11,333,704)
Total Governmental Activities Net Position	<u>\$ 24,160,897</u>	<u>\$ 25,397,325</u>	<u>\$ 28,218,022</u>	<u>\$ 44,805,989</u>	<u>\$ 47,417,992</u>	<u>\$ 36,590,684</u>	<u>\$ 42,061,592</u>	<u>\$ 47,002,295</u>	<u>\$ 49,005,844</u>	<u>\$ 53,177,269</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 19,784	\$ 17,311	\$ 14,838	\$ -	\$ 82,523	\$ 68,809	\$ 92,790	\$ 100,228	\$ 89,108	\$ 77,988
Restricted										
Unrestricted	196,687	219,670	238,190	-	244,085	368,468	507,955	590,198	747,748	820,665
Total Business-Type Activities Net Position	<u>\$ 216,471</u>	<u>\$ 236,981</u>	<u>\$ 253,028</u>	<u>\$ -</u>	<u>\$ 326,608</u>	<u>\$ 437,277</u>	<u>\$ 600,745</u>	<u>\$ 690,426</u>	<u>\$ 836,856</u>	<u>\$ 898,653</u>
District-Wide										
Net Investment in Capital Assets	\$ 18,662,538	\$ 19,222,449	\$ 20,280,691	\$ 33,895,064	\$ 34,167,561	\$ 34,177,568	\$ 35,458,563	\$ 40,552,177	\$ 42,384,007	\$ 43,471,123
Restricted	1,407,508	1,082,196	5,295,561	7,690,323	9,220,197	11,726,973	15,770,653	16,667,517	18,758,765	21,117,838
Unrestricted	4,307,322	5,329,661	2,894,798	3,220,602	4,356,842	(8,876,580)	(8,566,879)	(9,526,973)	(11,300,072)	(10,513,039)
Total District Net Position	<u>\$ 24,377,368</u>	<u>\$ 25,634,306</u>	<u>\$ 28,471,050</u>	<u>\$ 44,805,989</u>	<u>\$ 47,744,600</u>	<u>\$ 37,027,961</u>	<u>\$ 42,662,337</u>	<u>\$ 47,692,721</u>	<u>\$ 49,842,700</u>	<u>\$ 54,075,922</u>

Note 1 - Net position at June 30, 2011 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, "Items Previously Reported in Assets and Liabilities".

Note 2 - Net position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Reporting for Pensions".

Source: School District's financial statements

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 21,124,336	\$ 21,644,133	\$ 21,539,785	\$ 22,014,895	\$ 21,522,529	\$ 23,683,182	\$ 24,077,035	\$ 28,225,194	\$ 30,823,984	\$ 29,953,704
Special Education	3,384,151	4,339,094	4,424,649	4,716,365	5,209,370	5,176,634	5,414,138	6,122,634	5,971,270	6,634,085
Other Instruction	139,427	105,572	132,758	135,039	113,455	183,163	92,346	98,598	106,224	66,207
Other Instructional Supplemental Programs	384,588	396,531	382,737	384,012	537,132	534,901	605,808	658,870	624,233	733,538
School Sponsored Activities and Athletics	2,996,159	2,822,019	2,814,352	2,888,303	2,942,130	3,028,516	3,155,532	3,310,077	3,452,812	3,818,895
Support Services:										
Student & Instruction Related Services	6,691,248	6,516,072	6,441,902	6,412,077	6,679,746	6,544,100	7,491,674	8,033,079	8,726,716	9,245,740
School Administrative Services	1,701,022	2,363,003	2,357,389	2,478,330	2,617,734	2,436,351	2,837,026	2,914,019	3,169,276	3,680,283
General Administration	1,071,252	888,253	836,453	851,346	973,646	868,476	1,242,098	962,703	960,247	1,055,019
Plant Operations and Maintenance	5,674,147	5,710,525	5,428,363	4,948,545	5,507,301	6,099,746	5,646,755	5,761,447	6,334,414	6,487,363
Pupil Transportation	2,050,043	2,122,137	2,005,596	1,928,770	1,982,268	1,997,355	2,078,897	2,167,697	2,229,600	2,587,510
Central Services	1,605,759	1,354,809	1,287,398	1,400,640	1,373,611	1,647,074	1,739,834	1,679,661	1,881,170	2,039,587
Interest on Long-Term Debt	1,090,046	1,058,846	1,029,382	998,492	966,714	965,556	526,116	609,801	571,649	538,724
Total Governmental Activities Expenses	47,912,178	49,320,994	48,680,764	49,156,814	50,425,636	53,165,054	54,907,259	60,543,780	64,851,595	66,840,655
Business-Type Activities:										
Food Service	991,080	994,160	1,021,485	1,056,004	1,014,004	1,082,332	1,076,706	1,183,680	1,212,272	1,317,617
1 to 1 Initiative							21,543	20,629	109,481	83,049
Total Business-Type Activities Expense	991,080	994,160	1,021,485	1,056,004	1,014,004	1,082,332	1,098,249	1,204,309	1,321,753	1,400,666
Total District Expenses	\$ 48,903,258	\$ 50,315,154	\$ 49,702,249	\$ 50,212,818	\$ 51,439,640	\$ 54,247,386	\$ 56,005,508	\$ 61,748,089	\$ 66,173,348	\$ 68,241,321
Program Revenues										
Governmental Activities:										
Charges for Services:										
Regular	\$ 57,530	\$ 13,829	\$ 10,657	\$ 14,886	\$ 7,535	\$ 41,546	\$ 36,125	\$ 39,993	\$ 30,443	\$ 35,581
Special Education		38,602	25,153	96,632	104,759	63,818	83,838	63,038	78,203	142,484
Pupil Transportation	13,826	41,870	41,770	27,963	45,631	58,235	53,324	58,388	75,454	68,067
Operating Grants and Contributions	5,164,455	5,119,656	3,867,860	5,063,007	6,016,123	5,623,203	10,221,569	12,192,102	15,784,715	17,402,448
Capital Grants and Contributions	20,274	746,902	1,253,508	104,956	511,749	193,969	770,447	2,125,221	491,754	-
Total Governmental Activities Program Revenues	5,256,085	5,960,859	5,198,948	5,307,444	6,685,797	5,980,771	11,165,303	14,478,742	16,460,569	17,648,580
Business-Type Activities:										
Charges for Services										
Food Service	969,432	1,011,982	1,034,621	1,061,643	1,036,749	1,114,173	1,094,941	1,206,191	1,304,781	1,364,691
1 to 1 Initiative						76,726	165,194	163,797	161,330	157,747
Total Business Type Activities Program Revenues	969,432	1,011,982	1,034,621	1,061,643	1,036,749	1,190,899	1,260,135	1,369,988	1,466,111	1,522,438
Total District Program Revenues	\$ 6,225,517	\$ 6,972,841	\$ 6,233,569	\$ 6,369,087	\$ 7,722,546	\$ 7,171,670	\$ 12,425,438	\$ 15,848,730	\$ 17,926,680	\$ 19,171,018
Net (Expense)/Revenue										
Governmental Activities	\$ (42,656,093)	\$ (43,360,135)	\$ (43,481,816)	\$ (43,849,370)	\$ (43,739,839)	\$ (47,184,283)	\$ (43,741,956)	\$ (46,065,038)	\$ (48,391,026)	\$ (49,192,075)
Business-Type Activities	(21,648)	17,822	13,136	5,639	22,745	108,567	161,886	165,679	144,358	121,772
Total District-Wide Net Expense	\$ (42,677,741)	\$ (43,342,313)	\$ (43,468,680)	\$ (43,843,731)	\$ (43,717,094)	\$ (47,075,716)	\$ (43,580,070)	\$ (45,899,359)	\$ (48,246,668)	\$ (49,070,303)

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (Unaudited)
 (accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 40,716,266	\$ 42,238,098	\$ 42,238,098	\$ 43,950,645	\$ 43,920,582	\$ 44,761,456	\$ 46,348,005	\$ 47,274,965	\$ 48,103,336	\$ 48,842,210
Taxes Levied for Debt Service	1,725,277	1,712,573	1,712,573	1,666,402	1,726,415	1,734,815	1,741,615	1,622,925	1,563,428	1,582,050
Federal and State Aid - Unrestricted	9,833	-	-	-	-	-	44,474	47,058	68,174	72,932
Investment Earnings	151,940	95,878	95,878	30,060	76,625	85,160	71,636	73,473	87,956	299,850
Miscellaneous Income	430,336	369,506	369,506	658,347	764,851	659,906	1,007,134	772,109	571,681	1,367,553
Sale of Assets - Computers	-	-	-	-	-	-	-	1,137,597	-	1,132,825
Transfers	-	-	-	-	-	-	-	77,614	-	66,080
Total Governmental Activities	43,033,652	44,416,055	44,416,055	46,305,454	46,488,473	47,241,337	49,212,864	51,005,741	50,394,575	53,363,500
Business-Type Activities:										
Investment Earnings	3,942	2,688	2,688	1,186	1,619	2,102	1,582	1,616	2,072	6,105
Transfers	-	-	-	-	-	-	-	(77,614)	-	(66,080)
Total Business-Type Activities	3,942	2,688	2,688	1,186	1,619	2,102	1,582	(75,998)	2,072	(59,975)
Total District-Wide	\$ 43,037,594	\$ 44,418,743	\$ 44,418,743	\$ 46,306,640	\$ 46,490,092	\$ 47,243,439	\$ 49,214,446	\$ 50,929,743	\$ 50,396,647	\$ 53,303,525
Change in Net Position										
Governmental Activities	\$ 377,559	\$ 1,055,920	\$ 934,239	\$ 2,456,084	\$ 2,748,634	\$ 57,054	\$ 5,470,908	\$ 4,940,703	\$ 2,003,549	\$ 4,171,425
Business-Type Activities	(17,706)	20,510	15,824	6,825	24,364	110,669	163,468	89,681	146,430	61,797
Total District	\$ 359,853	\$ 1,076,430	\$ 950,063	\$ 2,462,909	\$ 2,772,998	\$ 167,723	\$ 5,634,376	\$ 5,030,384	\$ 2,149,979	\$ 4,233,222

Source: District financial statements

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 4,385,127	\$ 4,537,306								
Unreserved	1,241,008	677,567								
Restricted			\$ 8,033,557	\$ 10,072,035	\$ 12,071,982	\$ 10,907,286	\$ 14,359,915	\$ 16,978,604	\$ 20,462,300	\$ 22,766,491
Committed			31,367	177,680	113,609		-			119,752
Assigned			476,541	865,633	1,195,533	764,140	728,990	851,760	618,798	390,951
Unassigned			871,450	854,083	843,676	944,596	877,475	939,056	913,114	1,004,054
Total General Fund	<u>\$ 5,626,135</u>	<u>\$ 5,214,873</u>	<u>\$ 9,412,915</u>	<u>\$ 11,969,431</u>	<u>\$ 14,224,800</u>	<u>\$ 12,616,022</u>	<u>\$ 15,966,380</u>	<u>\$ 18,769,420</u>	<u>\$ 21,994,212</u>	<u>\$ 24,281,248</u>
All Other Governmental Funds										
Reserved	\$ 1,155,316	\$ 2,249,608								
Unreserved	1,180,539	1,180,029								
Restricted	-	-	\$ 948,461	\$ 1,718,288	\$ 1,825,379	\$ 5,196,851	\$ 5,487,902	\$ 3,566,077	\$ 1,973,629	\$ 1,433,517
Total All Other Governmental Funds	<u>\$ 2,335,855</u>	<u>\$ 3,429,637</u>	<u>\$ 948,461</u>	<u>\$ 1,718,288</u>	<u>\$ 1,825,379</u>	<u>\$ 5,196,851</u>	<u>\$ 5,487,902</u>	<u>\$ 3,566,077</u>	<u>\$ 1,973,629</u>	<u>\$ 1,433,517</u>

126

Beginning with Fiscal Year 2012, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

Source: District financial statements

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Tax Levy	\$ 42,441,543	\$ 43,950,671	\$ 45,854,902	\$ 45,617,047	\$ 45,646,997	\$ 46,496,271	\$ 48,089,620	\$ 48,897,890	\$ 49,666,764	\$ 50,424,260
Tuition Charges	57,530	52,431	35,810	111,518	112,294	105,364	119,963	103,031	108,646	178,065
Interest Earnings	151,940	95,878	93,900	30,060	76,625	85,160	71,636	73,473	87,956	299,850
Transportation	13,826	41,870	41,770	27,963	45,631	58,235	53,324	58,388	75,454	68,067
Miscellaneous	497,627	456,009	613,555	765,324	915,247	764,222	1,009,219	801,275	685,504	1,372,751
State Sources	4,501,157	5,111,554	4,310,384	4,469,815	5,871,062	5,162,090	6,226,156	8,143,578	7,260,545	7,750,583
Federal Sources	613,514	609,801	717,193	591,171	489,437	538,381	411,919	638,549	481,133	489,444
Total Revenues	48,277,137	50,318,214	51,667,514	51,612,898	53,157,293	53,209,723	55,981,837	58,716,184	58,366,002	60,583,020
Expenditures										
Instruction										
Regular Instruction	18,895,303	19,403,773	19,232,500	19,934,177	20,610,047	22,930,900	20,219,659	23,457,300	24,674,434	23,104,527
Special Education Instruction	3,389,554	4,283,838	4,419,753	4,536,061	5,120,721	5,101,348	5,059,462	5,679,196	5,419,647	5,962,416
Vocational Education										
Other Instruction	139,983	105,599	132,701	133,598	109,037	179,922	75,983	78,583	80,890	48,197
Other Instructional Supplemental Programs	384,588	396,634	382,573	379,918	516,047	517,000	505,221	532,504	3,120,928	558,861
School Sponsored Activities and Athletics	3,002,874	2,817,536	2,807,171	2,850,380	2,796,218	2,902,981	2,977,537	3,055,921	479,724	3,292,901
Support Services:										
Student & Inst. Related Services	6,697,369	6,507,105	6,436,591	6,344,269	6,417,018	6,330,654	6,563,426	6,805,361	7,127,481	7,398,190
General Administration	1,054,221	869,621	818,198	828,823	935,407	835,018	894,648	904,010	886,081	944,756
School Administrative Services	1,700,408	2,356,702	2,350,653	2,448,481	2,507,896	2,347,009	2,503,972	2,414,146	2,513,023	2,874,350
Plant Operations and Maintenance	5,372,496	5,327,588	5,029,009	4,911,693	5,222,634	5,842,717	5,330,624	5,351,023	5,832,292	5,773,598
Pupil Transportation	2,020,438	2,086,145	1,972,189	1,870,668	1,833,416	1,856,430	1,932,459	2,005,180	2,044,207	2,373,160
Central Services	1,515,704	1,260,483	1,194,743	1,294,491	1,221,587	1,508,352	1,448,645	1,479,328	1,637,130	1,710,712
Capital Outlay	890,372	2,356,655	3,303,552	892,381	1,698,390	1,348,976	2,509,420	6,250,009	3,097,530	2,475,413
Debt Service:										
Principal	670,000	840,000	875,000	895,000	870,000	1,525,378	1,737,241	3,111,017	1,854,243	3,025,870
Interest and Other Charges	1,055,278	1,024,015	996,015	966,615	936,415	904,815	592,046	576,902	521,050	492,050
Payment to Refunding Escrow Agent							419,947			
Cost of Issuance of Refunding Bonds							271,129			
Total Expenditures	46,788,588	49,635,694	49,950,648	48,286,555	50,794,833	54,131,500	53,041,419	61,700,482	59,288,660	60,035,001
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	1,488,549	682,520	1,716,866	3,326,343	2,362,460	(921,777)	2,940,418	(2,984,298)	(922,658)	548,019
Other Financing Sources (Uses)										
Sale of Assets - Computers								1,137,597		\$ 1,132,825
Capital Leases (Non-Budgeted)						2,684,471		2,650,302	2,555,002	
Proceeds from Refunding							\$ 20,775,000			
Reoffering Premium							270,991			
Payments to Escrow Agent							(20,345,000)			
Transfers in	1,653,531	2,260,101	1,295,262	1,334,764	945,908	4,401,294	1,968,418	3,107,240	2,066,599	3,266,185
Transfers out	(1,653,531)	(2,260,101)	(1,295,262)	(1,334,764)	(945,908)	(4,401,294)	(1,968,418)	(3,029,626)	(2,066,599)	(3,200,105)
Total Other Financing Sources (Uses)	-	-	-	-	-	2,684,471	700,991	3,865,513	2,555,002	1,198,905
Net Change in Fund Balances	\$ 1,488,549	\$ 682,520	\$ 1,716,866	\$ 3,326,343	\$ 2,362,460	\$ 1,762,694	\$ 3,641,409	\$ 881,215	\$ 1,632,344	\$ 1,746,924
Debt Service as a Percentage of										
Noncapital Expenditures	3.76%	3.94%	4.01%	3.93%	3.68%	4.60%	5.98%	6.65%	4.23%	6.11%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>Cancelled Checks</u>	<u>Monopole Revenue</u>	<u>Athletic Events</u>	<u>Rental Fees</u>	<u>Cancelled Prior Year A/P</u>	<u>Insurance/Other Refunds</u>	<u>Theater Receipts</u>	<u>E-Rate</u>	<u>Miscellaneous</u>	<u>Total</u>
2009		\$ 190,990	\$ 24,597	\$ 77,355	\$ 64,597	\$ 49,038			\$ 10,848	\$ 417,425
2010	\$ 2,747	231,693	18,926	48,845	39,323	11,988			15,984	369,506
2011	3,235	305,685	21,862	43,499	28,186	56,101			61,196	519,764
2012		361,052	23,572	58,686	113,502	69,449	\$ 11,922		20,164	658,347
2013	3,626	348,723	27,328	35,188	195,654	39,145			115,187	764,851
2014		355,066	25,298	86,736	15,672	59,323			117,811	659,906
2015	2,040	381,010	32,206	67,448	295,705	20,867			207,858	1,007,134
2016	5,060	357,343	25,700	63,774	62,697	27,307	10,002		220,226	772,109
2017	2,902	379,596	21,694	59,784	24,942	6,651			76,112	571,681
2018	997	401,565	22,450	62,503	560,581	31,112		\$ 202,669	85,676	1,367,553

Source: District financial statements

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
BOROUGH OF FRANKLIN LAKES
(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2009	\$ 90,999,700	\$ 4,388,465,100	\$ 5,317,500	\$ 18,800	\$ 401,034,300	\$ 23,429,400	\$ 30,856,600	\$ 4,940,121,400	\$ 5,581,035	\$ 4,945,702,435	\$ 4,862,233,530	\$ 0.337
2010	75,848,200	4,420,389,200	5,317,500	18,800	393,342,200	23,429,400	30,139,400	4,948,484,700	3,687,173	4,952,171,873	4,709,650,468	0.350
2011	53,113,100	3,563,332,500	4,240,000	21,400	408,302,900	32,820,000	30,139,400	4,091,969,300	3,325,267	4,095,294,567	4,354,743,831	0.431
2012	52,494,400	3,561,581,700	4,240,000	21,400	405,702,600	32,758,500	30,139,400	4,086,938,000	2,370,663	4,089,308,663	4,471,193,866	0.427
2013	50,565,400	3,566,930,300	4,505,500	23,700	405,652,700	32,285,300	30,139,400	4,090,102,300	-	4,090,102,300	4,344,917,974	0.434
2014	48,992,100	3,584,962,000	3,470,900	18,800	403,843,900	31,751,400	38,139,400	4,111,178,500	-	4,111,178,500	4,267,544,280	0.444
2015	51,052,600	3,593,943,600	3,470,900	18,800	403,874,900	31,751,400	38,139,400	4,122,251,600	-	4,122,251,600	4,358,772,529	0.451
2016	56,235,500	3,609,749,700	3,470,900	18,800	381,718,500	30,724,200	38,139,400	4,120,057,000	-	4,120,057,000	4,477,836,105	0.467
2017	40,151,200	3,648,064,000	3,470,800	18,800	397,446,900	30,424,200	56,562,000	4,176,137,900	-	4,176,137,900	4,389,577,030	0.460
2018	82,541,900	3,673,967,200	3,470,900	18,800	368,932,500	30,424,200	56,562,000	4,215,917,500	-	4,215,917,500	4,476,466,698	0.448

**TOWNSHIP OF WYCKOFF
(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2009	\$ 42,478,300	\$ 4,406,522,769	\$ 3,405,300	\$ 27,000	\$ 223,306,500	\$ 33,175,000	\$ 1,545,900	\$ 4,710,460,769	\$ 7,303,129	\$ 4,717,763,898	\$ 4,716,516,274	\$ 0.352
2010	42,659,400	4,469,519,894	2,779,400	27,000	221,726,800	33,175,000	1,545,900	4,771,433,394	7,271,456	4,778,704,850	4,759,025,380	0.364
2011	39,532,900	4,487,703,143	2,779,400	27,000	222,862,000	33,175,000	1,545,900	4,787,625,343	6,003,258	4,793,628,601	4,636,536,100	0.375
2012	39,171,900	4,494,020,543	2,779,400	27,000	250,965,200	33,175,000	1,545,900	4,821,684,943	6,116,664	4,827,801,607	4,507,239,218	0.379
2013	31,380,600	4,497,796,143	2,779,400	22,700	253,371,600	31,644,000	1,545,900	4,818,540,343	-	4,818,540,343	4,313,961,266	0.379
2014	29,284,700	4,498,457,543	2,779,400	22,700	255,001,400	31,644,000	1,545,900	4,818,735,643	-	4,818,735,643	4,301,161,628	0.384
2015	30,820,900	4,295,188,200	2,493,900	19,400	257,699,500	32,743,400	1,942,500	4,620,907,800	-	4,620,907,800	4,515,521,857	0.412
2016	28,909,400	4,311,852,500	2,493,900	19,400	267,645,600	32,763,400	1,942,500	4,645,626,700	-	4,645,626,700	4,524,284,465	0.408
2017	21,423,800	4,337,725,800	2,493,900	19,400	277,143,600	32,763,400	1,942,500	4,673,512,400	-	4,673,512,400	4,627,781,006	0.412
2018	26,482,100	4,359,590,600	2,493,900	19,400	276,489,300	32,763,400	1,942,500	4,699,781,200	-	4,699,781,200		0.426

**BOROUGH OF OAKLAND
(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2009	\$ 44,786,500	\$ 2,135,944,700	\$ 3,578,600	\$ 65,800	\$ 173,664,700	\$ 174,344,700		\$ 2,532,385,000	\$ 4,422,455	\$ 2,536,807,455	\$ 2,671,143,488	\$ 0.382
2010	42,396,400	2,141,264,100	3,305,200	65,800	176,488,900	173,344,700		2,536,865,100	5,707,334	2,542,572,434	2,775,734,176	0.531
2011	42,187,500	2,142,909,700	2,982,300	22,700	182,765,500	174,344,700		2,545,212,400	5,049,895	2,550,262,295	2,678,697,472	0.398
2012	28,272,400	1,798,418,300	2,557,300	25,900	173,457,800	168,479,300		2,171,211,000	100	2,171,211,100	2,370,838,202	0.465
2013	26,098,000	1,800,660,000	2,577,300	25,900	172,464,500	170,032,900		2,171,858,600	100	2,171,858,700	2,456,287,818	0.456
2014	24,211,200	1,802,856,800	2,885,500	39,900	171,359,400	169,098,100		2,170,450,900	91	2,170,450,991	2,397,105,440	0.463
2015	23,633,700	1,808,154,900	2,885,500	39,900	170,811,100	168,454,500		2,173,979,600	94	2,173,979,694	2,329,348,026	0.485
2016	23,953,700	1,809,505,300	2,885,500	39,900	1,809,505,300	164,690,500		2,172,074,300		2,172,074,300	2,368,709,018	0.506
2017	23,622,400	1,813,417,100	2,885,500	39,900	170,534,900	161,192,500		2,171,692,300		2,171,692,300	2,368,709,018	0.538
2018	23,234,600	1,817,481,500	2,885,500	41,000	171,494,300	158,608,700		2,173,745,600		2,173,745,600	2,490,923,953	0.553

Source: County Abstract of Ratables

^a Tax rates are per \$100

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
BOROUGH OF FRANKLIN LAKES
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Local School	Regional High School	Municipality	County	Total Direct and Overlapping Tax Rate
2009	\$ 0.478	\$ 0.337	\$ 0.192	\$ 0.189	\$ 1.196
2010	0.499	0.350	0.210	0.187	1.246
2011	0.620	0.431	0.259	0.220	1.530
2012	0.602	0.427	0.264	0.240	1.533
2013	0.610	0.434	0.269	0.244	1.557
2014	0.613	0.444	0.272	0.243	1.572
2015	0.617	0.451	0.278	0.254	1.600
2016	0.625	0.467	0.281	0.265	1.638
2017	0.628	0.460	0.281	0.257	1.626
2018	0.636	0.448	0.282	0.259	1.625

TOWNSHIP OF WYCKOFF
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Local School	Regional High School	Municipality	County	Total Direct and Overlapping Tax Rate
2009	\$ 0.654	\$ 0.352	\$ 0.228	\$ 0.194	\$ 1.428
2010	0.677	0.364	0.233	0.200	1.474
2011	0.696	0.375	0.245	0.202	1.518
2012	0.704	0.379	0.247	0.204	1.534
2013	0.721	0.379	0.250	0.205	1.555
2014	0.739	0.384	0.256	0.208	1.587
2015	0.788	0.412	0.278	0.235	1.713
2016	0.803	0.408	0.281	0.240	1.732
2017	0.816	0.412	0.283	0.249	1.760
2018	0.827	0.426	0.287	0.242	1.782

BOROUGH OF OAKLAND
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Local School	Regional High School	Municipality	County	Total Direct and Overlapping Tax Rate
2009	\$ 0.921	\$ 0.531	\$ 0.390	\$ 0.210	\$ 2.052
2010	0.946	0.398	0.547	0.207	2.098
2011	1.147	0.465	0.612	0.227	2.451
2012	1.175	0.456	0.610	0.249	2.490
2013	1.199	0.463	0.614	0.254	2.530
2014	1.220	0.485	0.646	0.260	2.611
2015	1.246	0.494	0.657	0.269	2.666
2016	1.268	0.506	0.669	0.267	2.710
2017	1.294	0.538	0.686	0.278	2.796
2018	1.313	0.553	0.686	0.281	2.833

Source: County Abstract of Ratables

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
BOROUGH OF FRANKLIN LAKES
(Unaudited)**

Taxpayer	2018			2009	
	Taxable Assessed Value	% of Total District Net Assessed Valuation		Taxable Assessed Value	% of Total District Net Assessed Valuation
Becton Dickinson & Company	\$ 156,547,900	3.71%	Becton Dickinson & Company	\$ 158,611,700	3.21%
Medco Health Solutions	85,000,000	2.02%	Merck Medco Managed Care, LLC	117,057,800	2.37%
Urban Farms Acquisition LLC	21,496,300	0.51%	1st Real Estate Investment Trust	20,492,700	0.41%
University Heights LLC	20,000,000	0.47%	Franklin Lakes Bldg Association, LLC	18,139,400	0.37%
1st Real Estate Invest Trust	19,784,900	0.47%	Franklin Farms Associates, LLC	16,470,200	0.33%
Franklin Lakes Realty, LLC	18,422,600	0.44%	Glenkamp Brothers	12,510,600	0.25%
B Coast Horizon @ Franklin Lakes	18,139,400	0.43%	Krieger SPE LLC	8,215,400	0.17%
Toll NJ XII LP NJ	10,703,000	0.25%	Fichera, Salvatore & Valerie	8,166,800	0.17%
Franklin Lakes Towne Square LLC	9,346,600	0.22%	GS Realty	7,480,000	0.15%
FL Storage LLC	8,700,000	0.21%	ITC Holdings LLC	7,369,200	0.15%
	<u>\$ 368,140,700</u>	<u>8.73%</u>		<u>\$ 374,513,800</u>	<u>7.57%</u>

**TOWNSHIP OF WYCKOFF
(Unaudited)**

Taxpayer	2018			2009	
	Taxable Assessed Value	% of Total District Net Assessed Valuation		Taxable Assessed Value	% of Total District Net Assessed Valuation
Munico Associates, LP	\$ 71,572,300	1.52%	Munico Associates	\$ 29,458,000	0.62%
Precision Multiple Controls, Inc.	12,184,200	0.26%	Precision Multiple Controls, Inc.	13,092,700	0.28%
UB Wyckoff 1, LLC	11,032,600	0.23%	Wyckoff Hye Partners	11,729,000	0.25%
Wyckoff Partners, LLC	9,763,300	0.21%	Grossman, Ivan & Solomon Platzer	9,841,900	0.21%
Individual Taxpayer #1	8,269,400	0.18%	Cole, Charles W. Jr. & Shawn	8,000,000	0.17%
Individual Taxpayer #2	7,717,300	0.16%	Canterbury Development Corp.	7,410,000	0.16%
Varnic, LLC	7,307,300	0.16%	Wyckoff Shopping Center	6,979,000	0.15%
Wyckoff Shopping Center, Inc.	6,192,800	0.13%	Varnic, LLC.	6,612,600	0.14%
677 Charnwood Drive, LLC	6,125,100	0.13%	Resident	6,490,000	0.14%
Wyckoff Capital Advisors, LP	3,738,000	0.08%	Wyckoff Properties L.P.	3,675,000	0.08%
	<u>\$ 143,902,300</u>	<u>3.06%</u>		<u>\$ 103,288,200</u>	<u>2.19%</u>

**BOROUGH OF OAKLAND
(Unaudited)**

Taxpayer	2018			2009	
	Taxable Assessed Value	% of Total District Net Assessed Valuation		Taxable Assessed Value	% of Total District Net Assessed Valuation
Jayare Associates, LLC	\$ 15,500,000	0.71%	Washington Square Owner LLC	\$ 16,100,000	0.63%
Washington Square Owner LLC	13,500,000	0.62%	Jayare Associates LLC	14,035,900	0.55%
40 Potash Road Associates, LLC	12,084,100	0.56%	40 Potash Road Associates LLC	13,688,900	0.54%
Unicorn Real Estate Investment, LLC	11,511,700	0.53%	Shiseido America Inc	12,766,900	0.50%
BD Oakland Owner LLC	9,900,000	0.46%	Oakland Care Ctr Real Estate Co LLC	10,750,800	0.42%
Oakland Care Ctr Real Estate Co. LLC	9,725,000	0.45%	5 Thornton Road Associates LLC	10,203,700	0.40%
5 Thornton Road Associates LLC	8,750,000	0.40%	The Realty Associates Fund VII LP	9,900,000	0.39%
Lincoln Realty Associates LLC	7,427,100	0.34%	Public Service Electric & Gas Co	7,611,800	0.30%
1 Raritan Road Realty LLC	6,235,900	0.29%	Ramapo Valley Resources Ltd	6,864,100	0.27%
Ramapo Valley Resources, LTD	6,087,700	0.28%	Bi-County Development	6,305,100	0.25%
	<u>\$ 100,721,500</u>	<u>4.63%</u>		<u>\$ 108,227,200</u>	<u>4.27%</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	\$ 42,441,543	\$ 42,441,543	100.00%	
2010	43,950,671	43,950,671	100.00%	
2011	45,854,902	45,854,902	100.00%	
2012	45,617,047	45,617,047	100.00%	
2013	45,646,997	45,646,997	100.00%	
2014	46,496,271	46,496,271	100.00%	
2015	48,089,620	48,089,620	100.00%	
2016	48,897,890	48,897,890	100.00%	
2017	49,666,764	49,666,764	100.00%	
2018	50,424,260	50,424,260	100.00%	

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
BOROUGH OF FRANKLIN LAKES
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Lease Purchases/ Capital Leases			
2009	\$ 9,763,529		\$ 9,763,529	11,617	\$ 840
2010	9,515,161		9,515,161	10,607	897
2011	9,233,126		9,233,126	10,703	863
2012	8,925,025		8,925,025	10,757	830
2013	8,637,757		8,637,757	10,820	798
2014	8,273,850	\$ 775,746	9,049,596	10,884	831
2015	7,838,088	511,679	8,349,767	10,890	767
2016	7,651,744	768,371	8,420,115	10,892	773
2017	7,163,580	1,492,502	8,656,082	11,255	769
2018	6,690,689	730,433	7,421,122	11,255 (E)	659

TOWNSHIP OF WYCKOFF
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Lease Purchases/ Capital Leases			
2009	\$ 9,628,018		\$ 9,628,018	16,912	\$ 569
2010	9,384,047		9,384,047	16,746	560
2011	9,124,612		9,124,612	16,927	539
2012	8,930,801		8,930,801	17,022	525
2013	8,632,005		8,632,005	17,108	505
2014	8,273,850	\$ 775,746	9,049,596	17,185	527
2015	8,119,922	530,077	8,649,999	17,260	501
2016	7,716,028	774,826	8,490,854	17,284	491
2017	7,304,343	1,521,830	8,826,173	17,322	510
2018	6,893,508	752,575	7,646,083	17,322 (E)	441

BOROUGH OF OAKLAND
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Lease Purchases/ Capital Leases			
2009	\$ 5,633,453		\$ 5,633,453	13,293	\$ 424
2010	5,425,792		5,425,792	12,780	425
2011	5,232,262		5,232,262	12,869	407
2012	4,979,174		4,979,174	12,948	385
2013	4,775,238		4,775,238	13,028	367
2014	4,667,300	\$ 437,601	5,104,901	13,097	390
2015	4,596,990	300,096	4,897,086	13,161	372
2016	4,112,228	412,940	4,525,168	13,174	343
2017	3,852,077	802,564	4,654,641	13,224	352
2018	3,645,803	398,018	4,043,821	13,224 (E)	306

Source: District records

(E) Estimated

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
BOROUGH OF FRANKLIN LAKES
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 9,763,529		\$ 9,763,529	0.20%	\$ 843
2010	9,515,161		9,515,161	0.19%	897
2011	9,233,126		9,233,126	0.23%	863
2012	8,925,025		8,925,025	0.22%	830
2013	8,637,757		8,637,757	0.21%	798
2014	8,273,850		8,273,850	0.20%	760
2015	7,838,088		7,838,088	0.19%	720
2016	7,651,744		7,651,744	0.19%	703
2017	7,163,580		7,163,580	0.17%	636
2018	6,690,689		6,690,689	0.16%	594

TOWNSHIP OF WYCKOFF
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 9,628,018		\$ 9,628,018	0.20%	\$ 569
2010	9,384,047		9,384,047	0.20%	560
2011	9,124,612		9,124,612	0.19%	539
2012	8,930,801		8,930,801	0.18%	525
2013	8,632,005		8,632,005	0.18%	505
2014	8,273,850		8,273,850	0.17%	481
2015	8,119,922		8,119,922	0.18%	470
2016	7,716,028		7,716,028	0.17%	446
2017	7,304,343		7,304,343	0.16%	422
2018	6,893,508		6,893,508	0.15%	398

BOROUGH OF OAKLAND
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 5,633,453		\$ 5,633,453	0.22%	\$ 424
2010	5,425,792		5,425,792	0.21%	425
2011	5,232,262		5,232,262	0.21%	407
2012	4,979,174		4,979,174	0.23%	385
2013	4,775,238		4,775,238	0.22%	367
2014	4,667,300		4,667,300	0.22%	356
2015	4,596,990		4,596,990	0.21%	349
2016	4,112,228		4,112,228	0.19%	312
2017	3,852,077		3,852,077	0.18%	291
2018	3,645,803		3,852,077	0.17%	276

Source: District records

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Unaudited)**

Net Direct Debt of School District as of June 30, 2018		\$	17,230,000
Net Overlapping Debt of School District (A)			
Borough of Franklin Lakes (1)	\$		13,386,732
Borough of Oakland (1)			17,972,807
Township of Wyckoff (1)			2,758,050
County of Bergen (2)			84,424,684
Northwest Bergen County Utilities Auth. (3)			<u>2,366,758</u>
			<u>120,909,031</u>
Total Direct and Overlapping Bond Debt as of June 30, 2018		\$	<u>138,139,031</u>

(A) The Net Overlapping Debt is as of December 31, 2017 as the entities are calendar year.

(B) The debt for this entity was apportioned by dividing the Municipality's 2018 equalized value by the total 2018 equalized value for Bergen County.

Source:

- (1) 2017 Annual Debt Statements - Borough of Franklin Lakes, Borough of Oakland and Township of Wyckoff
- (2) Bergen County 2017 Annual Debt Statement
- (3) Northwest Bergen County Utilities Authority

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION (COMBINED)
 LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 355,282,577	\$ 361,571,569	\$ 359,779,674	\$ 351,750,440	\$ 341,798,164	\$ 332,781,748	\$ 329,577,075	\$ 332,536,949	\$ 337,880,613	\$ 342,607,589
Total Net Debt Applicable to Limit	<u>25,025,000</u>	<u>24,325,000</u>	<u>23,590,000</u>	<u>22,835,000</u>	<u>22,045,000</u>	<u>21,215,000</u>	<u>20,555,000</u>	<u>19,480,000</u>	<u>18,320,000</u>	<u>17,230,000</u>
Legal Debt Margin	<u>\$ 330,257,577</u>	<u>\$ 337,246,569</u>	<u>\$ 336,189,674</u>	<u>\$ 328,915,440</u>	<u>\$ 319,753,164</u>	<u>\$ 311,566,748</u>	<u>\$ 309,022,075</u>	<u>\$ 313,056,949</u>	<u>\$ 319,560,613</u>	<u>\$ 325,377,589</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.04%	6.73%	6.56%	6.49%	6.45%	6.38%	6.24%	5.86%	5.42%	5.03%

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized Valuation Basis	
2015	\$ 11,335,937,560
2016	11,390,360,385
2017	11,534,460,956
	<u>\$ 34,260,758,901</u>
	\$ 11,420,252,967
	342,607,589
	<u>17,230,000</u>
	<u>\$ 325,377,589</u>

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
BOROUGH OF FRANKLIN LAKES
(Unaudited)**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009	11,617	\$ 65,097	4.9%
2010	10,607	66,080	5.0%
2011	10,703	69,044	4.9%
2012	10,757	71,953	5.0%
2013	10,820	71,449	6.50%
2014	10,884	73,293	4.10%
2015	10,890	76,388	3.90%
2016	10,892	77,187	3.30%
2017	11,255	Not Available	3.30%
2018	11,255 (E)	Not Available	Not Available

**TOWNSHIP OF WYCKOFF
(Unaudited)**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009	16,912	\$ 65,097	5.9%
2010	16,746	66,080	6.1%
2011	16,927	69,044	6.0%
2012	17,022	71,953	6.1%
2013	17,108	71,449	5.50%
2014	17,185	73,293	4.30%
2015	17,260	76,388	3.70%
2016	17,284	77,187	3.50%
2017	17,322	Not Available	3.20%
2018	17,322 (E)	Not Available	Not Available

**BOROUGH OF OAKLAND
(Unaudited)**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009	13,293	\$ 65,097	6.0%
2010	12,780	66,080	6.1%
2011	12,869	69,044	6.0%
2012	12,948	71,953	6.1%
2013	13,028	71,449	7.6%
2014	13,097	73,293	5.50%
2015	13,161	76,388	4.50%
2016	13,174	77,187	4.20%
2017	13,224	Not Available	4.00%
2018	13,224 (E)	Not Available	Not Available

(1) - As of July 1

Per Capita Income reflects Bergen County, not the municipality.

Source: New Jersey State Department of Education

(E) Estimated

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

<u>Employer</u>	<u>2018</u>		<u>2009</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

BOROUGH OF FRANKLIN LAKES

NOT AVAILABLE

TOWNSHIP OF WYCKOFF

NOT AVAILABLE

BOROUGH OF OAKLAND

NOT AVAILABLE

**RAMAPO INDIAN HILLS 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	199	201	198	194	197	196	195	196	196	196
Special Education	14	14	14	21	22	22	25	23	23	23
Support Services:										
Student & Instruction Related Services	71	69	68	68	68	64	68	68	64	66
General Administration	3	3	2	3	3	3	3	3	3	3
School Administrative Services	17	16	17	17	17	17	17	17	17	17
Central Services	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	2	-	2	2	2	2	2
Plant Operations and Maintenance	39	38	38	38	38	38	37	37	37	37
Pupil Transportation	4	3	3	3	3	3	3	3	3	3
Other Support Services	2	2	2	2	2	2	2	2	2	2
Total	<u>357</u>	<u>354</u>	<u>350</u>	<u>354</u>	<u>356</u>	<u>353</u>	<u>358</u>	<u>357</u>	<u>353</u>	<u>355</u>

Source: DOE Budget Report

* Included in Regular Education Total

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Senior High School				
2009	2,333	\$ 43,976,096	\$ 18,850	-1.48%	230	1:11	2,298.50	2,181.00	-1.08%	94.89%
2010	2,366	45,415,024	19,195	1.83%	232	1:11	2,314.50	2,201.10	0.70%	95.10%
2011	2,388	44,776,081	18,750	-2.32%	229	1:11	2,329.70	2,214.10	0.66%	95.04%
2012	2,308	45,532,559	19,728	5.21%	229	1:11	2,263.50	2,148.90	-2.84%	94.94%
2013	2,352	47,290,028	20,111	1.94%	229	1:11	2,215.30	2,098.10	-2.13%	94.71%
2014	2,350	50,352,331	21,427	6.54%	217	1:11	2,307.18	2,193.31	4.15%	95.06%
2015	2,330	47,511,636	20,391	-4.83%	213	1:10	2,304.08	2,191.34	-0.13%	95.11%
2016	2,325	51,762,554	22,263	9.18%	216	1:11	2,283.96	2,172.25	-0.87%	95.11%
2017	2,265	53,815,837	23,760	6.72%	216	1:10.7	2,270.85	2,152.11	-0.57%	94.77%
2018	2,325	54,041,668	23,244	-2.17%	216	1:10.8	2,278.33	2,151.32	0.33%	94.43%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>District Building</u>										
<u>High School</u>										
Square Feet	481,920	481,920	481,920	481,920	481,920	481,920	481,920	481,920	481,920	481,920
Capacity (students)	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084
Enrollment	2,333	2,366	2,388	2,308	2,351	2,350	2,330	2,325	2,265	2,325
Number of Schools at June 30, 2018										
Senior High School	2	2	2	2	2	2	2	2	2	2

Source: District Records

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(Unaudited)

<u>School Facilities</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>
Ramapo High School	\$ 391,897	\$ 269,084	\$ 332,524	\$ 347,591	\$ 324,394	\$ 510,043	\$ 374,819	\$ 403,528	\$ 387,668	\$ 425,244
Indian Hills High School	<u>391,317</u>	<u>673,292</u>	<u>433,354</u>	<u>474,449</u>	<u>634,440</u>	<u>603,902</u>	<u>490,070</u>	<u>471,749</u>	<u>576,769</u>	<u>548,733</u>
Total School Facilities	<u>783,214</u>	<u>942,376</u>	<u>765,878</u>	<u>822,040</u>	<u>958,834</u>	<u>1,113,945</u>	<u>864,889</u>	<u>875,277</u>	<u>964,437</u>	<u>973,977</u>
Grand Total	<u>\$ 783,214</u>	<u>\$ 942,376</u>	<u>\$ 765,878</u>	<u>\$ 822,040</u>	<u>\$ 958,834</u>	<u>\$ 1,113,945</u>	<u>\$ 864,889</u>	<u>\$ 875,277</u>	<u>\$ 964,437</u>	<u>\$ 973,977</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF INSURANCE
JUNE 30, 2018
(Unaudited)

<u>Multi Peril Package Policy - New Jersey School Boards Assoc.</u>	<u>Coverage</u>	<u>Deductible</u>
<u>Insurance Group (NJSBAIG)</u>		
Property-Blanket Building and Contents	\$ 2,674,471,454	\$ 5,000
Commercial Umbrella Excess	50,000,000	
Commercial General Liability		
Bodily Injury & Property Damage (ea. Occurrence)	1,000,000	
Products and Completed Operations	1,000,000	
Sexual Abuse	1,000,000	1,000
Personal Injury and Advertising Injury	1,000,000	
Employee Benefits Liability	2,000,000	1,000
Terrorism	1,000,000	15,000
Public Employee Dishonest with Faithful Performance (Per Employee)	100,000	5,000
Public Employee Dishonest with Faithful Performance (Per Loss Excess)	400,000	100,000
Theft, Disappearance and Destruction	50,000	1,000
Forgery or Alteration	50,000	1,000
Computer Fraud	50,000	1,000
 <u>Business Auto Policy - NJSBAIG</u>		
Personal Injury Protection, Bodily Injury, Property Damage	1,000,000	
Uninsured/Underinsured	1,000,000	
Comprehensive Deductible		1,000
Collision Deductible		1,000
 <u>Workers Compensation- NJSBAIG</u>		
Section "A"	Statutory	
Section "B" (each accident, each employee, aggregate)	2,000,000	
 <u>Student Accident-Bollinger</u>		
Limit of Liability (80% Co-Insurance)	500,000	
 <u>School Board Legal Policy-NJSBAIG</u>		
Limit of Liability	1,000,000	
 <u>Bonds - Selective</u>		
Treasurer of School Monies	300,000	
Board Secretary/Business Administrator	25,000	

Source: District Records

SINGLE AUDIT SECTION

LMH LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
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**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 AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Ramapo Indian Hills Regional High School District
Oakland, 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramapo Indian Hills Regional High School District as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Ramapo Indian Hills Regional High School District's basic financial statements and have issued our report thereon dated January 24, 2019.

Internal Control Over Financial Reporting

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

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

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

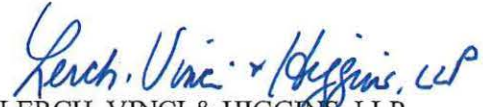
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ramapo Indian Hills Regional High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Ramapo Indian Hills Regional High School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 24, 2019.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ramapo Indian Hills Regional High School 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 Ramapo Indian Hills Regional High School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 24, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Ramapo Indian Hills Regional High School District
Oakland, New Jersey

Report on Compliance for Each Major State Program

We have audited the Ramapo Indian Hills Regional High School District's compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Ramapo Indian Hills Regional High School District's major state programs for the fiscal year ended June 30, 2018. The Ramapo Indian Hills Regional High School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Ramapo Indian Hills Regional High School District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and New Jersey Circular 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 Ramapo Indian Hills Regional High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the Ramapo Indian Hills Regional High School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2018.

Report on Internal Control Over Compliance

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


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

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

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

Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramapo Indian Hills Regional High School District, as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated January 24, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 24, 2019

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2017			Funds Released		Balance, June 30, 2018			MEMO GAAP Receivable
						Accounts Receivable/ Unearned Revenue/ Due to Grantor	Accounts Receivable Carryover Amount	Unearned Revenue Carryover Amount	Adjustment Accounts Receivable	Adjustment Unearned Revenue	(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education Passed-through State Department of Education														
Special Revenue Fund:														
I.D.E.A. Part B, Basic	84.027	H027A170100	IDEA430018	7/1/17-6/30/18	\$ 428,505	\$ (31,171)	\$ 31,171	\$ 310,841	\$ 411,376		\$ (148,835)	\$ 48,300		\$ (100,535)
I.D.E.A. Part B, Basic	84.027	H027A160100	IDEA430017	7/1/16-6/30/17	420,734	(92,772)	31,171	91,072		\$ 1,700				
NCLB Title I	84.010A	S010A170030	NCLB430018	7/1/17-6/30/18	50,985		(159)	159	42,434		(8,710)	8,710		
NCLB Title I	84.010A	S010A160030	NCLB430017	7/1/16-6/30/17	50,872	(8,212)	159	8,212						
NCLB Title IIA	84.367	S367A170029	NCLB430018	7/1/17-6/30/18	31,081		(370)	370	4,832		(26,619)	4,453		(22,166)
NCLB Title IIA	84.367	S367A160029	NCLB430017	7/1/16-6/30/17	22,594	(6,290)	370	6,290						
NCLB Title IV	84.424	S424A170031	NCLB430018	7/1/17-6/30/18	10,000	-	-	408	8,636		(9,592)	1,364		(8,228)
Total Special Revenue Fund						(107,274)	-	464,089	489,444	1,700	(193,756)	62,827		(130,929)
Total U.S. Department of Education/Federal Financial Awards						\$ (107,274)	\$ -	\$ 464,089	\$ 489,444	\$ 1,700	\$ (193,756)	\$ 62,827	\$ -	\$ (130,929)

* This schedule was not subject to Single Audit in accordance with U.S. Uniform Guidance.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2017							Balance, June 30, 2018			Memo Only		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Accounts Receivable Adjustments	Deferred Revenue Adjustments	Refund of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Accounts Receivable
State Department of Education																
General Fund:																
Special Education Categorical Aid	18-495-034-5120-089	7/1/17-6/30/18	\$ 1,085,582					\$ 1,014,920	\$ 1,085,582					\$ (70,662)		\$ 1,085,582
Special Education Categorical Aid	17-495-034-5120-089	7/1/16-6/30/17	962,389	(56,357)				56,357						(2,619)		40,228
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	40,228					37,609	40,228							
Security Aid	17-495-034-5120-084	7/1/16-6/30/17	40,228	(2,356)				2,356								
Professional Learning Comm Aid	18-495-034-5120-101	7/1/17-6/30/18	23,230					21,718	23,230					(1,512)		23,230
Professional Learning Comm Aid	17-495-034-5120-101	7/1/16-6/30/17	23,230	(1,360)				1,360								
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	23,430					21,905	23,430					(1,525)		23,430
PARCC Readiness Aid	17-495-034-5120-098	7/1/16-6/30/17	23,430	(1,372)				1,372								
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	23,430					21,905	23,430					(1,525)		23,430
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	23,430	(1,372)				1,372								
Total State Aid - Public Cluster				(62,817)				1,180,874	1,195,900					(77,843)		1,195,900
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	207,672					194,154	207,672					(13,518)		207,672
Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	207,672	(12,161)				12,161								
Additional Nonpublic Transportation Aid	N/A	7/1/17-6/30/18	51,790					51,790						(51,790)	\$ (51,790)	51,790
Additional Nonpublic Transportation Aid	N/A	7/1/16-6/30/17	30,337	(30,337)				30,337								
Total Transportation Aid - Cluster				(42,498)				236,652	259,462					(65,308)		259,462
Extraordinary Aid	18-100-034-5120-473	7/1/17-6/30/18	336,467						336,467					(336,467)		336,467
Extraordinary Aid	17-100-034-5120-473	7/1/16-6/30/17	359,351	(359,351)				359,351								
Lead Testing for Schools Aid		7/1/17-6/30/18						3,300	3,300							3,300
Reimbursed TPAF Social Security	18-495-034-5094-003	7/1/17-6/30/18	1,346,840					1,346,840	1,346,840							1,346,840
Reimbursed TPAF Social Security	17-495-034-5094-003	7/1/16-6/30/17	1,355,050	(68,182)				68,182								
On-Behalf TPAF Pension System Contribution - Normal Cost and Accrued Liability	18-495-034-5094-006	7/1/17-6/30/18	2,704,455					2,704,455	2,704,455							2,704,455
On-Behalf TPAF Pension System Contribution - Non Contributory Ins.	18-495-034-5094-007	7/1/17-6/30/18	65,630					65,630	65,630							65,630
On-Behalf TPAF Pension System Contribution - Long Term Disability	18-495-034-5094-007	7/1/17-6/30/18	4,218					4,218	4,218							4,218
On-Behalf TPAF Pension System Contribution - Post Retirement	18-495-034-5094-001	7/1/17-6/30/18	1,789,139					1,789,139	1,789,139							1,789,139
Total General Fund				(532,848)				7,758,641	7,705,411					(479,618)		7,705,411
Special Revenue Fund:																
N.J. Nonpublic Nursing Services	18-100-034-5120-070	7/1/17-6/30/18	7,857					7,857	5,994						\$ 1,863	5,994
N.J. Nonpublic Nursing Services	17-100-034-5120-070	7/1/16-6/30/17	8,820			\$ 2,934							\$ 2,934			
N.J. Nonpublic Textbook	18-100-034-5120-064	7/1/17-6/30/18	4,382					4,382							4,382	
N.J. Nonpublic Textbook	17-100-034-5120-064	7/1/16-6/30/17	5,591			682							682			
N.J. Nonpublic Technology	18-100-034-5120-373	7/1/17-6/30/18	2,960					2,960							2,960	
N.J. Nonpublic Technology	17-100-034-5120-373	7/1/16-6/30/17	2,522				361						361			
Auxiliary Services																
ESL	18-100-034-5120-067	7/1/17-6/30/18	3,451			1,827							1,827			
ESL	16-100-034-5120-067	7/1/15-6/30/16	19,134					19,134	16,831						2,303	16,831
Compensatory Education	18-100-034-5120-067	7/1/17-6/30/18				1,827							1,827			
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster						1,827		19,134	16,831				1,827		2,303	16,831
Handicapped Services																
Exam & Classification	18-100-034-5120-066	7/1/17-6/30/18	26,936					26,936	7,103						19,833	7,103
Exam & Classification	17-100-034-5120-066	7/1/16-6/30/17	24,674			9,509							9,509			
Supplementary Instruction	18-100-034-5120-065	7/1/17-6/30/18	9,278					9,278	7,850						1,428	7,850
Supplementary Instruction	17-100-034-5120-065	7/1/16-6/30/17	10,280			1,099							1,099			
Corrective Speech	18-100-034-5120-066	7/1/17-6/30/18	893					893	893							893
Total Nonpublic Handicapped Services Aid (Chapter 192) Cluster						11,008		37,107	15,846				11,008		21,261	15,846
Total Special Revenue Fund						16,812		71,440	38,671				16,812		32,769	38,671

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an Integral Part of this Statement.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title State of NJ Schools Development Authority:	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2017					Balance, June 30, 2018					Memo Only			
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Accounts Receivable Adjustments	Deferred Revenue Adjustments	Refund of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Accounts Receivable	Total Cumulative Expenditures
IHHS Bathroom Upgrades	4300-030-14-1008		170,680	(123,381)				121,381									170,680
IHHS HVAC Upgrades	4300-030-14-1011		662,840	(32,549)				32,549									662,840
RHS Window and Door Replacement	4300-050-14-1016		931,360	(40,260)				40,260									931,360
Exterior Masonry Upgrades - RHS	4300-050-14-1015		460,880	(24,092)	11,343							(24,092)	11,343			(24,092)	449,537
Exterior Masonry Upgrades - IHHS	4300-030-14-1009		772,800	(707,731)	3			707,728				(3)	3			(3)	772,297
Total Capital Projects Fund (SIDA Cluster)				(928,013)	11,346	-	-	903,918	-	-	-	(24,095)	11,346	-	(24,095)	5,316,128	
Total State Financial Assistance Subject to Single Audit Determination				\$ (1,460,861)	\$ 11,346	\$ 16,812	\$ -	\$ 8,733,999	7,744,082	\$ -	\$ -	\$ 16,812	\$ (503,713)	\$ 11,346	\$ 32,769	\$ (75,885)	\$ 13,060,210
State Financial Assistance not Subject to Single Audit On Behalf of PAF Pension Contrib.																	(4,563,442)
Total State Financial Assistance Subject to Major Program Determination																	\$ 3,180,640

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an Integral Part of this Statement.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Ramapo Indian Hills Regional High School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. 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 (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed 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 year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$6,501 for the general fund. There was no adjustment for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 7,711,912	\$ 7,711,912
Special Revenue Fund	\$ 489,444	38,671	528,115
Total Financial Assistance	\$ 489,444	\$ 7,750,583	\$ 8,240,027

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$1,346,840 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2018. The amount reported as TPAF Pension System Contributions in the amount of \$2,770,085, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,789,139 and TPAF Long-Term Disability Insurance in the amount of \$4,218 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2018.

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

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued on financial statements:	<u>Unmodified</u> _____	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	<u> X </u> no
2) Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ yes	<u> X </u> none reported
Noncompliance material to the basic financial statements noted?	_____ yes	<u> X </u> no

Federal Awards Section

NOT APPLICABLE

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? _____ yes X none

Identification of major programs:

<u>GMS Number (s)</u>	<u>Name of State Program</u>
<u>18-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contribution</u>
<u>18-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>18-495-034-5120-084</u>	<u>Security Aid</u>
<u>18-495-034-5120-101</u>	<u>Professional Learning Comm Aid</u>
<u>18-495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>18-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
_____	_____
_____	_____

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? X yes _____ no

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 2 - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 3 - Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major state programs, as required by OMB Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

Not Applicable

CURRENT YEAR STATE AWARDS

There are none.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There are none.