

**SCHOOL DISTRICT
OF
ROXBURY TOWNSHIP**

**Roxbury Township School District
Board of Education
Succasunna, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

**Roxbury Township School District
Board of Education**

Succasunna, New Jersey

For the Fiscal Year Ended June 30, 2018

Prepared by

**Roxbury Township School District
Board of Education**

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2018

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors.....	7
 FINANCIAL SECTION.....	 8
Independent Auditors' Report	9
Required Supplementary Information.....	12
Management's Discussion and Analysis (Unaudited).....	13
Basic Financial Statements (Sections A and B).....	21
A. District-Wide Financial Statements.....	22
A-1 Statement of Net Position	23
A-2 Statement of Activities.....	24
B. Fund Financial Statements.....	26
B-1 Balance Sheet – Governmental Funds.....	27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds.....	29
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	30
B-4 Statement of Net Position – Proprietary Funds.....	31
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds	32
B-6 Statement of Cash Flows – Proprietary Funds.....	33
B-7 Statement of Fiduciary Net Position – Fiduciary Funds	34
B-8 Statement of Changes in Fiduciary Net Position – Fiduciary Funds	35
Notes to the Basic Financial Statements.....	36
Required Supplementary Information (Unaudited)	75
L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions (Unaudited).....	76
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System.....	76
L-2 Schedule of District Contributions – Public Employees Retirement System	77
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Associated with the District – Teachers' Pension and Annuity Fund.....	78
L-4 Schedule of State Contributions – Teachers' Pension and Annuity Fund	79
L-5 Schedule of Changes in the State's Total OPEB Liability and Related Ratios.....	80
Notes to Required Supplementary Information	81

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

FINANCIAL SECTION (Cont'd)

Other Supplementary Schedules (D.-I.)

C.	Budgetary Comparison Schedules (Unaudited).....	82
C-1	Budgetary Comparison Schedule – General Fund.....	83
C-2	Budgetary Comparison Schedule - Special Revenue Fund.....	97
C-3	Required Supplementary Information - Budgetary Comparison Schedule – Note to RSI.....	98
D.	School Level Schedules (Not Applicable).....	100
E.	Special Revenue Fund	101
E-1	Combining Schedule of Program Revenue and Expenditures - Special Revenue Fund – Budgetary Basis.....	102
E-2	Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)	
F.	Capital Projects Fund.....	106
F-1	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance.....	107
F-1A	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Energy Savings Improvement Program.....	108
F-1B	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Eisenhower Middle School Roof Replacement Phase I.....	109
F-1C	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Eisenhower Middle School Roof Replacement Phase II.....	110
F-1D	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Jefferson Elementary School Windows Replacement.....	111
F-1E	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Roxbury High School Roof Replacement Phase I.....	112
F-1F	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Roxbury High School Roof Replacement Phase II.....	113
F-1G	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Franklin Elementary School Windows Replacement.....	114
F-1H	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Kennedy Elementary School Roof Replacement	115
F-1I	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Building Security Upgrades	116
F-1J	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Lincoln Roosevelt Electrical Upgrades	117
F-1K	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Security Vestibules at Franklin, Jefferson, Kennedy and Nixon.....	118
F-1L	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Nixon Roof Replacement	119
F-1M	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Franklin Boiler Room Upgrades	120
F-1N	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Lincoln Roosevelt Partial Window Replacement.....	121

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Other Supplementary Schedules (D.-I.) (Cont'd)

G. Proprietary Funds (Enterprise Fund)	122
G-1 Statement of Net Position	123
G-2 Statement of Revenue, Expenses and Changes in Fund Net Position.....	124
G-3 Statement of Cash Flows	125
H. Fiduciary Funds	126
H-1 Combining Statement of Net Position	127
H-2 Statement of Changes in Fiduciary Net Position	128
H-3 Payroll Agency Fund Schedule of Receipts and Disbursements	129
H-4 Student Activity Agency Fund Schedule of Receipts and Disbursements	130
H-5 Student Activity Agency Fund Statement of Activity	131
I. Long-Term Debt	132
I-1 Schedule of Serial Bonds	133
I-2 Statement of Obligations Under Capital Lease.....	134
I-3 Debt Service Fund Budgetary Comparison Schedule.....	135

STATISTICAL SECTION

J. Statistical Section (Unaudited)	136
J-1 Net Position by Component	137
J-2 Changes in Net Position.....	138
J-3 Fund Balances - Governmental Funds.....	140
J-4 Changes in Fund Balances - Governmental Funds	141
J-5 General Fund Other Local Revenue by Source	143
J-6 Assessed Value and Actual Value of Taxable Property	144
J-7 Direct and Overlapping Property Tax Rates	145
J-8 Principal Property Taxpayers, Current Year and Nine Years Ago	146
J-9 Property Tax Levies and Collections.....	147
J-10 Ratios of Outstanding Debt by Type	148
J-11 Ratios of Net General Bonded Debt Outstanding.....	149
J-12 Ratios of Overlapping Governmental Activities Debt.....	150
J-13 Legal Debt Margin Information.....	151
J-14 Demographic and Economic Statistics	152
J-15 Principal Employers, Current Year and Nine Years Ago	153
J-16 Full-time Equivalent District Employees by Function/Program.....	154
J-17 Operating Statistics.....	155
J-18 School Building Information	156
J-19 Schedule of Required Maintenance	157
J-20 Insurance Schedule	158

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

K.	SINGLE AUDIT SECTION.....	160
K-1	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	161
K-2	Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance.....	163
K-3	Schedule of Expenditures of Federal Awards.....	165
K-4	Schedule of Expenditures of State Awards.....	167
K-5	Notes to the Schedules of Expenditures of Federal and State Awards	169
K-6	Schedule of Findings and Questioned Costs.....	171
K-7	Summary Schedule of Prior Audit Findings.....	173

INTRODUCTORY SECTION

ROXBURY TOWNSHIP PUBLIC SCHOOLS
BOARD OF EDUCATION OFFICE

42 NORTH HILLSIDE AVENUE, SUCCASUNNA, NEW JERSEY 07876

Phone (973) 584-6099

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January 18, 2019

The Honorable President and Members of
the Board of Education
Roxbury Township School District
County of Morris, New Jersey

Dear Board Members:

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

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

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

The Roxbury Township School District provides a full range of educational services appropriate to grade levels K through 12 for students residing in Roxbury Township. These include regular, vocational as well as special education for handicapped youngsters.

2) ECONOMIC CONDITION AND OUTLOOK: The Township has completed a thorough built-out analysis for the community. The community is considered mature with limited area for future development excluding the 1,000 acre Ashland Chemical tract. The Township Council recently reviewed a conceptual development plan for the property that includes more than 3 million square feet of warehouse space, three flex buildings of 75,000 square feet each and a residential transit village. The “transit village” concept is a concern for the District due to the uncertainty surrounding the potential increase to the student population and the impact it will have on the enrollments of the local schools.

The Township and New Jersey Department of Environmental Protection is dealing with the remediation of the Fenimore Landfill. This situation has created a market where houses are being sold at a lesser price to comparisons with neighboring communities. Residents believe that Fenimore has caused the home values to decrease, thus decreasing the tax value of the property. Resident tax appeals may have an impact on the District’s overall budget.

There are several approved developments that will alter the Township’s population. These developments consist of the Village project, a 160 lot single-family subdivision in the Landing section of the Township and a 260-unit Senior Housing development in the Ledgewood section.

3) MAJOR INITIATIVES: Our vision for Roxbury Township Public Schools is to prepare our students of today for tomorrow. To achieve that vision, it is incumbent upon us to enhance learning environments and experiences through engaging curriculum that will inspire and empower students to flourish as ethical and global citizens. We strive and believe we can reach all learners by equipping every classroom with well-trained, highly qualified, and learning-driven educators who are aware of and make use of the various resources available to them in an effort to address the unique needs, abilities, and interests of their students.

In an effort to further the vision and goals of the district, the schools and community are collaboratively designing our Portrait of a Graduate. This galvanized vision will be the starting point for community conversations around strategic planning in the upcoming year. Embedded in our vision is the goal of growing the academic, social, emotional, as well as physical health intelligences in all of our students by igniting their curiosity, tapping into their interests, and providing opportunities and choices.

To further the vision, we have focused on strengthening our leadership through professional development training at Administrative Summits, a Leadership Academy at Cabinet meetings, and Theory of Champions. We have begun to create a Digital Badging systems for both teacher professional development and student reimagined learning with a focus on developing the soft skills and 4C’s (Collaboration, Communication, Critical-Thinking, and Creativity). We have updated our Five Year Curriculum Plan, have implemented the AP Capstone courses, and designed four Career Pathways. To support a learning atmosphere, we have brought mindfulness into the classrooms and are at the beginning stages of designing flexible learning environments. Plans are in place for a Fabrication and Design Structure course that will address hands-on career exploration, a Design Thinking course, and a partnership with VoTech for an AT/PT course (Athletic and Physical Training) as well as a concurrent Roxbury-only AT/PT course that can ultimately provide college credit to students while still in high school.

Professional development in the District has allowed for more choice in learning with In-Service Days dedicated to turnkey sessions. Through our Technology Department, we have offered opportunities for our staff to attend professional development sessions throughout the school day and during the summer to enhance their technological skills. Our Human Resources Department has created Roxbury Academy for Teachers which helps novice teachers navigate their way to success in the classroom. It offers specific topics related to instructional strategies, innovation with technology, as well as how to read, reflect and learn from evaluations. Last year, we successfully strove to support greater feedback in evaluations and have continued to build upon that learning.

3) MAJOR INITIATIVES: All of these initiatives have been developed with the idea that education is spark-setting, not just a checklist of requirements. Of course, students can't learn unless they are also in an environment that promotes learning. Therefore, we have updated security systems (cameras, protocols, guards that carry concealed protection, & secure vestibules) to provide a safe learning environment. We have achieved bronze level as recognized by the Sustainable Schools for New Jersey and continue to forward that initiative. We have implemented four Tech-Free days to raise awareness about the dangers of being in constant contact and giving permission for people to unplug for their well-being. We are enhancing our social emotional learning program at the elementary level. We continue to acknowledge October as the month to promote a drug-free life as well as to show kindness and compassion to others. We strive to provide a safe, secure, and welcoming environment that is conducive to learning. In that regard, our planning for facility maintenance and improvement has been outlined, is monitored, and adjusted as appropriate. We have transitioned from reactionary facilities plans to forward thinking, needs assessment planning.

As such, the positive learning experience and environment we design for our students are comprehensive and work to address the complex community we serve so that they may feel fully prepared academically, social, emotionally and physically for the next phase of their lives.

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

As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

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

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

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

The Honorable President and Members of
the Board of Education
Roxbury Township School District
Page 4
January 18, 2019


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

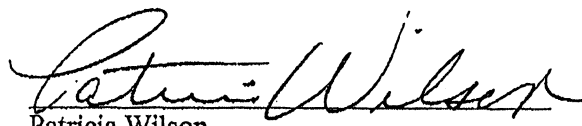
8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District oversees its own risk management.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

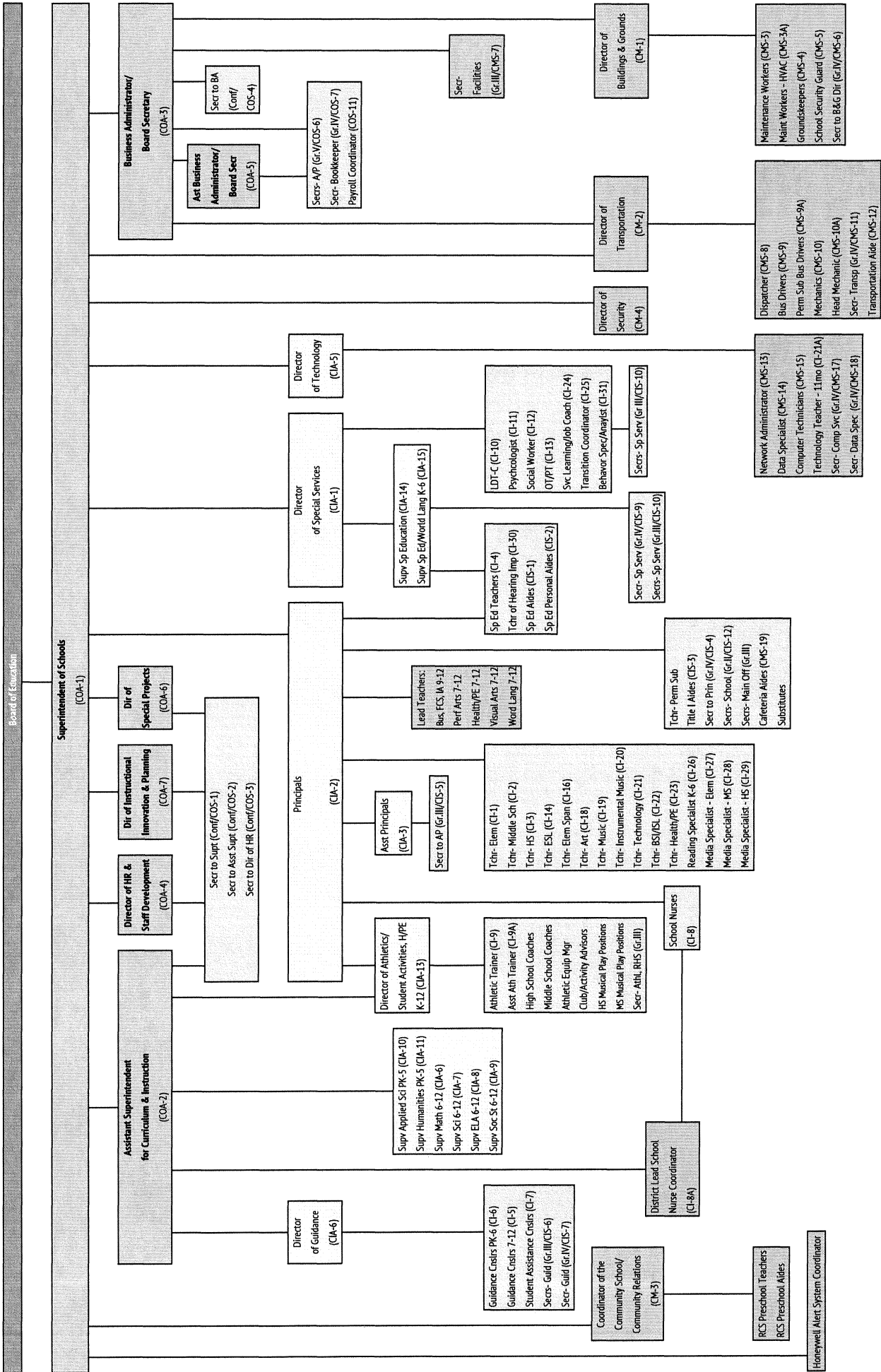
9) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes,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

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Roxbury Township School District Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of the financial and accounting staff.

Respectfully submitted,


Loretta Radulic
Superintendent of Schools


Patricia Wilson
Business Administrator/Board Secretary



**ROXBURY TOWNSHIP SCHOOL DISTRICT
 ROSTER OF OFFICIALS
 JUNE 30, 2018**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Leo J. Coakley, President	2018
Margaret Casola, Vice President	2018
Ronald Lucas	2018
Richard Alexander	2019
Dan Masi	2019
Carol Scheneck	2019
Joseph Bocchino	2020
Heather Champagne	2020
Anne Colucci	2020
Rachel Byrne, Mt. Arlington Representative	2020

<u>Other Officers</u>	<u>Title</u>
Loretta Radulic	Superintendent
Charles Seipp	Assistant Superintendent
Patricia Wilson	School Business Administrator/Board Secretary
Lisa Palmieri	Treasurer of School Monies

ROXBURY TOWNSHIP BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road Suite 300
Mount Arlington, NJ 07856-1320

And

Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860

Attorney

Scarinci & Hollenbeck, LLC
110 Valley Brook Avenue
P.O. Box 790
Lyndhurst, NJ 07071

Official Depository

TD Bank
240 Route 10
Succasunna, NJ 07876

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Roxbury Township School District
County of Morris, New Jersey

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

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

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

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

January 18, 2019
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

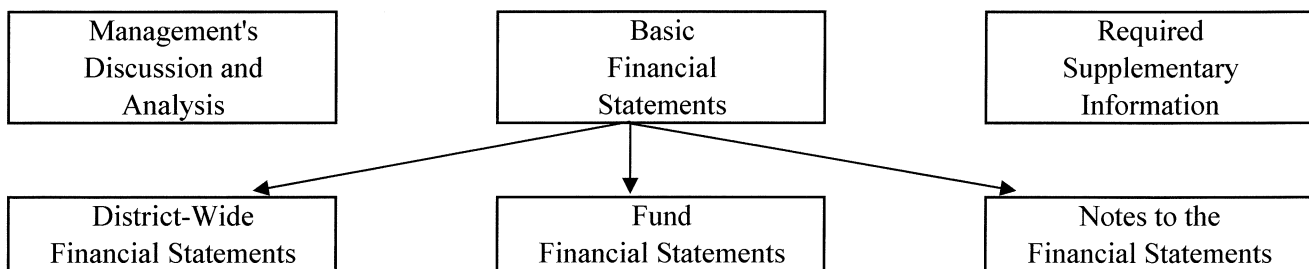
Overview of the Financial Statements

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

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

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

**Figure A-1
Organization of the School District's Financial Report**



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

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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

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

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

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

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

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

Fund Financial Statements

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

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

Financial Analysis of the District as a Whole

Net Position. Figure A-3 represents the District's net position. The District's combined net position increased by \$5,852,167. Net position from governmental activities increased by \$5,856,193 and net position from business-type activities decreased by \$4,026. Net investment in capital assets increased by \$2,846,984, restricted net position increased by \$3,063,742, and unrestricted net position decreased by \$58,559.

Figure A-3

Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District		Percentage Change 2017/18
	2017/18	2016/17*	2017/18	2016/17*	2017/18	2016/17*	
Current and							
Other Assets	\$ 15,574,249	\$ 11,989,134	\$ 472,364	\$ 479,798	\$ 16,046,613	\$ 12,468,932	
Capital Assets, Net	43,429,988	42,195,152	710,848	751,801	44,140,836	42,946,953	
Total Assets	<u>59,004,237</u>	<u>54,184,286</u>	<u>1,183,212</u>	<u>1,231,599</u>	<u>60,187,449</u>	<u>55,415,885</u>	8.61%
Deferred Outflows of Resources	<u>5,386,759</u>	<u>7,624,380</u>			<u>5,386,759</u>	<u>7,624,380</u>	-29.35%
Other Liabilities	2,746,770	2,391,703	397,354	128,500	3,144,124	2,520,203	
Long-Term Liabilities	34,819,107	42,043,494		313,215	34,819,107	42,356,709	
Total Liabilities	<u>37,565,877</u>	<u>44,435,197</u>	<u>397,354</u>	<u>441,715</u>	<u>37,963,231</u>	<u>44,876,912</u>	-18.21%
Deferred Inflows of Resources	<u>5,473,678</u>	<u>1,878,221</u>			<u>5,473,678</u>	<u>1,878,221</u>	65.69%
Net Position:							
Net Investment in							
Capital Assets	29,059,302	26,484,580	710,848	438,586	29,770,150	26,923,166	
Restricted	12,383,608	9,319,866			12,383,608	9,319,866	
Unrestricted/(Deficit)	<u>(20,091,469)</u>	<u>(20,309,198)</u>	<u>75,010</u>	<u>351,298</u>	<u>(20,016,459)</u>	<u>(19,957,900)</u>	
Total Net Position	<u>\$ 21,351,441</u>	<u>\$ 15,495,248</u>	<u>\$ 785,858</u>	<u>\$ 789,884</u>	<u>\$ 22,137,299</u>	<u>\$ 16,285,132</u>	35.94%

* Restated

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

Figure A-4 represents the *Changes in Net Position*. The District's *combined* net position was \$22,137,299 on June 30, 2018, an increase of \$5,852,167 or 35.94% more than the year before. (See Figure A-3). Net Investment in Capital Assets increased by \$2,846,984 due to the current year maturity of serial bonds payable of \$1,655,000, \$815,185 pay down on capital leases payable, as well as current year capital assets additions (net of deletions) of \$3,675,922; offset by current year depreciation expense of \$2,482,039, a new capital lease of \$734,977 and the amortization of \$82,107 of the deferred amount on refunding. Restricted net position increased by \$3,063,742 mainly due to the net increase of \$885,542 in excess surplus, a net increase in Capital Reserve of \$1,744,174, and a \$470,123 increase in restricted funds for debt service. The \$58,559 decrease in unrestricted net position was primarily due to the changes in net pension liability and related deferred outflows and inflows.

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities 2017/18	Business- Type Activities 2017/18	Governmental Activities 2016/17	Business- Type Activities 2016/17	Total School District 2017/18	Total School District 2016/17	Percentage Change 2017/18
Revenue:							
Program Revenue:							
Charges for Services	\$ 4,916,240	\$ 902,647	\$ 4,083,871	\$ 921,744	\$ 5,818,887	\$ 5,005,615	
Operating Grants and Contributions	29,182,962	217,914	26,841,000	207,568	29,400,876	27,048,568	
General Revenue:							
Property Taxes	56,462,448		55,710,325		56,462,448	55,710,325	
Unrestricted State and Federal Aid	10,943,978		10,931,095		10,943,978	10,931,095	
Other	378,154		629,715		378,154	629,715	
Total Revenue	101,883,782	1,120,561	98,196,006	1,129,312	103,004,343	99,325,318	3.70%
Expenses:							
Instruction	56,053,701		54,102,744		56,053,701	54,102,744	
Pupil and Instruction Services	16,201,884		15,057,802		16,201,884	15,057,802	
Administrative and Business	8,763,408		9,308,280		8,763,408	9,308,280	
Maintenance and Operations	8,002,064		6,894,118		8,002,064	6,894,118	
Transportation	5,656,385		5,645,318		5,656,385	5,645,318	
Special Schools	900,123		859,803		900,123	859,803	
Other	455,149	1,124,587	508,421	1,127,222	1,579,736	1,635,643	
Total Expenses	96,032,714	1,124,587	92,376,486	1,127,222	97,157,301	93,503,708	3.91%
Transfers	5,125		(288,920)	290,000	5,125	1,080	374.54%
Increase/(Decrease) in Net Position	\$ 5,856,193	\$ (4,026)	\$ 5,530,600	\$ 292,090	\$ 5,852,167	\$ 5,822,690	0.51%

Governmental Activities

The financial position of the District is healthy despite continued use of fund balance as revenue. Maintaining existing programs that accommodate regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources. The past few years, veteran teachers have retired and have been replaced by teachers of less experience and therefore lower on the salary guide. This does generate savings but not enough to offset increases in special education programs, technology needs in the classroom, and rising health benefit costs.

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

Governmental Activities (Cont'd)

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented or continued during the fiscal year were:

- A significant number of disabled pupils continue to be educated in programs within the District rather than being sent out-of-district whereby the District would have to pay tuition as well as increased transportation costs.
- The District outsourced its food service operations in 2013-14 to counter the losses experienced over the prior 3 years. No board contribution was needed to support the food service program in the 2017-2018 school year.
- The District continued the employees' health contributions programs in 2017-2018 which helped to offset some of the District's healthcare insurance costs.

Figure A-5 presents the cost of seven major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, special schools and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

Figure A-5

	Net Cost of Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2017/18</u>	<u>2017/18</u>	<u>2016/17</u>	<u>2016/17</u>
Instruction	\$ 56,053,701	\$ 29,082,839	\$ 54,102,744	\$ 29,322,113
Pupil and Instruction Services	16,201,884	11,875,210	15,057,802	11,318,502
Administrative and Business	8,763,408	7,184,448	9,308,280	7,830,395
Maintenance and Operations	8,002,064	8,002,064	6,894,118	6,894,118
Transportation	5,656,385	5,029,411	5,645,318	5,342,684
Special Schools	900,123	304,391	859,803	235,382
Other	455,149	455,149	508,421	508,421
	<u>\$ 96,032,714</u>	<u>\$ 61,933,512</u>	<u>\$ 92,376,486</u>	<u>\$ 61,451,615</u>

Business-Type Activities

Net position from the District's business-type activity decreased by \$4,026 mainly due to a decrease in catering sales (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's financial position increased significantly by being fiscally responsible and efficient in what discretionary purchases the District makes. The District's budget, however, is 85% fixed costs. Expenditures during the recent fiscal years have increased significantly as a result of an increased number of pupils with disabilities entering the District. In addition to greater numbers, these pupils are more profoundly disabled and require more complex educational and related services. The District has established more in-house special education classrooms, saving the District funds by not sending children to out-of-district schools and generating additional income by accepting tuition students from area schools.

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

Financial Analysis of the District's Funds (Cont'd)

State Aid is not increasing in line with what the District needs, which adds to the taxpayer's burden of supporting an educational system that the Township enjoys. It becomes more difficult to support the educational system without additional help from the State which puts the burden on the taxpayer.

General Fund Budgetary Highlights

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

Capital Asset and Long-Term Liabilities

Figure A-6

Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Percentage Change 2017/18
	2017/18	2016/17*	2017/18	2016/17*	2017/18	2016/17*	
Sites and Site Improvements	\$ 559,054	\$ 589,524			\$ 559,054	\$ 589,524	
Construction in Progress	7,680,722	13,189,481			7,680,722	13,189,481	
Buildings and Building Improvements	30,088,698	22,881,960	\$ 103,237	108,972	30,191,935	22,990,932	
Machinery and Equipment	5,101,514	5,534,187	607,611	\$ 642,829	5,709,125	6,177,016	
Total	\$ 43,429,988	\$ 42,195,152	\$ 710,848	\$ 751,801	\$ 44,140,836	\$ 42,946,953	2.78%

*Restated

The District had \$3,775,358 in capital assets additions, \$99,436 of capital assets disposals (net of accumulated depreciation), and depreciation expense was \$2,411,532 for governmental activities and \$70,507 for business-type activities in the current fiscal year.

Long-term Liabilities

Figure A-7

Outstanding Long-Term Liabilities

	Total School District		Percentage Change 2017/18
	2017/18	2016/17	
General Obligation Bonds (Financed with Property Taxes)	\$ 13,770,000	\$ 15,425,000	
Unamortized Bond Issuance Premium	685,090	791,780	
Net Pension Liability	18,088,687	23,813,304	
Capital Leases Payable	1,011,221	1,091,429	
Compensated Absences Payable	1,264,109	1,235,196	
	\$ 34,819,107	\$ 42,356,709	-17.80%

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

Long-term Liabilities (Cont'd)

- The District continued to pay down its outstanding debt, retiring \$1,655,000 of outstanding bonds.
- The District entered into a \$734,977 capital lease in the current fiscal year and paid down \$815,185 in capital lease principal.
- The District's net pension liability decreased by \$5,724,617.
- The District's compensated absences payable increased by \$28,913.
- The District amortized \$106,690 in bond issuance premium.

More detailed information about the District's long-term liabilities is presented in Note 10 to the financial statements.

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

The District continues to make classrooms available, where applicable, to allow additional in-house special education programs. This endeavor allows special education students to return from out-of-district settings, saving tuition and transportation costs for those students. It also allows the District to generate additional income by charging tuition for students from other school districts to attend these programs, provided space is available.

The District was awarded several ROD Grants by the State that will provide 40% reimbursement of the cost of the roofing and window projects that were identified in the District's Long Range Facility Plan (LRFP) back to the District. The majority of the remediation projects were funded from the District's capital reserve account.

The District expects to increase the balance in its capital reserve account by approximately \$3.5 million to be available to support capital projects that are outlined in the District's Long Range Facilities Plan.

The District maintained the fourth phase of employee health benefits contributions for the 2017-2018 school year. Based on current State Law, the contributions will continue. The effect of which is a partial neutralization of health benefits increases over the next fiscal year. The Roxbury Township Public Schools is anticipating a cut in state-aid of \$4.5 million over the next five years.

Contacting the District's Financial Management

The financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the Districts' finances and to demonstrate the District's accountability for the money it receives. If you have questions about his report or need additional financial information, please contact the Board of Education Office, 42 North Hillside Avenue, Succasunna, NJ 07876.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 5,393,091	\$ 412,451	\$ 5,805,542
Interfund Receivable - Fiduciary Funds	8,625		8,625
Receivables from State Government	625,112	609	625,721
Receivables from Federal Government	251,035	15,054	266,089
Receivables from Other Governments	1,068,188		1,068,188
Other Receivables		37,416	37,416
Capital Leases Receivable	605		605
Inventories		6,834	6,834
Restricted Cash and Cash Equivalents	8,227,593		8,227,593
Capital Assets, Net:			
Sites (Land) and Construction in Progress	7,855,202		7,855,202
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	35,574,786	710,848	36,285,634
Total Assets	<u>59,004,237</u>	<u>1,183,212</u>	<u>60,187,449</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Amount on Refunding	410,535		410,535
Deferred Outflows Related to Pensions	4,976,224		4,976,224
Total Deferred Outflows of Resources	<u>5,386,759</u>		<u>5,386,759</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	2,489,187	316,690	2,805,877
Accrued Interest Payable	141,813		141,813
Payable to State Government	66,884		66,884
Unearned Revenue	48,886	80,664	129,550
Noncurrent Liabilities:			
Due Within One Year	2,314,254		2,314,254
Due Beyond One Year	32,504,853		32,504,853
Total Liabilities	<u>37,565,877</u>	<u>397,354</u>	<u>37,963,231</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	5,473,678		5,473,678
Total Deferred Inflows of Resources	<u>5,473,678</u>		<u>5,473,678</u>
<u>NET POSITION/(DEFICIT)</u>			
Net Investment in Capital Assets	29,059,302	710,848	29,770,150
Restricted for:			
Capital Projects	5,865,183		5,865,183
Debt Service	1,029,506		1,029,506
Maintenance	2,307,410		2,307,410
Emergency	55,000		55,000
Excess Surplus	3,126,509		3,126,509
Unrestricted/(Deficit)	(20,091,469)	75,010	(20,016,459)
Total Net Position	<u>\$ 21,351,441</u>	<u>\$ 785,858</u>	<u>\$ 22,137,299</u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 40,378,355	\$ 2,567,474	\$ 14,840,127	\$ (22,970,754)		\$ (22,970,754)
Special Education	12,478,551	1,633,069	7,368,126	(3,477,356)		(3,477,356)
Other Special Instruction	1,490,247		562,066	(928,181)		(928,181)
School Sponsored/Other Instruction	1,706,548			(1,706,548)		(1,706,548)
Support Services:						
Tuition	2,518,256			(2,518,256)		(2,518,256)
Student and Instruction Related Services	13,683,628		4,326,674	(9,356,954)		(9,356,954)
General Administrative Services	1,345,687		335,276	(1,010,411)		(1,010,411)
School Administrative Services	4,784,391		1,120,677	(3,663,714)		(3,663,714)
Central Services	1,312,465		123,007	(1,189,458)		(1,189,458)
Administrative Information Technology	1,320,865			(1,320,865)		(1,320,865)
Plant Operations and Maintenance	8,002,064			(8,002,064)		(8,002,064)
Pupil Transportation	5,656,385	370,716	256,258	(5,029,411)		(5,029,411)
Transfer of Funds to Charter School	202,199			(202,199)		(202,199)
Special Schools	900,123	344,981	250,751	(304,391)		(304,391)
Interest on Long-Term Debt	252,950			(252,950)		(252,950)
Total Governmental Activities	96,032,714	4,916,240	29,182,962	(61,933,512)		(61,933,512)
Business-Type Activities:						
Food Service	1,124,587	902,647	217,914		\$ (4,026)	(4,026)
Total Business-Type Activities	1,124,587	902,647	217,914		(4,026)	(4,026)
Total Primary Government	\$ 97,157,301	\$ 5,818,887	\$ 29,400,876	(61,933,512)	(4,026)	(61,937,538)

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues and Transfers:			
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 54,299,224		\$ 54,299,224
Taxes Levied for Debt Service	2,163,224		2,163,224
Federal, State and Local Aid not Restricted	10,943,978		10,943,978
Interest Earnings	57,314		57,314
Miscellaneous Income	320,840		320,840
Transfers	5,125		5,125
Total General Revenues and Transfers	67,789,705		67,789,705
Change in Net Position	5,856,193	\$ (4,026)	5,852,167
Net Position - Beginning (Restated)	15,495,248	789,884	16,285,132
Net Position - Ending	\$ 21,351,441	\$ 785,858	\$ 22,137,299

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

FUND FINANCIAL STATEMENTS

ROXBURY TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 4,167,231		\$ 196,553	\$ 1,029,307	\$ 5,393,091
Interfund Receivable	53,169	\$ 3,500			56,669
Receivables From State Government	625,112				625,112
Receivables From Federal Government	4,620	246,415			251,035
Receivables From Other Governments	1,060,245	7,943			1,068,188
Capital Leases Receivable			605		605
Restricted Cash and Cash Equivalents	8,227,593				8,227,593
Total Assets	\$ 14,137,970	\$ 257,858	\$ 197,158	\$ 1,029,307	\$ 15,622,293
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 1,612,264	\$ 94,044			\$ 1,706,308
Interfund Payable		48,044			48,044
Payable to State Government		66,884			66,884
Unearned Revenue		48,886			48,886
Total Liabilities	1,612,264	257,858			1,870,122
Fund Balances:					
Restricted for:					
Capital Reserve	5,865,183				5,865,183
Maintenance Reserve	2,307,410				2,307,410
Emergency Reserve	55,000				55,000
Excess Surplus - 2019-2020	2,426,509				2,426,509
Excess Surplus - 2018-2019	700,000				700,000
Debt Service				\$ 1,029,506	1,029,506
Committed			\$ 197,158		197,158
Assigned:					
Other Purposes	565,312				565,312
Designated For Subsequent Year's Expenditures	27,536				27,536
Unassigned / (Deficit)	578,756			(199)	578,557
Total Fund Balances	12,525,706		197,158	1,029,307	13,752,171
Total Liabilities and Fund Balances	\$ 14,137,970	\$ 257,858	\$ 197,158	\$ 1,029,307	\$ 15,622,293

ROXBURY TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances	\$ 13,752,171
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds.	43,429,988
Deferred Amount on Refunding is not reported as an expenditure in the Governmental Funds in the year of the expenditure.	410,535
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(16,045,330)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(141,813)
Bond issuance premiums are reported as revenue in the Governmental Funds in the year of receipt.	(685,090)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(18,088,687)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds	<u>(1,280,333)</u>
Net Position of Governmental Activities	<u><u>\$ 21,351,441</u></u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 54,299,224			\$ 2,163,224	\$ 56,462,448
Tuition Charges	4,545,524				4,545,524
Transportation Fees	370,716				370,716
Rents and Royalties	31,627				31,627
Miscellaneous	346,527	\$ 11,095			357,622
Total - Local Sources	59,593,618	11,095		2,163,224	61,767,937
State Sources	23,231,967	250,067			23,482,034
Federal Sources	83,002	1,194,314			1,277,316
Total Revenues	82,908,587	1,455,476		2,163,224	86,527,287
EXPENDITURES:					
Current:					
Regular Instruction	19,798,003	440,945			20,238,948
Special Education Instruction	6,262,885	849,418			7,112,303
Other Special Instruction	734,280				734,280
School Sponsored/Other Instruction	1,363,849				1,363,849
Support Services and Undistributed Costs:					
Tuition	2,518,256				2,518,256
Student & Instruction Related Services	7,631,117	165,113			7,796,230
General Administrative Services	789,084				789,084
School Administrative Services	2,750,947				2,750,947
Central Services	873,646				873,646
Administration Information Technology	1,049,487				1,049,487
Plant Operations and Maintenance	7,568,520				7,568,520
Pupil Transportation	4,345,519				4,345,519
Unallocated Benefits	20,211,647				20,211,647
Debt Service:					
Principal				1,395,000	1,395,000
Interest and Other Charges				298,300	298,300
Capital Outlay	1,294,859		\$ 3,061,782		4,356,641
Special Schools	518,388				518,388
Transfer of Funds to Charter Schools	202,199				202,199
Total Expenditures	77,912,686	1,455,476	3,061,782	1,693,300	84,123,244
Excess/(Deficiency) of Revenue over/(under) Expenditures	4,995,901		(3,061,782)	469,924	2,404,043
OTHER FINANCING SOURCES/(USES):					
Capital Leases (Non-Budgeted)	734,977				734,977
Transfers	(2,723,522)		2,728,647		5,125
Total Other Financing Sources/(Uses)	(1,988,545)		2,728,647		740,102
Net Change in Fund Balances	3,007,356		(333,135)	469,924	3,144,145
Fund Balance—July 1	9,518,350		530,293	559,383	10,608,026
Fund Balance—June 30	\$ 12,525,706	\$ -0-	\$ 197,158	\$ 1,029,307	\$ 13,752,171

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)		\$ 3,144,145
Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:		
Capital outlays are reported in the Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and disposals of capital assets in the period.		
Depreciation Expense	\$ (2,411,532)	
Disposals of Capital Assets, Net of Depreciation	(99,436)	
Capital Outlays	<u>3,745,804</u>	1,234,836
Repayment of debt service principal and other long-term obligation liabilities is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		1,655,000
Repayment of capital lease principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		501,970
Capital leases entered into by the district are an other financing source in the governmental funds, however, the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.		(734,977)
In the Statement of Activities, interest on long-term debt is accrued regardless of when it is due. In the Governmental Funds, interest is reported when due.		20,767
The governmental funds report the effect of the deferred amount on refunding relative to an advance refunding when debt is first issued whereas this amount is deferred and amortized in the statement of activities. (-)		(82,107)
The governmental funds report the effect of bond premiums when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. (+)		106,690
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		5,724,617
Changes in Deferred Outflows and Inflows Related to Pensions		(5,685,835)
In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>(28,913)</u>
Change in Net Position of Governmental Activities (Exhibit A-2)		<u>\$ 5,856,193</u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Total</u>	<u>Total</u>
	<u>Food</u> <u>Service</u>	<u>Non-Major</u> <u>Fund</u>	<u>Enterprise</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 352,122	\$ 60,329	\$ 412,451
Intergovernmental Accounts Receivable:			
State	609		609
Federal	15,054		15,054
Other Accounts Receivable	37,416		37,416
Inventories	6,834		6,834
Total Current Assets	<u>412,035</u>	<u>60,329</u>	<u>472,364</u>
Non-Current Assets:			
Capital Assets	1,026,443		1,026,443
Less: Accumulated Depreciation	<u>(315,595)</u>		<u>(315,595)</u>
Total Non-Current Assets	<u>710,848</u>		<u>710,848</u>
Total Assets	<u>1,122,883</u>	<u>60,329</u>	<u>1,183,212</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	316,690		316,690
Unearned Revenue	<u>20,335</u>	<u>60,329</u>	<u>80,664</u>
Total Current Liabilities	<u>337,025</u>	<u>60,329</u>	<u>397,354</u>
Total Liabilities	<u>337,025</u>	<u>60,329</u>	<u>397,354</u>
NET POSITION:			
Investment in Capital Assets	710,848		710,848
Unrestricted	<u>75,010</u>		<u>75,010</u>
Total Net Position	<u>\$ 785,858</u>	<u>\$ -0-</u>	<u>\$ 785,858</u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds		
	Major Fund	Total	
	Food Service	Non-Major Fund	Total Enterprise
Operating Revenue:			
Daily Sales:			
Reimbursable Programs	\$ 290,370		\$ 290,370
Non-Reimbursable Programs	542,996		542,996
Special Events	20,385		20,385
Miscellaneous Revenue	48,896		48,896
Total Operating Revenue	902,647		902,647
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	156,990		156,990
Non-Reimbursable Programs	150,834		150,834
Salaries	414,485		414,485
Employee Benefits	97,807		97,807
Purchased Professional Technical Services	19,826		19,826
Other Purchased Services	121,526		121,526
Supplies and Materials	45,876		45,876
Miscellaneous Expenditures	46,736		46,736
Depreciation Expense	70,507		70,507
Total Operating Expenses	1,124,587		1,124,587
Operating Loss	(221,940)		(221,940)
Non-Operating Revenue:			
State Sources:			
State School Lunch Program	7,100		7,100
Federal Sources:			
National School Lunch Program	177,261		177,261
School Breakfast Program	2,037		2,037
Food Distribution Program	31,516		31,516
Total Non-Operating Revenue	217,914		217,914
Change in Net Position	(4,026)		(4,026)
Net Position - Beginning of Year (Restated)	789,884		789,884
Net Position - End of Year	\$ 785,858	\$ -0-	\$ 785,858

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Total</u>	<u>Total</u>
	<u>Food Service</u>	<u>Non-Major Fund</u>	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 941,195	\$ 60,329	\$ 1,001,524
Payments to Food Service Company	(776,629)		(776,629)
Payments to Suppliers	(38,230)		(38,230)
Net Cash Provided by Operating Activities	<u>126,336</u>	<u>60,329</u>	<u>186,665</u>
Cash flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(29,554)		(29,554)
Lease Purchase Principal Payment	(313,215)		(313,215)
Net Cash Used for Capital and Related Financing Activities	<u>(342,769)</u>		<u>(342,769)</u>
Cash Flows from Noncapital Financing Activities:			
State Sources	7,761		7,761
Federal Sources	199,958		199,958
Net Cash Provided by Noncapital Financing Activities	<u>207,719</u>		<u>207,719</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(8,714)	60,329	51,615
Cash and Cash Equivalents, July 1	360,836	-0-	360,836
Cash and Cash Equivalents, June 30	<u>\$ 352,122</u>	<u>\$ 60,329</u>	<u>\$ 412,451</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:			
Operating Loss	\$ (221,940)	\$ -0-	\$ (221,940)
Depreciation	70,507		70,507
Food Distribution Program	31,516		31,516
Changes in Assets and Liabilities:			
Decrease in Other Accounts Receivable	33,005		33,005
Increase in Accounts Payable	202,982		202,982
Increase in Unearned Revenue	5,543	60,329	65,872
Decrease in Inventory	4,723		4,723
Net Cash Provided by Operating Activities	<u>\$ 126,336</u>	<u>\$ 60,329</u>	<u>\$ 186,665</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$31,516 and utilized U.S.D.A. Commodities valued at \$31,516. The Food Service Enterprise Fund paid down \$29,554 of capital lease payable.

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 372,982	\$ 334,554	\$ 11,276
Total Assets	<u>372,982</u>	<u>334,554</u>	<u>11,276</u>
<u>LIABILITIES:</u>			
Interfund Payable:			
Special Revenue Fund	3,500		5,125
Payroll Deductions and Withholdings	84,255		
Due to Student Groups	<u>285,227</u>		
Total Liabilities	<u>372,982</u>		<u>5,125</u>
<u>NET POSITION:</u>			
Held in Trust for:			
Unemployment Benefit Claims		334,554	
Flexible Spending Claims			<u>6,151</u>
Total Net Position	<u>\$ -0-</u>	<u>\$ 334,554</u>	<u>\$ 6,151</u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Unemployment Compensation Trust	Flexible Spending Trust
	<u>Trust</u>	<u>Trust</u>
ADDITIONS:		
Contributions:		
Plan Members	\$ 112,772	\$ 32,550
Board Contribution	125,000	
	<u>237,772</u>	<u>32,550</u>
Total Additions		
DEDUCTIONS:		
Unemployment Benefit Claims	106,704	
Flexible Spending Claims		32,173
	<u>106,704</u>	<u>32,173</u>
Total Deductions		
Change in Net Position Before Other Financing Uses	131,068	377
Other Financing Uses:		
Transfer to General Fund		(5,202)
Change in Net Position	131,068	(4,825)
Net Position - Beginning of the Year	<u>203,486</u>	<u>10,976</u>
Net Position - End of the Year	<u>\$ 334,554</u>	<u>\$ 6,151</u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

B. Basis of Presentation

District-Wide Financial Statements:

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

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

B. Basis of Presentation (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

B. Basis of Presentation (Cont'd)

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

The District reports the following proprietary fund:

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

Additionally, the District reports the following fund type:

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2018 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution.

All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year). Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The general fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements. The capital projects fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grant receivable. These grants are recognized on the budgetary basis in full at the time of the award but are recognized on the GAAP basis as they are expended and requested for reimbursement.

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 82,903,772	\$ 1,435,695
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis does not.		
Current Year Encumbrances		(4,712)
Cancellation of Prior Year Encumbrances		(509)
Prior Year Encumbrances		25,002
Prior Year State Aid Payments Recognized for GAAP Statements	1,375,304	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(1,370,489)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 82,908,587</u>	<u>\$ 1,455,476</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

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

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 77,912,686	\$ 1,435,695
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		(4,712)
Cancellation of Prior Year Encumbrances		(509)
Prior Year Encumbrances		25,002
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 77,912,686	\$ 1,455,476
		Capital Projects Fund
	Revenue	Fund Balance
Revenue/Committed Fund Balance	\$ -0-	\$ 814,959
Committed - Year End Encumbrances		2,273,856
Total Revenue/Fund Balance - Budgetary Basis	-0-	3,088,815
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Revenue not Recognized on GAAP Basis		
SDA Grant Receivable not Recognized on GAAP Basis		(2,891,657)
Revenue/Fund Balance per Governmental Funds (GAAP)	\$ -0-	\$ 197,158

E. Cash and Cash Equivalents and Investments

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

E. Cash and Cash Equivalents and Investments (Cont'd)

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (Continued)

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line.

The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 years
Sites and Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

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

L. Long Term Liabilities:

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

M. Accrued Salaries and Wages

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2018.

N. Compensated Absences

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

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

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

O. Unearned Revenue

Unearned revenue in the special revenue and the enterprise funds represent cash which has been received but not yet earned.

P. Fund Balance Appropriated

General Fund: Of the \$12,525,706 General Fund fund balance at June 30, 2018, \$565,312 is assigned for encumbrances; \$5,865,183 is restricted in the capital reserve account; \$2,307,410 is restricted in the maintenance reserve account; \$55,000 is restricted in the emergency reserve account; \$700,000 is restricted for prior fiscal year excess surplus in accordance with N.J.S.A. 18A:7F-7 (S1701) and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2019; \$2,426,509 is restricted for current fiscal year excess surplus in accordance with N.J.S.A.18A:7F (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2020; \$27,536 is assigned for subsequent year's expenditures and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2019; and \$578,756 is unassigned fund balance, which is \$1,370,489 less than the budgetary unassigned fund balance, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2019.

Capital Projects Fund: The \$197,158 Capital Projects Fund fund balance at June 30, 2018 is committed and is \$2,891,657 less than the budgetary committed fund balance because SDA grant receivable is not recognized on the GAAP basis until reimbursement requests are submitted to the State.

Debt Service Fund: Of the \$1,029,307 fund balance in the Debt Service Fund fund balance at June 30, 2018, \$1,029,506 is restricted and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2019 and \$199 is a deficit in unassigned balance will be raised in subsequent year through a transfer from capital reserve.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

P. Fund Balance Appropriated (Cont'd)

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (s1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has excess surplus at June 30, 2018 as indicated on the prior page.

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

Q. Deficit Net Position/Fund Balance

The District has a deficit in unrestricted net position of \$20,091,469 in its governmental activities, which is primarily due to deferred inflows, outflows and liabilities related to pensions and compensated absences. This deficit does not indicate the District is in financial difficulties and is a permitted practice under generally accepted accounting principles. The District a deficit in unassigned balance of \$199 in the Debt Service Fund, which will be raised in subsequent year through a transfer from capital reserve.

R. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2018 for the deferred amount on the refunding of debt related to the District's 2010 refunding bonds, changes in assumptions in pensions, the difference between expected and actual pension experience, the net difference between projected and actual investment earnings on pension plan investments and the District contribution subsequent to the measurement date related to pension.

The District had a deferred inflow of resources at June 30, 2018 for the changes in assumptions and changes in proportion in pension.

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

R. Net Position: (Cont'd)

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

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

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

S. Fund Balance Restrictions, Commitments and Assignments

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

Fund balance restrictions have been established for a capital reserve, an emergency reserve, a maintenance reserve, excess surplus and the debt service fund.

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

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

T. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

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

Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

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

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

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

U. Operating Revenue and Expenses:

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

V. Management Estimates:

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

W. Pensions

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

Investments: (Cont'd)

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

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

Investments: (Cont'd)

- (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents			Total
		Capital Reserve Account	Maintenance Reserve Account	Emergency Reserve Account	
Checking Accounts	\$ 6,524,354	\$ 5,865,183	\$ 2,307,410	\$ 55,000	\$ 14,751,947

During the period ended June 30, 2018, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2018, was \$14,751,947 and the bank balance was \$15,651,843.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Roxbury Township Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes, or by transfer by board resolution at fiscal 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-5.1(d)7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Beginning Balance, July 1, 2017	\$ 4,121,009
Add: Transfer from Unassigned Fund Balance as per Board Resolution	3,500,000
Budgeted Increase	850,000
Less: Transfer to Capital Projects Fund as per Board Resolutions	<u>(2,605,826)</u>
Ending Balance, June 30, 2018	<u>\$ 5,865,183</u>

The balance in the capital reserve account at June 30, 2018 does not exceed the LRFP balance of local support costs of uncompleted capital projects. Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's LRFP.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution on June 24, 2013. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Beginning Balance, July 1, 2017	\$ 2,316,328
Add: Transfer from Unassigned Fund Balance as per Board Resolution	500,000
Less: Budgeted Withdrawal	<u>(508,918)</u>
Ending Balance, June 30, 2018	<u><u>\$ 2,307,410</u></u>

NOTE 6. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution in June 2011. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve is restricted to be used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at fiscal year-end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined fiscal year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1st and June 30th. 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 to finance school security improvements.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 6. EMERGENCY RESERVE ACCOUNT (Cont'd)

Beginning Balance, July 1, 2017	\$ 55,000
Ending Balance, June 30, 2018	<u>\$ 55,000</u>

NOTE 7. CAPITAL ASSETS

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

	<u>(Restated)</u> <u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending</u> <u>Balance</u>
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 174,480			\$ 174,480
Construction in Progress	13,189,481	\$ 3,061,781	\$ (8,570,540)	7,680,722
Total Capital Assets Not Being Depreciated	<u>13,363,961</u>	<u>3,061,781</u>	<u>(8,570,540)</u>	<u>7,855,202</u>
Capital Assets Being Depreciated:				
Site Improvements	2,081,065			2,081,065
Buildings and Building Improvements	50,848,624	14,980	8,570,540	59,434,144
Machinery and Equipment	12,540,753	669,043	(837,172)	12,372,624
Total Capital Assets Being Depreciated	<u>65,470,442</u>	<u>684,023</u>	<u>7,733,368</u>	<u>73,887,833</u>
Governmental Activities Capital Assets	<u>78,834,403</u>	<u>3,745,804</u>	<u>(837,172)</u>	<u>81,743,035</u>
Less Accumulated Depreciation for:				
Site Improvements	(1,666,021)	(30,470)		(1,696,491)
Buildings and Building Improvements	(27,966,664)	(1,378,782)		(29,345,446)
Machinery and Equipment	(7,006,566)	(1,002,280)	737,736	(7,271,110)
	<u>(36,639,251)</u>	<u>(2,411,532)</u>	<u>737,736</u>	<u>(38,313,047)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 42,195,152</u>	<u>\$ 1,334,272</u>	<u>\$ (99,436)</u>	<u>\$ 43,429,988</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 882,182	\$ 29,554		\$ 911,736
Building Improvements	114,707			114,707
	<u>996,889</u>	<u>29,554</u>		<u>1,026,443</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(239,353)	(64,772)		(304,125)
Building Improvements	(5,735)	(5,735)		(11,470)
	<u>(245,088)</u>	<u>(70,507)</u>		<u>(315,595)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 751,801</u>	<u>\$ (40,953)</u>	<u>\$ -0-</u>	<u>\$ 710,848</u>

The District expended \$3,061,781 towards construction projects in progress during the fiscal year. As of June 30, 2018, the District has \$3,088,815 in active construction projects including \$2,273,856 of encumbrances.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 1,109,305
Special Instruction	144,692
Student and Instruction Related Services	120,576
General Administration	72,345
School Administration	144,692
Central Services	48,231
Administrative Information Technology	96,461
Operations and Maintenance of Plant	265,269
Student Transportation	409,961
	<u>\$ 2,411,532</u>

NOTE 8. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2018, the District transferred \$81,988 to the capital outlay accounts for equipment and therefore did not require approval from the County Superintendent.

NOTE 9. OPERATING LEASES

The District has a commitment to lease copying equipment under an operating lease which expires in 2022. Future minimum lease payments are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
June 30, 2019	\$ 80,244
June 30, 2020	80,244
June 30, 2021	80,244
June 30, 2022	60,183
Total future minimum lease payments	<u>\$ 300,915</u>

NOTE 10. LONG-TERM LIABILITIES

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

	<u>Balance</u> <u>6/30/2017</u>	<u>Accrued</u>	<u>Retired</u>	<u>Balance</u> <u>6/30/2018</u>
Serial Bonds Payable	\$ 15,425,000		\$ 1,655,000	\$ 13,770,000
Unamortized Bond Issuance Premium	791,780		106,690	685,090
Net Pension Liability	23,813,304		5,724,617	18,088,687
Capital Leases Payable	1,091,429	\$ 734,977	815,185	1,011,221
Compensated Absences Payable	1,235,196	330,828	301,915	1,264,109
	<u>\$ 42,356,709</u>	<u>\$ 1,065,805</u>	<u>\$ 8,603,407</u>	<u>\$ 34,819,107</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 10. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable:

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

On April 24, 2014, the District issued energy savings obligation refunding bonds of \$7,740,000 with interest rates ranging from 2.0% to 4.0%. The bonds mature on April 15, 2014 through 2035. The energy savings obligation refunding bonds were issued to fund the implementation of the District's energy savings improvement plan ("ESIP"), entailing various permitted energy conservation measures under the ESIP Law, at all six schools in the District. This includes installation of interior and exterior lighting upgrades and replacements, lighting occupancy sensors, energy management systems, HVAC systems and control systems, building exterior weatherization improvements and small-scale solar PV systems.

The ESIP Law (P.L. 2009, c. 4) allowed the District to issue energy savings obligation refunding bonds without voter approval to fund certain improvements that result in reduced energy use, facilities for production of renewable energy or water conservation improvements (collectively, "ECMs"); provided that the value of the savings will cover the cost of the ECMs. The ESIP law provides, however, that notwithstanding any law to the contrary, energy savings obligation refunding bonds shall not be excepted from any budget or school levy limitation otherwise provided by law, and shall be funded through appropriations in the General Fund annual budget, on the basis that the costs of implemented energy conservation measures should be fully offset by energy savings to be generated by such measures (on both an annual and aggregate basis).

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

Purpose	Issue Date	Interest Rate	Final Maturity Date	Amount
School Refunding Bonds	08/19/10	4.00%	09/01/22	\$ 6,760,000
Energy Savings Improvement Program (ESIP)	04/24/14	2.625%-4.00%	04/15/35	7,010,000
				<u>\$ 13,770,000</u>

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

Fiscal Year Ending June 30,	Bonds		
	Principal	Interest	Total
2019	\$ 1,685,000	\$ 489,263	\$ 2,174,263
2020	1,765,000	420,662	2,185,662
2021	1,845,000	348,862	2,193,862
2022	1,935,000	273,663	2,208,663
2023	860,000	218,262	1,078,262
2024-2028	1,870,000	899,063	2,769,063
2029-2033	2,540,000	562,600	3,102,600
2034-2035	1,270,000	77,000	1,347,000
	<u>\$ 13,770,000</u>	<u>\$ 3,289,375</u>	<u>\$ 17,059,375</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 10. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

The Debt Service Fund will be used to liquidate the school refunding bonds payable. The energy savings improvement program bonds will be liquidated by General Fund.

B. Bonds Authorized But Not Issued:

As of June 30, 2018, the Board had \$260,000 of energy savings improvement program bonds authorized but not issued.

C. Unamortized Bond Issuance Premium:

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$106,690 and is separated from the long-term liability balance of \$578,400.

D. Capital Leases Payable:

The District's capital leases relate to the financing of Jefferson school windows replacement and the purchases of school buses and various technology equipment. The capital leases total \$2,395,395, of which \$1,384,174 has been liquidated as of June 30, 2018. The capital leases are for terms of five years. The following is a schedule of the future minimum lease payments under the District's three capital leases, and the present value of the net minimum lease payments at June 30, 2018.

<u>Fiscal Year Ending</u>	<u>Amount</u>
June 30, 2019	\$ 509,669
June 30, 2020	389,181
June 30, 2021	<u>139,181</u>
Total minimum lease payments	1,038,031
Less: Amount representing interest	<u>(26,810)</u>
Present value of net minimum lease payments	<u><u>\$ 1,011,221</u></u>

The current portion of capital lease payable at June 30, 2018 in the governmental activities is \$493,465 and the long-term portion is \$517,756. The General Fund will be used to liquidate the capital lease payable in the governmental activities.

E. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$29,099 and is separated from the long-term liability balance of compensated absences of \$1,235,010. The General Fund will be used to liquidate the governmental funds Compensated Absences Payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2018, \$-0- is recorded for compensated absences in the Enterprise Fund.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (Continued)

NOTE 10. LONG-TERM LIABILITIES (Cont'd)

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2018 is \$-0- and the long-term portion is \$18,088,687. See Note 11 for further information on the PERS.

NOTE 11. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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 Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$758,062 for fiscal year 2018.

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

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

At June 30, 2018, the District reported a liability of \$18,088,687 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the District's proportion was 0.078%, which was a decrease of 0.003% from its proportion measured as of June 30, 2016.

For the fiscal year ended June 30, 2017, the District recognized pension expense of \$681,074. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferral</u> <u>Year</u>	<u>Amortization</u> <u>Period</u> <u>in Years</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Changes in Assumptions	2014	6.44	\$ 205,196	
	2015	5.72	864,345	
	2016	5.57	2,574,706	
	2017	5.48		\$ 3,630,887
			3,644,247	3,630,887
Difference Between Expected and Actual Experience	2015	5.72	239,809	
	2016	5.57	78,135	
	2017	5.48	107,982	
			425,926	

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

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

	<u>Deferral</u> <u>Year</u>	<u>Amortization</u> <u>Period</u> <u>in Years</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Changes in Proportion	2014	6.44		\$ 638,570
	2015	5.72		593,660
	2016	5.57		129,696
	2017	5.48		480,865
				1,842,791
Net Difference Between Projected and Actual	2014	5.00	\$ (216,755)	
Investment Earnings on Pension Plan Investments	2015	5.00	184,905	
	2016	5.00	775,281	
	2017	5.00	(620,259)	
			123,172	
District Contribution Subsequent to the				
Measurement Date	2017	1.00	782,879	
			\$ 4,976,224	\$ 5,473,678

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2018	\$ 425,824
2019	642,581
2020	389,371
2021	(517,864)
2022	(377,454)
	\$ 562,458

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

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:

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

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

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2017 are summarized in the following table.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real 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%

Discount Rate

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2017		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
District's proportionate share of the Net Pension Liability	\$ 22,440,244	\$ 18,088,687	\$ 14,463,301

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarially determined amount.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2018, the State of New Jersey contributed \$4,002,755 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$13,126,222.

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

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

At June 30, 2018, the State's proportionate share of the net pension liability associated with the District was \$189,480,099. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the District's proportion was 0.281%, which was a decrease of 0.004% from its proportion measured as of June 30, 2016.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

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

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		<u>189,480,099</u>
Total	\$	<u><u>189,480,099</u></u>

For the fiscal year ended June 30, 2017, the State recognized pension expense on behalf of the District in the amount of \$13,126,222 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2018 financial statements. The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

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

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2017 are summarized in the following table:

<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%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 3.22% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65% and a municipal bond rate of 2.85% as of June 30, 2017 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2029. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2029, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

NOTE 11. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2017		
	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
Total Net Pension Liability	\$ 225,108,302	\$ 189,480,099	\$ 160,129,432

Pension Plan Fiduciary Net Position

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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 DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$74,055 for the fiscal year ended June 30, 2018. Employee contributions to DCRP amounted to \$100,279 for the fiscal year ended June 30, 2018.

NOTE 12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits coverage is provided by Horizon Blue Cross/Blue Shield of New Jersey. The District maintains commercial insurance coverage for property, general liability and automobile.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 12. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance

The District is a member of the New Jersey Schools Insurance Group (“NJSIG”). The NJSIG is a public entity risk management pool that provides workers’ compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The NJSIG is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the NJSIG are elected.

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

Selected, summarized financial information for the NJSIG as of June 30, 2017/2018 is as follows:

Total Assets	\$ 342,337,056
Net Position	\$ 82,580,855
Total Revenue	\$ 133,258,299
Total Expenses	\$ 129,340,074
Change in Net Position	\$ 3,918,225
Members Dividends	\$ -0-

Financial statements for the NJSIG and the Fund are available at their respective Executive Director’s Office:

New Jersey Schools Insurance Group
6000 Midlantic Drive, Suite 300 North
Mount Laurel, NJ 08054
(609) 386-6060
www.njsig.org

New Jersey Unemployment Compensation Insurance

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

Fiscal Year	District Contributions	Interest Earned	Employee Contributions	Amount Reimbursed	Ending Balance
2017-2018	\$ 125,000	\$ -0-	\$ 112,772	\$ 106,704	\$ 334,554
2016-2017	125,596	-0-	127,606	114,628	203,486
2015-2016	85,107	-0-	8,866	85,473	64,912

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 13. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 53,169	
Special Revenue Fund	3,500	\$ 48,044
Fiduciary Funds:		
Student Activity		3,500
Flexible Spending Trust		5,125
	\$ 56,669	\$ 56,669

The interfund between the General Fund and the Special Revenue Fund is due to a deficit in cash and cash equivalents in the Special Revenue Fund. The interfund payable in the Flexible Spending Trust is prior year unclaimed employee contributions due to the General Fund. The interfund between the Special Revenue and Student Activity Funds is grant funds deposited in the Student Activity Fund in error.

During the fiscal year, the District transferred \$2,605,826 from the Capital Reserve and \$150,000 from capital outlay in the General Fund to the Capital Projects Fund to fund the local share of two SDA projects and to fully fund five other facilities projects.

NOTE 15. DEFERRED COMPENSATION

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

Equitable Life Assurance	MetLife Investors Group
Galic Disbursing Co. (Great American)	VALIC (AIG Retirement)
Lincoln Financial Advisors	The Legend Group
Metropolitan Life	

NOTE 16. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 16. TAX CALENDAR (Cont'd)

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 17. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2018:

	Governmental Funds			District	Total	Business-
	General	Special	Capital	Contribution		Governmental
	Fund	Revenue	Projects	Subsequent to	Activities	Proprietary
		Fund	Fund	the Measure-		Funds
				ment Date		
Salaries	\$ 1,044,506				\$ 1,044,506	
State of New Jersey				\$ 782,879	782,879	
Vendors	567,758	\$ 94,044			661,802	\$ 316,690
	<u>\$ 1,612,264</u>	<u>\$ 94,044</u>	<u>\$ -0-</u>	<u>\$ 782,879</u>	<u>\$ 2,489,187</u>	<u>\$ 316,690</u>

NOTE 18. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Litigation

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

Arbitrage

The District may have a liability for arbitrage payable to the federal government relative to its school bond issues. The amount of liability at June 30, 2018, if any, is unknown.

Encumbrances

At June 30, 2018, there were encumbrances as detailed below in the governmental funds.

General	Special	Capital	Total
Fund	Revenue	Projects	Governmental
	Fund	Fund	Funds
<u>\$ 565,312</u>	<u>\$ 4,712</u>	<u>\$ 2,273,856</u>	<u>\$ 2,843,880</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

NOTE 18. COMMITMENTS AND CONTINGENCIES (Cont'd)

Encumbrances (Cont'd)

On the District's Governmental Funds Balance Sheet as of June 30, 2018, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$4,712 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grant receivables or an increase in unearned revenue. The \$2,273,856 year-end encumbrances in the Capital Projects Fund is included in the \$197,158 committed fund balance on a GAAP basis at June 30, 2018, which is \$2,891,657 less than the budgetary committed fund balance because SDA grant receivable is not recognized on the GAAP basis until reimbursement requests are submitted to the State.

NOTE 19. PRIOR PERIOD ADJUSTMENTS

The District made prior year adjustments in the District Wide Financial Statements to recognize a change in the estimated useful life of certain capital assets and to reflect prior year disposals of older capital assets which had not been recorded as of June 30, 2017. The District hired a new capital assets appraisal/inventory company to re-inventory the District's capital assets as of June 30, 2017. As a result, the District Wide Financial Statements as of June 30, 2017 have been restated as follows:

	Balance 6/30/17 as Previously Reported	Retroactive Adjustments	Balance 6/30/17 as Restated
<u>Statement of Net Position:</u>			
<u>Governmental Activities:</u>			
Assets:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	\$ 37,175,424	\$ (8,344,233)	\$ 28,831,191
Total Assets	62,528,519	(8,344,233)	54,184,286
Net Position:			
Net Investment in Capital Assets	34,828,813	(8,344,233)	26,484,580
Total Net Position	23,839,481	(8,344,233)	15,495,248
 <u>Business-Type Activities:</u>			
Non-Current Assets:			
Capital Assets	1,045,999	(49,110)	996,889
Accumulated Depreciation	(530,805)	285,717	(245,088)
Total Assets	994,992	236,607	1,231,599
Net Position:			
Net Investment in Capital Assets	201,979	236,607	438,586
Total Net Position	553,277	236,607	789,884

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

A. Plan Description and Benefits Provided

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

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: The Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP).

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

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

B. Employees Covered by Benefit Terms

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

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

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

Health Care Trend Assumptions

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Discount Rate

The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Changes in the State's Total OPEB Liability

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

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

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

	June 30, 2017		
	At 1% Decrease (2.58%)	At Discount Rate (3.58%)	At 1% Increase (4.58%)
Total OPEB Liability Attributable to the District	\$ 196,723,506	\$ 165,721,609	\$ 141,130,610
	June 30, 2016		
	At 1% Decrease (1.85%)	At Discount Rate (2.85%)	At 1% Increase (3.85%)
Total OPEB Liability Attributable to the District	\$ 214,879,194	\$ 179,361,758	\$ 151,404,984

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

	June 30, 2017		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 136,290,003	\$ 165,721,609	\$ 204,806,435
	June 30, 2016		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 147,171,317	\$ 179,361,758	\$ 222,397,311

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

For the fiscal year ended June 30, 2018 the District recognized OPEB expense of \$8,881,061 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Statement 75, in which there is a special funding situation.

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

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

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
District's proportion of the net pension liability	0.0879080154%	0.0814226014%	0.0804038141%
District's proportionate share of the net pension liability	\$ 16,458,785	\$ 18,277,742	\$ 23,813,304
District's covered employee payroll	\$ 5,655,443	\$ 5,465,431	\$ 5,410,830
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	291.03%	334.42%	440.10%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%
			2018
			0.0777058812%
			\$ 18,088,687
			\$ 5,462,441
			331.15%
			48.10%

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
Contractually required contribution	\$ 724,701	\$ 700,016	\$ 717,605
Contributions in relation to the contractually required contribution	<u>(724,701)</u>	<u>(700,016)</u>	<u>(717,605)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 6,110,275	\$ 5,655,443	\$ 5,465,431
Contributions as a percentage of covered employee payroll	11.86%	12.38%	13.13%
			14.01%

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF THE STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
State's proportion of the net pension liability attributable to the District	0.2823140342%	0.2838710877%	0.28489333108%
State's proportionate share of the net pension liability attributable to the District	\$ 150,887,663	\$ 179,418,650	\$ 224,115,218
District's covered employee payroll	\$ 28,514,332	\$ 28,760,876	\$ 28,149,592
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	529.16%	623.83%	796.16%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%
			2018
			0.2810293175%
			\$ 189,480,099
			\$ 29,328,741
			646.06%
			25.41%

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST FOUR FISCAL YEARS
UNAUDITED

	Fiscal Year Ending June 30,		
	2015	2016	2017
	2018		
Contractually required contribution	\$ 8,119,173	\$ 10,955,124	\$ 16,839,140
Contributions in relation to the contractually required contribution	<u>(1,534,711)</u>	<u>(2,280,967)</u>	<u>(3,050,500)</u>
Contribution deficiency/(excess)	<u>\$ 6,584,462</u>	<u>\$ 8,674,157</u>	<u>\$ 13,788,640</u>
District's covered employee payroll	\$ 28,760,876	\$ 28,149,592	\$ 29,328,741
Contributions as a percentage of covered employee payroll	5.34%	8.10%	10.40%
			14.18%
			<u>\$ 28,231,178</u>
			<u>\$ 9,123,467</u>
			<u>(4,002,755)</u>

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TWO FISCAL YEARS
UNAUDITED

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

State Health Benefit Local Education Retired Employees OPEB Plan

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

BUDGETARY COMPARISON SCHEDULES

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 54,299,224		\$ 54,299,224	\$ 54,299,224	
Tuition From Other LEAs	3,542,718		3,542,718	4,200,543	\$ 657,825
Tuition From Other Sources		\$ 347,295	347,295	344,981	(2,314)
Tuition From Summer School	347,295	(347,295)	50,000	10,400	(39,600)
Transportation Fees From Individuals	30,000		30,000	360,316	360,316
Transportation Fees From Other LEAs	170,000		170,000	31,627	1,627
Rents and Royalties				346,527	176,527
Unrestricted Miscellaneous Revenue				59,593,618	1,154,381
Total - Local Sources	58,439,237		58,439,237	10,300,890	10,300,890
State Sources:					
Equalization Aid	10,300,890		10,300,890	305,802	305,802
School Choice Aid	305,802		305,802	233,042	233,042
Transportation Aid	233,042		233,042	2,433,575	2,433,575
Special Education Aid	2,433,575		2,433,575	61,433	61,433
Security Aid	61,433		61,433	470,428	470,428
Adjustment Aid	470,428		470,428	34,275	34,275
PARCC Readiness Aid	34,275		34,275	34,275	34,275
Per Pupil Growth Aid	34,275		34,275	34,470	34,470
Professional Learning Community Aid	34,470		34,470	503,383	503,383
Extraordinary Special Education Costs Aid				23,042	23,042
Excess Nonpublic School Transportation Costs				2,648,033	2,648,033
On-Behalf TPAF Post Retirement Contributions (Non-Budgeted)				4,002,755	4,002,755
On-Behalf TPAF Pension Contributions (Non-Budgeted)				97,137	97,137
On-Behalf TPAF Non-Contributory Insurance (Non-Budgeted)				6,278	6,278
On-Behalf TPAF Long-Term Disability Insurance (Non-Budgeted)				2,038,334	2,038,334
TPAF Social Security (Reimbursed - Non-Budgeted)				23,227,152	9,318,962
Total State Sources	13,908,190		13,908,190	83,002	35,454
Federal Sources:					
Medicaid Assistance Program	47,548		47,548	83,002	35,454
Total - Federal Sources	47,548		47,548	83,002	35,454
Total Revenues	72,394,975		72,394,975	82,903,772	10,508,797

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 768,012	\$ 31,454	\$ 799,466	\$ 799,466	
Grades 1-5 - Salaries of Teachers	6,066,057	(327,188)	5,738,869	5,738,868	\$ 1
Grades 6-8 - Salaries of Teachers	3,876,030	(48,438)	3,827,592	3,827,592	
Grades 9-12 - Salaries of Teachers	8,022,876	(156,291)	7,866,585	7,866,585	
Regular Programs - Home Instruction:					
Salaries of Teachers	25,000	41,256	66,256	66,256	
Purchased Professional-Educational Services	15,000	18,000	33,000	31,923	1,077
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	12,695	6,600	19,295	16,181	3,114
Purchased Technical Services	5,000		5,000	3,458	1,542
Other Purchased Services (400-500 series)	650,059	(3,198)	646,861	537,248	109,613
General Supplies	781,534	147,686	929,220	727,974	201,246
Textbooks	415,716	(187,726)	227,990	175,722	52,268
Other Objects	7,120	780	7,900	6,730	1,170
Total Regular Programs - Instruction	20,645,099	(477,065)	20,168,034	19,798,003	370,031
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	515,102	(146,319)	368,783	368,783	
Other Salaries for Instruction	293,442	12,997	306,439	306,439	
General Supplies	6,050	2,106	8,156	8,156	
Textbooks	3,300	(2,106)	1,194	1,194	
Total Learning and/or Language Disabilities	817,894	(133,322)	684,572	684,572	
Behavioral Disabilities:					
Salaries of Teachers	338,578	37,984	376,562	376,562	
Other Salaries for Instruction	184,180	6,142	190,322	190,322	
Total Behavioral Disabilities	522,758	44,126	566,884	566,884	

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Special Education - Instruction: (Cont'd)					
Multiple Disabilities:					
Salaries of Teachers	\$ 137,683	\$ (2,584)	\$ 135,099	\$ 134,639	\$ 460
Other Salaries for Instruction	172,303	(63,271)	109,032	107,656	1,376
Purchased Professional-Educational Services	205,000	3,100	208,100	208,065	35
General Supplies	20,400	(6,150)	14,250	13,704	546
Textbooks	800	(504)	296	295	1
Other Objects	5,000	74	5,074	4,837	237
Total Multiple Disabilities	<u>541,186</u>	<u>(69,335)</u>	<u>471,851</u>	<u>469,196</u>	<u>2,655</u>
Resource Room/Resource Center:					
Salaries of Teachers	3,155,748	31,235	3,186,983	3,186,983	
Other Salaries for Instruction	533,781	(97,488)	436,293	436,293	
General Supplies	17,550	1,309	18,859	18,714	145
Textbooks	11,700	(9,709)	1,991	1,980	11
Other Objects	1,500	1,500	1,500	860	640
Total Resource Room/Resource Center	<u>3,718,779</u>	<u>(73,153)</u>	<u>3,645,626</u>	<u>3,644,830</u>	<u>796</u>
Autism:					
Salaries of Teachers	184,400	61,405	245,805	243,779	2,026
Other Salaries for Instruction	146,208	36,160	182,368	182,368	
Purchased Professional-Educational Services	114,750		114,750	113,231	1,519
General Supplies	3,000	300	3,300	3,237	63
Textbooks	1,500	2,500	4,000	3,772	228
Total Autism	<u>449,858</u>	<u>100,365</u>	<u>550,223</u>	<u>546,387</u>	<u>3,836</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	57,399		57,399	57,399	
Other Salaries for Instruction	20,776	26,568	47,344	47,344	
General Supplies	1,100	(240)	860	578	282
Total Preschool Disabilities - Part-Time	<u>79,275</u>	<u>26,328</u>	<u>105,603</u>	<u>105,321</u>	<u>282</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Special Education - Instruction:					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 156,556	\$ 50,870	\$ 156,556	\$ 156,556	\$ 1
Other Salaries for Instruction	1,100	(2,193)	1,100	912	188
General Supplies	2,500		307	307	
Other Objects	160,156	48,677	208,833	208,644	189
Total Preschool Disabilities - Full-Time					
Home Instruction:					
Salaries of Teachers	15,000		15,000	13,944	1,056
Purchased Professional-Educational Services	50,313	(22,000)	28,313	23,107	5,206
Total Home Instruction	65,313	(22,000)	43,313	37,051	6,262
Total Special Education - Instruction	6,355,219	(78,314)	6,276,905	6,262,885	14,020
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	620,936	(125,802)	495,134	492,999	2,135
General Supplies	3,500		3,500	2,776	724
Total Basic Skills/Remedial - Instruction	624,436	(125,802)	498,634	495,775	2,859
Bilingual Education - Instruction:					
Salaries of Teachers	290,131	(53,626)	236,505	236,505	
Other Purchased Services (400-500 series)	500		500		500
General Supplies	2,000		2,000	2,000	
Total Bilingual Education - Instruction	292,631	(53,626)	239,005	238,505	500
School Sponsored Cocurricular Activities:					
Salaries	214,100	4,781	218,881	216,811	2,070
Purchased Services (300-500 series)	28,460	1,450	29,910	25,526	4,384
Supplies and Materials	46,670	(25,275)	21,395	19,366	2,029
Other Objects	46,370	7,437	53,807	51,732	2,075
Total School-Sponsored Cocurricular Activities	335,600	(11,607)	323,993	313,435	10,558

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
School-Sponsored Athletics:					
Salaries	\$ 713,837	\$ (3,718)	\$ 710,119	\$ 664,198	\$ 45,921
Purchased Services	196,759	7,879	204,638	160,440	44,198
Supplies and Materials	116,810	2,605	119,415	114,745	4,670
Other Objects	123,200	(1,508)	121,692	111,031	10,661
Total School-Sponsored Athletics	1,150,606	5,258	1,155,864	1,050,414	105,450
Total Instruction	29,403,591	(741,156)	28,662,435	28,159,017	503,418
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Regular	60,000	(12,555)	47,445	13,118	34,327
Tuition to Other LEA's Within the State - Special	807,046	(17,480)	789,566	520,095	269,471
Tuition to County Vocational School - Regular	450,000	17,470	467,470	441,239	26,231
Tuition to County Vocational School - Special	40,000		40,000	13,890	26,110
Tuition to CSSD & Regional Day Schools	105,808		105,808	97,202	8,606
Tuition to Private Schools for the Handicapped Within State	2,268,550	(371,529)	1,897,021	1,339,089	557,932
Tuition to Private Schools for the Handicapped Outside State	59,425		59,425	27,719	31,706
Tuition - State Facilities	65,904		65,904	65,904	
Total Instruction	3,856,733	(384,094)	3,472,639	2,518,256	954,383
Attendance and Social Work Services:					
Salaries	92,227		92,227	92,069	158
Supplies and Materials	640		640		640
Total Attendance and Social Work Services	92,867		92,867	92,069	798
Health Services:					
Salaries	622,793	51,780	674,573	673,137	1,436
Purchased Professional and Technical Services	37,750		37,750	31,467	6,283
Supplies and Materials	23,300		23,300	13,291	10,009
Total Health Services	683,843	51,780	735,623	717,895	17,728

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Speech, OT, PT & Related Services:					
Salaries	\$ 768,580	\$ (33,829)	\$ 734,751	\$ 723,980	\$ 10,771
Purchased Professional - Educational Services	163,239	31,676	194,915	94,327	100,588
Supplies and Materials	8,518		8,518	8,244	274
Total Speech, OT, PT & Related Services	940,337	(2,153)	938,184	826,551	111,633
Other Support Services - Extraordinary Services:					
Salaries	403,191	111,825	515,016	515,016	
Purchased Professional - Educational Services	519,004	545,473	1,064,477	987,419	77,058
Total Other Support Services - Extraordinary Services	922,195	657,298	1,579,493	1,502,435	77,058
Guidance:					
Salaries of Other Professional Staff	938,211	35,779	973,990	973,990	
Salaries of Secretarial and Clerical Assistants	146,255	30,518	176,773	173,512	3,261
Unused Vacation Payment to Terminated/Retired Staff		2,518	2,518	2,517	1
Purchased Professional-Educational Services	49,000	10,183	59,183	56,479	2,704
Purchased Professional and Technical Services	1,850	317	2,167	1,994	173
Other Purchased Services (400-500 series)	16,670		16,670	15,539	1,131
Supplies and Materials	7,866	2,499	10,365	8,011	2,354
Other Objects	2,475		2,475	1,091	1,384
Total Guidance	1,162,327	81,814	1,244,141	1,233,133	11,008
Child Study Team:					
Salaries of Other Professional Staff	1,185,686	17,507	1,203,193	1,203,193	
Salaries of Secretarial and Clerical Assistants	236,616		236,616	236,616	
Purchased Professional - Educational Services	64,033		64,033	63,050	983
Other Purchased Professional and Technical Services	50,806	10,000	60,806	58,349	2,457
Other Purchased Services (400-500 series)	1,920		1,920	1,920	
Miscellaneous Purchased Services	9,750		9,750	5,498	4,252

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Child Study Team: (Cont'd)					
Supplies and Materials	\$ 29,631	\$ (300)	\$ 29,331	\$ 25,560	\$ 3,771
Other Objects	1,000		1,000	425	575
Total Child Study Team	<u>1,579,442</u>	<u>27,207</u>	<u>1,606,649</u>	<u>1,592,691</u>	<u>13,958</u>
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction		429,087	429,087	401,512	27,575
Salaries of Other Professional Staff	460,268	(410,268)	50,000	34,198	15,802
Salaries of Secretarial and Clerical Assistants	26,650	800	27,450	27,450	
Unused Vacation Payment to Terminated/Retired Staff		17,977	17,977	17,821	156
Other Purchased Services	7,500	19,525	27,025	27,025	
Supplies and Materials	170,689	(5,691)	164,998	162,290	2,708
Other Objects		120	120	120	
Total Improvement of Instructional Services	<u>665,107</u>	<u>51,550</u>	<u>716,657</u>	<u>670,416</u>	<u>46,241</u>
Educational Media Services/School Library:					
Salaries	369,275	47,951	417,226	417,112	114
Other Purchased Services (400-500 series)		10,000	10,000	7,733	2,267
Supplies and Materials	64,933	2,345	67,278	49,754	17,524
Total Educational Media Services/School Library	<u>434,208</u>	<u>60,296</u>	<u>494,504</u>	<u>474,599</u>	<u>19,905</u>
Instructional Staff Training Services:					
Salaries of Other Professional Staff	410,267	12,103	422,370	401,271	21,099
Salaries of Secretarial and Clerical Assistants	26,650	799	27,449	27,449	
Other Salaries	20,000	(2,617)	17,383	13,888	3,495
Unused Vacation Payment to Terminated/Retired Staff		7,977	7,977	7,977	
Purchased Professional - Educational Services	11,000	14,500	25,500	17,750	7,750
Other Purchased Services (400-500 series)	69,211	587	69,798	52,222	17,576
Supplies and Materials	800		800	771	29
Total Instructional Staff Training Services	<u>537,928</u>	<u>33,349</u>	<u>571,277</u>	<u>521,328</u>	<u>49,949</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
General Administration:					
Salaries	\$ 432,948	\$ 53,040	\$ 485,988	\$ 435,154	\$ 50,834
Legal Services	128,000	20,633	148,633	79,031	69,602
Audit Fees	56,300		56,300	56,300	
Architectural/Engineering Services	50,000		50,000	5,376	44,624
Other Purchased Professional Services	142,000	1,441	143,441	79,283	64,158
Communications/Telephone	117,085	(6,185)	110,900	77,339	33,561
BOE Other Purchased Services	5,400		5,400	2,529	2,871
Other Purchased Services (400-500)	23,500	4,159	27,659	12,275	15,384
General Supplies	13,700	13,798	27,498	5,708	21,790
Miscellaneous Expenditures	16,950		16,950	9,178	7,772
BOE Membership Dues and Fees	30,000	(2,331)	27,669	26,911	758
Total General Administration	1,015,883	84,555	1,100,438	789,084	311,354
School Administration:					
Salaries of Principals/Assistant Principals	1,484,012	(14,450)	1,469,562	1,454,524	15,038
Salaries of Other Professional Staff	380,620	72,072	452,692	410,721	41,971
Salaries of Secretarial and Clerical Assistants	723,553	(18,662)	704,891	677,391	27,500
Unused Vacation Payment to Terminated/Retired Staff		100,849	100,849	99,039	1,810
Purchased Professional and Technical Services	5,000	4,711	9,711	9,692	19
Other Purchased Services (400-500)	5,100	(350)	4,750	3,244	1,506
Supplies and Materials	64,680	(333)	64,347	51,265	13,082
Other Objects	41,965	4,650	46,615	45,071	1,544
Total School Administration	2,704,930	148,487	2,853,417	2,750,947	102,470
Central Services:					
Salaries	774,211	102,500	876,711	728,232	148,479
Unused Vacation Payment to Terminated/Retired Staff		547	547	547	
Purchased Professional Services	10,950	4,944	15,894	9,550	6,344
Purchased Technical Services	95,000	(3,620)	91,380	86,166	5,214

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Central Services (Cont'd):					
Miscellaneous Purchased Services	\$ 47,500	\$ 13,493	\$ 60,993	\$ 16,096	\$ 44,897
Supplies and Materials	23,336	14,377	37,713	28,207	9,506
Miscellaneous Expenditures	6,000	7,272	13,272	4,848	8,424
Total Central Services	956,997	139,513	1,096,510	873,646	222,864
Administrative Information Technology:					
Salaries	431,200	41,500	472,700	439,615	33,085
Other Purchased Services (400-500)	465,145	(29,619)	435,526	252,850	182,676
Supplies and Materials	470,587	28,927	499,514	354,522	144,992
Other Objects	2,125	375	2,500	2,500	
Total Administrative Information Technology	1,369,057	41,183	1,410,240	1,049,487	360,753
Required Maintenance for School Facilities:					
Salaries	557,810	(52,151)	505,659	505,653	6
Cleaning, Repair and Maintenance Services	1,418,425	(375,963)	1,042,462	1,007,501	34,961
General Supplies	732,324	365,396	1,097,720	938,146	159,574
Other Objects	500		500		500
Total Required Maintenance for School Facilities	2,709,059	(62,718)	2,646,341	2,451,300	195,041
Custodial Services:					
Salaries	383,257	(46,629)	336,628	283,213	53,415
Unused Vacation Payment to Terminated/Retired Staff		9,755	9,755	9,755	
Purchased Professional and Technical Services	48,500		48,500	43,272	5,228
Cleaning, Repair and Maintenance Services	2,126,240	20,145	2,146,385	2,146,385	
Rental of Land & Bldg. Other Than Lease Pur Agrmt	33,725		33,725	9,201	24,524
Other Purchased Property Services	155,500		155,500	109,187	46,313
Insurance	385,000	(20,145)	364,855	293,286	71,569
Miscellaneous Purchased Services	7,635		7,635	100	7,535
General Supplies	127,632	14,918	142,550	142,023	527
Energy (Natural Gas)	282,000	31,665	313,665	310,156	3,509

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Custodial Services (Cont'd):					
Energy (Electricity)	\$ 850,000	\$ (29,665)	\$ 820,335	\$ 553,648	\$ 266,687
Interest - Energy Savings Improvement Program Bonds	258,463	(1)	258,462	258,462	
Principal - Energy Savings Impr Prog Bonds	260,000		260,000	260,000	
Other Objects	9,500		9,500	4,652	4,848
Total Custodial Services	<u>4,927,452</u>	<u>(19,957)</u>	<u>4,907,495</u>	<u>4,423,340</u>	<u>484,155</u>
Care & Upkeep of Grounds:					
Salaries	251,642	(2,715)	248,927	222,491	26,436
Cleaning, Repair and Maintenance Services		109,464	109,464	107,439	2,025
General Supplies	77,500	(31,319)	46,181	36,895	9,286
Total Care & Upkeep of Grounds	<u>329,142</u>	<u>75,430</u>	<u>404,572</u>	<u>366,825</u>	<u>37,747</u>
Security:					
Salaries	147,267	4,836	152,103	152,103	
Cleaning, Repair and Maintenance Services	262,560	(169,728)	92,832	14,560	78,272
General Supplies	15,000	158,112	173,112	160,392	12,720
Total Security	<u>424,827</u>	<u>(6,780)</u>	<u>418,047</u>	<u>327,055</u>	<u>90,992</u>
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	2,134,242	234,559	2,368,801	2,354,535	14,266
Between Home and School - Special Education	33,660	894	34,554	34,554	
Other than Between Home and School	120,250	(49,989)	70,261	57,594	12,667
Between Home and School - Non Public Schools	78,500	17,768	96,268	84,353	11,915
Other Purchased Professional and Technical Services	5,200	1,000	6,200	5,614	586
Cleaning, Repair and Maintenance Services	131,000	(51,000)	80,000	55,998	24,002
Lease Payments - Buses	139,181		139,181	139,181	
Aid in Lieu of Payments for Nonpublic School Students	137,000	(40,000)	97,000	90,322	6,678

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Student Transportation Services (Cont'd):					
Contracted Services:					
Other than Between Home and School - Vendors	\$ 15,000		\$ 15,000	\$ 27,349	\$ 15,000
Between Home and School - Joint Agreements	60,000		60,000	4,834	32,651
Special Education Students - Vendors	8,000		8,000	883,090	3,166
Special Education Students - Joint Agreements	1,150,000	\$ (110,895)	1,039,105	76,422	156,015
Regular Education Students - ESCs & CTSA's	85,000		85,000	118,940	8,578
Miscellaneous Purchased Services - Transportation	115,000	6,487	121,487	408,663	2,547
General Supplies	425,000	25,431	450,431	4,070	41,768
Other Objects	6,250		6,250		2,180
Total Student Transportation Services	4,643,283	34,255	4,677,538	4,345,519	332,019
Unallocated Benefits:					
Social Security Contributions	1,000,000		1,000,000	829,179	170,821
Other Retirement Contributions - PERS	848,015	(89,953)	758,062	74,055	2,261
Other Retirement Contributions - Regular	35,000	41,316	76,316	126,418	
Unemployment Compensation	125,000	1,418	126,418	205,732	1,769
Workmen's Compensation	297,132	(89,631)	207,501	8,853,788	1,146,308
Health Benefits	10,311,000	(310,904)	10,000,096	133,597	
Tuition Reimbursement	142,000	(8,403)	133,597	438,279	106,952
Other Employee Benefits	494,000	51,231	545,231	11,419,110	1,428,111
Total Unallocated Benefits	13,252,147	(404,926)	12,847,221		
On-Behalf Contributions (Non-budgeted):					
TPAF Post Retirement Contributions (Non-Budgeted)				2,648,033	(2,648,033)
TPAF Pension Contributions (Non-Budgeted)				4,002,755	(4,002,755)
TPAF Non-Contributory Insurance (Non-Budgeted)				97,137	(97,137)
TPAF Long-Term Disability Insurance (Non-Budgeted)				6,278	(6,278)
Reimbursed TPAF Social Security Contributions				2,038,334	(2,038,334)
Total On-Behalf Contributions (Non-Budgeted)				8,792,537	(8,792,537)

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Total Employee Benefits	\$ 13,252,147	\$ (404,926)	\$ 12,847,221	\$ 20,211,647	\$ (7,364,426)
Total Undistributed Expenditures	43,207,764	606,089	43,813,853	47,738,223	(3,924,370)
TOTAL GENERAL CURRENT EXPENSE	72,611,355	(135,067)	72,476,288	75,897,240	(3,420,952)
CAPITAL OUTLAY:					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8	25,891	1,110	27,001	26,997	4
Grades 9-12	7,000	26,529	33,529	33,529	
School-Sponsored/Athletics	23,000	58,653	81,653	36,956	44,697
Undistributed Expenditures:					
Related & Extraordinary Services		15,734	15,734	15,291	443
General Administration		3,469	3,469	3,469	
Central Services	222,769	(73,583)	149,186	145,389	3,797
Administrative Information Technology	14,980		14,980	14,980	
Required Maint for School Fac.	216,000	(12,330)	203,670	19,766	183,904
Custodial Services	33,036		33,036	33,036	
Care and Upkeep of Grounds	6,500		6,500		6,500
Security		13,081	13,081	13,081	
Student Transportation - Non-Instructional	15,000	49,325	64,325	47,729	16,596
School Buses - Special	116,464		116,464	116,464	
Total Equipment	680,640	81,988	762,628	503,218	259,410
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	56,664		56,664	56,664	
Total Facilities Acquisition and Construction Services	56,664		56,664	56,664	

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY: (Cont'd)					
Assets Acquired Under Capital Leases (Non-Budgeted):					
Regular Programs - Equipment				\$ 734,977	\$ (734,977)
Total Assets Acquired Under Capital Leases (Non-Budgeted)				<u>734,977</u>	<u>(734,977)</u>
TOTAL CAPITAL OUTLAY	\$ 737,304	\$ 81,988	\$ 819,292	1,294,859	(475,567)
Special Schools:					
Other Special Schools - Instruction:					
Salaries of Teachers	259,313	7,358	266,671	241,633	25,038
Other Salaries for Instruction	109,723	21,690	131,413	107,951	23,462
Purchased Professional and Technical Services	33,003	21,882	54,885	49,383	5,502
Other Purchased Services (400-500)	31,740	(1,000)	30,740	21,403	9,337
General Supplies	29,455	(6,604)	22,851	14,201	8,650
Total Other Special Schools - Instruction	<u>463,234</u>	<u>43,326</u>	<u>506,560</u>	<u>434,571</u>	<u>71,989</u>
Other Special Schools - Support Services:					
Salaries	84,750	(812)	83,938	83,817	121
Other Purchased Services (400-500)	2,500	(2,000)	500		500
Total Other Special Schools - Support Services	<u>87,250</u>	<u>(2,812)</u>	<u>84,438</u>	<u>83,817</u>	<u>621</u>
Total Other Special Schools	<u>550,484</u>	<u>40,514</u>	<u>590,998</u>	<u>518,388</u>	<u>72,610</u>
Total Special Schools	<u>550,484</u>	<u>40,514</u>	<u>590,998</u>	<u>518,388</u>	<u>72,610</u>
Transfer of Funds to Charter Schools	189,634	12,565	202,199	202,199	
TOTAL EXPENDITURES	<u>74,088,777</u>		<u>74,088,777</u>	<u>77,912,686</u>	<u>(3,823,909)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	<u>(1,693,802)</u>		<u>(1,693,802)</u>	<u>4,991,086</u>	<u>6,684,888</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Transfer from Flexible Spending Trust Fund				\$ 5,125	\$ (5,125)
Capital Outlay - Transfer to Capital Projects Fund	\$ (150,000)		\$ (150,000)	(150,000)	
Capital Reserve - Transfer to Capital Projects Fund				(2,605,826)	(2,605,826)
Transfer from Capital Projects Fund - Unexpended ESIP Project Balance				27,179	27,179
Capital Leases (Non-budgeted)				734,977	734,977
Total Other Financing Sources/(Uses)	<u>(150,000)</u>		<u>(150,000)</u>	<u>(1,988,545)</u>	<u>(1,848,795)</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,843,802)		(1,843,802)	3,002,541	4,846,343
Fund Balance, July 1	10,893,654		10,893,654	10,893,654	
Fund Balance, June 30	<u>\$ 9,049,852</u>	<u>\$ -0-</u>	<u>\$ 9,049,852</u>	<u>\$ 13,896,195</u>	<u>\$ 4,846,343</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 5,865,183	
Maintenance Reserve				2,307,410	
Emergency Reserve				55,000	
Excess Surplus - Restricted For 2019-2020				2,426,509	
Excess Surplus - Restricted For 2018-2019				700,000	
Assigned Fund Balance:					
Year End Encumbrances				565,312	
Designated for Subsequent Year's Expenditures				27,536	
Unassigned Fund Balance				<u>1,949,245</u>	
Reconciliation to Governmental Funds Statement (GAAP):				13,896,195	
Last State Aid Payments not Recognized on GAAP basis				<u>(1,370,489)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 12,525,706</u>	

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 213,849	\$ 59,981	\$ 59,981	\$ 11,095	\$ (48,886)
State Sources	1,052,080	81,372	295,221	228,337	(66,884)
Federal Sources		287,443	1,339,523	1,196,263	(143,260)
Total Revenues	1,265,929	428,796	1,694,725	1,435,695	(259,030)
EXPENDITURES:					
Instruction:					
Salaries of Teachers		201,513	201,513	180,708	20,805
Purchased Professional and Technical Services	126,593	100,130	226,723	160,915	65,808
Tuition	949,447	(48,605)	900,842	849,418	51,424
General Supplies		105,725	105,725	62,686	43,039
Textbooks	63,296	(47,081)	16,215	15,887	328
Other Objects		8,050	8,050		8,050
Total Instruction	1,139,336	319,732	1,459,068	1,269,614	189,454
Support Services:					
Salaries of Program Directors		6,310	6,310	6,310	
Personal Services - Employee Benefits		15,716	15,716	14,307	1,409
Purchased Professional and Technical Services		119,400	119,400	73,111	46,289
Purchased Professional and Educational Services	126,593	(97,687)	28,906	28,906	
Other Purchased Services		55,425	55,425	37,047	18,378
Supplies and Materials		9,900	9,900	6,400	3,500
Total Support Services	126,593	109,064	235,657	166,081	69,576
Total Expenditures	\$ 1,265,929	\$ 428,796	\$ 1,694,725	\$ 1,435,695	\$ 259,030

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 82,903,772	\$ 1,435,695
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognized Encumbrances as Expenditures and Revenue while the GAAP Basis does not:		
Current Year Encumbrances		(4,712)
Cancellation of Prior Year Encumbrances		(509)
Prior Year Encumbrances		25,002
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	1,375,304	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,370,489)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 82,908,587	\$ 1,455,476
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 77,912,686	\$ 1,435,695
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		(4,712)
Cancellation of Prior Year Encumbrances		(509)
Prior Year Encumbrances		25,002
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 77,912,686	\$ 1,455,476

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2018 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Local Donations	Nonpublic			
		Textbooks	Nursing	Technology Initiative	Security Aid
REVENUES:					
Local Sources	\$ 11,095				
State Sources		\$ 15,887	\$ 28,906	\$ 10,776	\$ 21,678
Federal Sources					
Total Revenues	11,095	15,887	28,906	10,776	21,678
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional and Technical Services	375				
Tuition					
General Supplies	4,320			10,776	21,678
Textbooks		15,887			
Total Instruction	4,695	15,887		10,776	21,678
Support Services:					
Salaries of Program Directors					
Personal Services - Employee Benefits					
Purchased Professional and Technical Services			28,906		
Purchased Professional and Educational Services					
Other Purchased Services					
Supplies and Materials	6,400				
Total Support Services	6,400		28,906		
Total Expenditures	\$ 11,095	\$ 15,887	\$ 28,906	\$ 10,776	\$ 21,678

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Nonpublic Auxiliary Services</u>	<u>I.D.E.A.</u>	
	<u>Compensatory</u>	<u>Basic</u>	<u>Preschool</u>
	<u>Education</u>	<u>Transportation</u>	
REVENUES:			
Local Sources			
State Sources	\$ 51,731	\$ 20,815	\$ 24,132
Federal Sources			
Total Revenues	51,731	20,815	24,132
EXPENDITURES:			
Instruction:			
Salaries of Teachers			
Purchased Professional and Technical Services	51,731	20,815	24,132
Tuition			
General Supplies			825,286
Textbooks			
Total Instruction	51,731	20,815	825,286
Support Services:			
Salaries of Program Directors			
Personal Services - Employee Benefits			49,706
Purchased Professional and Technical Services			
Purchased Professional and Educational Services			
Other Purchased Services			
Supplies and Materials			
Total Support Services			49,706
Total Expenditures	\$ 51,731	\$ 20,815	\$ 874,992
			\$ 24,132

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Elementary and Secondary Education Act				
	Title I	Title IIA	Title III	Title III Immigrant	Title IV
REVENUES:					
Local Sources					
State Sources					
Federal Sources	\$ 217,313	\$ 57,750	\$ 12,173	\$ 2,279	\$ 7,624
Total Revenues	<u>217,313</u>	<u>57,750</u>	<u>12,173</u>	<u>2,279</u>	<u>7,624</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	174,804				5,904
Purchased Professional and Technical Services	9,450				
Tuition					
General Supplies	12,894		10,223	1,527	1,268
Textbooks					
Total Instruction	<u>197,148</u>		<u>10,223</u>	<u>1,527</u>	<u>7,172</u>
Support Services:					
Salaries of Program Directors	6,310				
Personal Services - Employee Benefits	13,855				452
Purchased Professional and Technical Services		21,455	1,950		
Purchased Professional and Educational Services					
Other Purchased Services		36,295		752	
Supplies and Materials					
Total Support Services	<u>20,165</u>	<u>57,750</u>	<u>1,950</u>	<u>752</u>	<u>452</u>
Total Expenditures	<u>\$ 217,313</u>	<u>\$ 57,750</u>	<u>\$ 12,173</u>	<u>\$ 2,279</u>	<u>\$ 7,624</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Nonpublic Handicapped Services				
	Examination and Classification	Corrective Speech	Supplementary Instruction	Totals	
REVENUES:					
Local Sources				\$ 11,095	
State Sources	\$ 36,213	\$ 19,017	\$ 23,314	228,337	
Federal Sources				1,196,263	
Total Revenues	<u>36,213</u>	<u>19,017</u>	<u>23,314</u>	<u>1,435,695</u>	
EXPENDITURES:					
Instruction:					
Salaries of Teachers				180,708	
Purchased Professional and Technical Services	36,213	19,017	23,314	160,915	
Tuition				849,418	
General Supplies				62,686	
Textbooks				15,887	
Total Instruction	<u>36,213</u>	<u>19,017</u>	<u>23,314</u>	<u>1,269,614</u>	
Support Services:					
Salaries of Program Directors				6,310	
Personal Services - Employee Benefits				14,307	
Purchased Professional and Technical Services				73,111	
Purchased Professional and Educational Services				28,906	
Other Purchased Services				37,047	
Supplies and Materials				6,400	
Total Support Services				<u>166,081</u>	
Total Expenditures	<u>\$ 36,213</u>	<u>\$ 19,017</u>	<u>\$ 23,314</u>	<u>\$ 1,435,695</u>	

CAPITAL PROJECTS FUND

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Revenue and Other Financing Sources:	
Transfer from Capital Reserve	\$ 2,605,826
Transfer from Capital Outlay	150,000
	<hr/>
Total Revenue and Other Financing Sources	2,755,826
	<hr/>
Expenditures and Other Financing Uses:	
Purchased Professional and Technical Services	193,844
Construction Services	2,867,938
Transfer to General Fund:	
Unexpended Balance to Unassigned Fund Balance	27,179
	<hr/>
Total Expenditures and Other Financing Uses	3,088,961
	<hr/>
Deficit of Revenue and Other Financing Sources Under Expenditures and Other Financing Uses	(333,135)
	<hr/>
Fund Balance - Beginning of Year	3,421,950
	<hr/>
Fund Balance - End of Year	\$ 3,088,815
	<hr/> <hr/>
<u>Recapitulation:</u>	
Committed Fund Balance	\$ 814,959
Committed - Year End Encumbrances	2,273,856
	<hr/>
Total Fund Balance - Budgetary Basis	3,088,815
	<hr/>
<u>Reconciliation to Governmental Funds Statements (GAAP):</u>	
SDA Grant Receivable not Recognized on the GAAP Basis	(2,891,657)
	<hr/>
Fund Balance per Governmental Funds (GAAP)	\$ 197,158
	<hr/> <hr/>

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PROGRAM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 7,740,000		\$ 7,740,000	\$ 7,740,000
Total Revenue and Other Financing Sources	7,740,000		7,740,000	7,740,000
Expenditures and Other Financing Uses:				
Legal Services	4,808		4,808	4,808
Purchased Professional and Technical Services	560,817		560,817	560,817
Construction Services	7,147,196		7,147,196	7,147,196
Transfer to General Fund		\$ 27,179	27,179	27,179
Total Expenditures and Other Financing Uses	7,712,821	27,179	7,740,000	7,740,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	\$ 27,179	\$ (27,179)	\$ -0-	\$ -0-

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	3/12/14
Bonds Authorized	\$ 8,000,000
Bonds Issued	\$ 7,740,000
Original Authorized Cost	\$ 7,740,000
Unexpended Balance Cancelled	(27,179)
Revised Authorized Cost	\$ 7,712,821

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100.0%
Original Target Completion Date	09/14
Revised Target Completion Date	12/17

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
EISENHOWER MIDDLE SCHOOL ROOF REPLACEMENT PHASE I
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 536,000		\$ 536,000	\$ 536,000
Transfer from Capital Reserve	872,000		872,000	872,000
Total Revenue and Other Financing Sources	<u>1,408,000</u>		<u>1,408,000</u>	<u>1,408,000</u>
Expenditures:				
Legal Services	160		160	2,500
Purchased Professional and Technical Services	95,956		95,956	100,495
Construction Services	1,300,139		1,300,139	1,305,005
Total Expenditures	<u>1,396,255</u>		<u>1,396,255</u>	<u>1,408,000</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 11,745</u>	<u>\$ -0-</u>	<u>\$ 11,745</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-055-13-3003
Grant Date	6/26/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,340,000
Additional Authorized Cost	<u>68,000</u>
Revised Authorized Cost	<u>1,408,000</u>
Percentage Increase over Original Authorized Cost	5%
Percentage Completion	99%
Original Target Completion Date	12/15
Revised Target Completion Date	12/16

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
EISENHOWER MIDDLE SCHOOL ROOF REPLACEMENT PHASE II
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 373,800		\$ 373,800	\$ 373,800
Transfer from Capital Reserve	560,700		560,700	560,700
Total Revenue and Other Financing Sources	934,500		934,500	934,500
Expenditures:				
Legal Services				2,500
Purchased Professional and Technical Services	59,217		59,217	69,845
Construction Services	716,565		716,565	862,155
Total Expenditures	775,782		775,782	934,500
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 158,718	\$ -0-	\$ 158,718	\$ -0-

Additional Project Information:

Project Numbers	4560-055-13-3004
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 934,500
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>934,500</u>
Percentage Increase over Original	
Authorized Cost	0%
Percentage Completion	83%
Original Target Completion Date	06/15
Revised Target Completion Date	12/16

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
JEFFERSON ELEMENTARY SCHOOL WINDOWS REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 360,000		\$ 360,000	\$ 360,000
Capital Lease Proceeds	540,000		540,000	540,000
Total Revenue and Other Financing Sources	900,000		900,000	900,000
Expenditures:				
Purchased Professional and Technical Services	27,324		27,324	29,300
Construction Services	867,444		867,444	870,700
Total Expenditures	894,768		894,768	900,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 5,232</u>	<u>\$ -0-</u>	<u>\$ 5,232</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-050-13-5002
Grant Date	12/19/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 900,000
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>900,000</u>
Percentage Increase over Original	
Authorized Cost	0%
Percentage Completion	99%
Original Target Completion Date	12/15
Revised Target Completion Date	12/16

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ROXBURY HIGH SCHOOL ROOF REPLACEMENT PHASE I
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 776,000		\$ 776,000	\$ 776,000
Transfer from Capital Reserve	1,164,000		1,164,000	1,164,000
Total Revenue and Other Financing Sources	1,940,000		1,940,000	1,940,000
Expenditures:				
Legal Services				2,500
Purchased Professional and Technical Services	125,486		125,486	144,100
Construction Services	1,606,485		1,606,485	1,793,400
Total Expenditures	1,731,971		1,731,971	1,940,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 208,029</u>	<u>\$ -0-</u>	<u>\$ 208,029</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-065-13-2007
Grant Date	01/06/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,940,000
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>1,940,000</u>

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	89%
Original Target Completion Date	12/16
Revised Target Completion Date	N/A

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ROXBURY HIGH SCHOOL ROOF REPLACEMENT PHASE II
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 678,198		\$ 678,198	\$ 678,198
Transfer from Capital Reserve	1,017,296		1,017,296	1,017,296
Total Revenue and Other Financing Sources	1,695,494		1,695,494	1,695,494
Expenditures:				
Purchased Professional and Technical Services	87,668	\$ 26,462	114,130	114,614
Construction Services		1,511,503	1,511,503	1,580,880
Total Expenditures	87,668	1,537,965	1,625,633	1,695,494
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 1,607,826</u>	<u>\$ (1,537,965)</u>	<u>\$ 69,861</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-050-13-5001
Grant Date	7/28/16
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,695,494
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>1,695,494</u>

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	96%
Original Target Completion Date	12/17
Revised Target Completion Date	12/18

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
FRANKLIN ELEMENTARY SCHOOL WINDOW 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 Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 167,659		\$ 167,659	\$ 167,659
Transfer from Capital Reserve	251,489	\$ 53,282	304,771	304,771
Total Revenue and Other Financing Sources	<u>419,148</u>	<u>53,282</u>	<u>472,430</u>	<u>472,430</u>
Expenditures:				
Purchased Professional and Technical Services	22,878	10,300	33,178	33,980
Construction Services		389,151	389,151	438,450
Total Expenditures	<u>22,878</u>	<u>399,451</u>	<u>422,329</u>	<u>472,430</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 396,270</u>	<u>\$ (346,169)</u>	<u>\$ 50,101</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-060-13-2006
Grant Date	7/28/16
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 419,148
Additional Authorized Cost	53,282
Revised Authorized Cost	<u>\$ 472,430</u>

Percentage Increase over Original Authorized Cost	13%
Percentage Completion	89%
Original Target Completion Date	10/18
Revised Target Completion Date	N/A

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
KENNEDY ELEMENTARY SCHOOL ROOF 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 Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 855,855	\$ 1,864	\$ 857,719	\$ 857,719
Total Revenue and Other Financing Sources	<u>855,855</u>	<u>1,864</u>	<u>857,719</u>	<u>857,719</u>
Expenditures:				
Purchased Professional and Technical Services	46,139	11,842	57,981	57,981
Construction Services	<u>487,634</u>	<u>312,104</u>	<u>799,738</u>	<u>799,738</u>
Total Expenditures	<u>533,773</u>	<u>323,946</u>	<u>857,719</u>	<u>857,719</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 322,082</u>	<u>\$ (322,082)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-067-17-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 855,855
Additional Authorized Cost	<u>1,864</u>
Revised Authorized Cost	<u>\$ 857,719</u>

Percentage Increase over Original Authorized Cost	0.2%
Percentage Completion	100%
Original Target Completion Date	12/17
Revised Target Completion Date	N/A

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
BUILDING SECURITY UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Emergency Reserve	\$ 580,000		\$ 580,000	\$ 580,000
Total Revenue and Other Financing Sources	<u>580,000</u>		<u>580,000</u>	<u>580,000</u>
Expenditures:				
Purchased Professional and Technical Services	33,565	\$ 10,335	43,900	35,000
Construction Services		374,994	374,994	545,000
Total Expenditures	<u>33,565</u>	<u>385,329</u>	<u>418,894</u>	<u>580,000</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 546,435</u>	<u>\$ (385,329)</u>	<u>\$ 161,106</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	4560-050-17-1000; 4560-055-17-1000; 4560-080-17-3000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 580,000
Additional Authorized Cost	<u>-0-</u>
Revised Authorized Cost	<u>580,000</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	72%
Original Target Completion Date	12/17
Revised Target Completion Date	12/18

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
LINCOLN ROOSEVELT ELECTRICAL 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 Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Outlay	\$ 138,434	\$ 150,000	\$ 288,434	\$ 288,434
Total Revenue and Other Financing Sources	<u>138,434</u>	<u>150,000</u>	<u>288,434</u>	<u>288,434</u>
Expenditures:				
Purchased Professional and Technical Services		15,925	15,925	16,666
Construction Services		<u>260,236</u>	<u>260,236</u>	<u>271,768</u>
Total Expenditures		<u>276,161</u>	<u>276,161</u>	<u>288,434</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 138,434</u>	<u>\$ (126,161)</u>	<u>\$ 12,273</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 138,434
Additional Authorized Cost	<u>150,000</u>
Revised Authorized Cost	<u>\$ 288,434</u>

Percentage Increase over Original Authorized Cost	108%
Percentage Completion	96%
Original Target Completion Date	6/18
Revised Target Completion Date	12/18

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
SECURITY VESTIBULES AT FRANKLIN, JEFFERSON, KENNEDY AND NIXON
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 559,500	\$ 559,500	\$ 559,500
Total Revenue and Other Financing Sources		559,500	559,500	559,500
Expenditures:				
Purchased Professional and Technical Services		36,100	36,100	48,500
Construction Services				511,000
Total Expenditures		36,100	36,100	559,500
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ -0-	\$ 523,400	\$ 523,400	\$ -0-

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 559,500
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>\$ 559,500</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	6%
Original Target Completion Date	12/18
Revised Target Completion Date	N/A

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
NIXON ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 1,307,688	\$ 1,307,688	\$ 1,307,688
Total Revenue and Other Financing Sources		<u>1,307,688</u>	<u>1,307,688</u>	<u>1,307,688</u>
Expenditures:				
Purchased Professional and Technical Services		58,708	58,708	82,688
Construction Services				<u>1,225,000</u>
Total Expenditures		<u>58,708</u>	<u>58,708</u>	<u>1,307,688</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ -0-</u>	<u>\$ 1,248,980</u>	<u>\$ 1,248,980</u>	<u>\$ -0-</u>
 <u>Additional Project Information:</u>				
Project Numbers		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost		\$ 1,307,687		
Additional Authorized Cost		-0-		
Revised Authorized Cost		<u>\$ 1,307,687</u>		
Percentage Increase over Original Authorized Cost		0%		
Percentage Completion		4%		
Original Target Completion Date		12/18		
Revised Target Completion Date		N/A		

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
FRANKLIN BOILER ROOM UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 390,412	\$ 390,412	\$ 390,412
Total Revenue and Other Financing Sources		390,412	390,412	390,412
Expenditures:				
Purchased Professional and Technical Services		5,184	5,184	31,412
Construction Services		19,950	19,950	359,000
Total Expenditures		25,134	25,134	390,412
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ -0-	\$ 365,278	\$ 365,278	\$ -0-
<u>Additional Project Information:</u>				
Project Numbers		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 390,412			
Additional Authorized Cost	-0-			
Revised Authorized Cost	<u>\$ 390,412</u>			
Percentage Increase over Original Authorized Cost		0%		
Percentage Completion		6%		
Original Target Completion Date		06/19		
Revised Target Completion Date		N/A		

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
LINCOLN ROOSEVELT PARTIAL WINDOW REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 293,080	\$ 293,080	\$ 293,080
Total Revenue and Other Financing Sources		293,080	293,080	293,080
Expenditures:				
Purchased Professional and Technical Services		18,988	18,988	21,080
Construction Services				272,000
Total Expenditures		18,988	18,988	293,080
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ -0-	\$ 274,092	\$ 274,092	\$ -0-

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 293,080
Additional Authorized Cost	-0-
Revised Authorized Cost	<u>\$ 293,080</u>
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	6%
Original Target Completion Date	06/19
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

ROXBURY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Community	
	Service	School	Totals
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 352,122	\$ 60,329	\$ 412,451
Intergovernmental Accounts Receivable:			
State	609		609
Federal	15,054		15,054
Other Accounts Receivable	37,416		37,416
Inventories	6,834		6,834
Total Current Assets	<u>412,035</u>	<u>60,329</u>	<u>472,364</u>
Non-Current Assets:			
Capital Assets	1,026,443		1,026,443
Less: Accumulated Depreciation	<u>(315,595)</u>		<u>(315,595)</u>
Total Non-Current Assets	<u>710,848</u>		<u>710,848</u>
Total Assets	<u>1,122,883</u>	<u>60,329</u>	<u>1,183,212</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	316,690		316,690
Unearned Revenue	<u>20,335</u>	<u>60,329</u>	<u>80,664</u>
Total Current Liabilities:	<u>337,025</u>	<u>60,329</u>	<u>397,354</u>
Total Liabilities	<u>337,025</u>	<u>60,329</u>	<u>397,354</u>
NET POSITION:			
Investment in Capital Assets	710,848		710,848
Unrestricted	<u>75,010</u>		<u>75,010</u>
Total Net Position	<u>\$ 785,858</u>	<u>\$ -0-</u>	<u>\$ 785,858</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	<u>Food</u>	<u>Community</u>	
	<u>Service</u>	<u>School</u>	<u>Totals</u>
Operating Revenue:			
Daily Sales:			
Reimbursable Programs	\$ 290,370		\$ 290,370
Non-Reimbursable Programs	542,996		542,996
Special Events	20,385		20,385
Miscellaneous Revenue	48,896		48,896
Total Operating Revenue	<u>902,647</u>		<u>902,647</u>
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	156,990		156,990
Non-Reimbursable Programs	150,834		150,834
Salaries	414,485		414,485
Employee Benefits	97,807		97,807
Purchased Professional Technical Services	19,826		19,826
Other Purchased Services	121,526		121,526
Supplies and Materials	45,876		45,876
Miscellaneous Expenditures	46,736		46,736
Depreciation Expense	70,507		70,507
Total Operating Expenses	<u>1,124,587</u>		<u>1,124,587</u>
Operating Loss	<u>(221,940)</u>		<u>(221,940)</u>
Non-Operating Revenue:			
State Sources:			
State School Lunch Program	7,100		7,100
Federal Sources:			
National School Lunch Program	177,261		177,261
School Breakfast Program	2,037		2,037
Food Distribution Program	31,516		31,516
Total Non-Operating Revenue	<u>217,914</u>		<u>217,914</u>
Change in Net Position	(4,026)		(4,026)
Net Position - Beginning of Year (Restated)	<u>789,884</u>		<u>789,884</u>
Net Position - End of Year	<u>\$ 785,858</u>	<u>\$ -0-</u>	<u>\$ 785,858</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Community	
	Service	School	Totals
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 941,195	\$ 60,329	\$ 1,001,524
Payments to Food Service Company	(776,629)		(776,629)
Payments to Suppliers	(38,230)		(38,230)
Net Cash Provided by Operating Activities	<u>126,336</u>	<u>60,329</u>	<u>186,665</u>
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(29,554)		(29,554)
Lease Purchase Principal Payment	(313,215)		(313,215)
Net Cash Used for Capital and Related Financing Activities	<u>(342,769)</u>		<u>(342,769)</u>
Cash Flows by Noncapital Financing Activities:			
State Sources	7,761		7,761
Federal Sources	199,958		199,958
Net Cash Provided by Noncapital Financing Activities	<u>207,719</u>		<u>207,719</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(8,714)	60,329	51,615
Cash and Cash Equivalents, July 1	<u>360,836</u>	<u>-0-</u>	<u>360,836</u>
Cash and Cash Equivalents, June 30	<u>\$ 352,122</u>	<u>\$ 60,329</u>	<u>\$ 412,451</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:			
Operating Loss	\$ (221,940)	\$ -0-	\$ (221,940)
Depreciation	70,507		70,507
Food Distribution Program	31,516		31,516
Changes in Assets and Liabilities:			
Decrease in Other Accounts Receivable	33,005		33,005
Increase in Accounts Payable	202,982		202,982
Increase in Unearned Revenue	5,543	60,329	65,872
Decrease in Inventory	4,723		4,723
Net Cash Provided by Operating Activities	<u>\$ 126,336</u>	<u>\$ 60,329</u>	<u>\$ 186,665</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$31,516 and utilized U.S.D.A. Commodities valued at \$31,516. The Food Service Enterprise Fund paid down \$29,554 of capital lease payable.

FIDUCIARY FUNDS

ROXBURY TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2018

		<u>Agency</u>		<u>Totals</u>		
		<u>Payroll</u>			<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
	<u>Student Activity</u>					
Cash and Cash Equivalents	\$ 288,727	\$ 84,255	\$	372,982	\$ 334,554	\$ 11,276
Total Assets	288,727	84,255		372,982	334,554	11,276
<u>LIABILITIES:</u>						
Interfund Payable:						
Special Revenue Fund	3,500			3,500		5,125
Payroll Deductions and Withholdings		84,255		84,255		
Due to Student Groups	285,227			285,227		
Total Liabilities	288,727	84,255		372,982		5,125
<u>NET POSITION:</u>						
Held in Trust for:						
Unemployment Benefit Claims					334,554	
Flexible Spending Claims						6,151
Total Net Position	\$ -0-	\$ -0-	\$	-0-	\$ 334,554	\$ 6,151

ROXBURY TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
ADDITIONS:		
Contributions:		
Plan Members	\$ 112,772	\$ 32,550
Board Contribution	125,000	
	<hr/>	<hr/>
Total Additions	237,772	32,550
	<hr/>	<hr/>
DEDUCTIONS:		
Unemployment Benefit Claims	106,704	
Flexible Spending Claims		32,173
	<hr/>	<hr/>
Total Deductions	106,704	32,173
	<hr/>	<hr/>
Change in Net Position Before Other Financing Uses	131,068	377
Other Financing Uses:		
Transfer to General Fund		(5,202)
	<hr/>	<hr/>
Change in Net Position	131,068	(4,825)
Net Position - Beginning of the Year	203,486	10,976
	<hr/>	<hr/>
Net Position - End of the Year	<u>\$ 334,554</u>	<u>\$ 6,151</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 261,717	\$ 43,767,959	\$ 43,945,421	\$ 84,255
Total Assets	<u>\$ 261,717</u>	<u>\$ 43,767,959</u>	<u>\$ 43,945,421</u>	<u>\$ 84,255</u>
 <u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 261,717	\$ 43,767,959	\$ 43,945,421	\$ 84,255
Total Liabilities	<u>\$ 261,717</u>	<u>\$ 43,767,959</u>	<u>\$ 43,945,421</u>	<u>\$ 84,255</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 283,193	\$ 634,273	\$ 628,739	\$ 288,727
Total Assets	<u>\$ 283,193</u>	<u>\$ 634,273</u>	<u>\$ 628,739</u>	<u>\$ 288,727</u>
<u>LIABILITIES:</u>				
Liabilities:				
Due to Student Groups	\$ 283,193	\$ 630,773	\$ 628,739	\$ 285,227
Interfund Payable:				
Special Revenue Fund		3,500		3,500
Total Liabilities	<u>\$ 283,193</u>	<u>\$ 634,273</u>	<u>\$ 628,739</u>	<u>\$ 288,727</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
High School	\$ 210,516	\$ 415,085	\$ 414,933	\$ 210,668
Eisenhower Middle School	25,179	70,606	77,408	18,377
Elementary Schools:				
Franklin	13,794	12,559	11,343	15,010
Jefferson	3,504	3,122		6,626
Kennedy	5,688	6,797	2,981	9,504
Lincoln/Roosevelt	18,780	40,820	41,205	18,395
Nixon	4,531	6,670	5,377	5,824
Athletic Account	1,201	75,114	75,492	823
Total All Schools	<u>\$ 283,193</u>	<u>\$ 630,773</u>	<u>\$ 628,739</u>	<u>\$ 285,227</u>

LONG-TERM DEBT

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Matured	Balance June 30, 2017	Balance June 30, 2018
			Date	Amount				
School Refunding Bonds	08/19/10	\$ 13,305,000	09/01/18	\$ 1,460,000	4.000%			
			09/01/19	1,520,000	4.000%			
			09/01/20	1,580,000	4.000%			
			09/01/21	1,650,000	4.000%			
			09/01/22	550,000	4.000%	\$ 1,395,000	\$ 8,155,000	\$ 6,760,000
Energy Savings Improvement Program	04/24/14	7,740,000	04/15/19	225,000	4.000%			
			04/15/20	245,000	4.000%			
			04/15/21	265,000	4.000%			
			04/15/22	285,000	4.000%			
			04/15/23	310,000	2.625%			
			04/15/24	330,000	2.625%			
			04/15/25	350,000	2.625%			
			04/15/26	375,000	3.000%			
			04/15/27	395,000	3.000%			
			04/15/28	420,000	3.000%			
			04/15/29	445,000	3.000%			
			04/15/30	475,000	3.500%			
			04/15/31	505,000	4.000%			
			04/15/32	540,000	4.000%			
			04/15/33	575,000	4.000%			
		04/15/34	615,000	4.000%				
		04/15/35	655,000	4.000%				
						7,270,000	260,000	7,010,000
						\$ 15,425,000	\$ 1,655,000	\$ 13,770,000

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES

Purpose	Original Issue	Interest Rate	Balance July 1, 2017	Issued	Matured	Balance June 30, 2018
Jefferson Windows Project	\$ 540,000	1.6400%	\$ 235,525		\$ 116,503	\$ 119,022
Cafeteria and Kitchen Upgrades	443,847	0.0000%	313,215		313,215	
Seven 54-Passenger School Buses	676,571	1.5490%	542,689		137,756	404,933
Technology Equipment	734,977	1.7353%		\$ 734,977	247,711	487,266
			<u>\$ 1,091,429</u>	<u>\$ 734,977</u>	<u>\$ 815,185</u>	<u>\$ 1,011,221</u>
Governmental Activities			\$ 778,214	\$ 734,977	\$ 501,970	\$ 1,011,221
Business-Type Activities			313,215		313,215	
			<u>\$ 1,091,429</u>	<u>\$ 734,977</u>	<u>\$ 815,185</u>	<u>\$ 1,011,221</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 2,163,224		\$ 2,163,224	\$ 2,163,224	
Total Revenue	2,163,224		2,163,224	2,163,224	
EXPENDITURES:					
Regular Debt Service:					
Interest	556,763		556,763	298,300	\$ 258,463
Redemption of Principal	1,655,000		1,655,000	1,395,000	260,000
Total Regular Debt Service	2,211,763		2,211,763	1,693,300	518,463
Total Expenditures	2,211,763		2,211,763	1,693,300	518,463
Excess of Revenue Over Expenditures	(48,539)		(48,539)	469,924	518,463
Fund Balance, July 1	559,383		559,383	559,383	
Fund Balance, June 30	\$ 510,844	\$ -0-	\$ 510,844	\$ 1,029,307	\$ 518,463
Recapitulation:					
Restricted - For Subsequent Year's Expenditures				\$ 1,029,506	
Unassigned / (Deficit)				(199)	
				\$ 1,029,307	

STATISTICAL SECTION
(UNAUDITED)

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

Contents

	<u>Exhibit</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
Operating Information These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017*	2018
Governmental Activities:										
Net Investment in Capital Assets	\$ 15,557,294	\$ 15,969,970	\$ 16,718,612	\$ 22,108,128	\$ 22,794,344	\$ 16,721,930	\$ 27,882,466	\$ 31,298,592	\$ 26,484,580	\$ 29,059,302
Restricted	1,233,941	2,451,255	3,116,819	4,284,834	5,441,352	11,988,077	6,405,015	7,812,901	9,319,866	12,383,608
Unrestricted/(Deficit)	(4,692,415)	(4,185,705)	(4,330,260)	(3,862,985)	(2,260,897)	(19,138,751)	(20,981,192)	(20,802,612)	(20,309,198)	(20,091,469)
Total Governmental Activities Net Position	\$ 12,098,820	\$ 14,235,520	\$ 15,505,171	\$ 22,529,977	\$ 25,974,799	\$ 9,571,256	\$ 13,306,289	\$ 18,308,881	\$ 15,495,248	\$ 21,351,441
Business-Type Activities:										
Net Investment in Capital Assets	\$ 80,453	\$ 73,246	\$ 67,612	\$ 155,055	\$ 147,116	\$ 199,654	\$ 171,468	\$ 174,915	\$ 438,586	\$ 710,848
Unrestricted	101,277	97,591	23,701	1,864			95,282	86,272	351,298	75,010
Total Business-Type Activities Net Position	\$ 181,730	\$ 170,837	\$ 91,313	\$ 156,919	\$ 147,116	\$ 199,654	\$ 266,750	\$ 261,187	\$ 789,884	\$ 785,858
District-Wide:										
Net Investment in Capital Assets	\$ 15,637,747	\$ 16,043,216	\$ 16,786,224	\$ 22,263,183	\$ 22,941,460	\$ 16,921,584	\$ 28,053,934	\$ 31,473,507	\$ 26,923,166	\$ 29,770,150
Restricted	1,233,941	2,451,255	3,116,819	4,284,834	5,441,352	11,988,077	6,405,015	7,812,901	9,319,866	12,383,608
Unrestricted/(Deficit)	(4,591,138)	(4,088,114)	(4,306,559)	(3,861,121)	(2,260,897)	(19,138,751)	(20,885,910)	(20,716,340)	(19,957,900)	(20,016,459)
Total District Net Position	\$ 12,280,550	\$ 14,406,357	\$ 15,596,484	\$ 22,686,896	\$ 26,121,915	\$ 9,770,910	\$ 13,573,039	\$ 18,570,068	\$ 16,285,132	\$ 22,137,299

* Restated

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 26,382,262	\$ 26,854,085	\$ 26,836,989	\$ 26,787,547	\$ 27,421,786	\$ 27,008,806	\$ 32,785,807	\$ 37,027,321	\$ 39,505,711	\$ 40,378,355
Special Education	6,534,046	7,021,025	7,464,859	7,570,082	8,272,538	8,562,387	10,716,558	12,225,720	11,713,365	12,478,551
Other Special Education	1,008,684	990,201	726,082	805,326	676,111	784,274	1,334,298	988,051	1,089,796	1,490,247
Other Instruction	1,533,764	1,419,476	1,394,311	1,341,120	1,525,030	1,548,947	1,495,906	1,434,560	1,793,872	1,706,548
Support Services:										
Tuition	4,669,056	4,472,945	4,072,686	4,086,895	5,237,483	4,814,149	3,538,980	2,924,336	3,090,198	2,518,256
Student and Instruction Related Services	9,324,154	9,632,760	9,269,919	9,480,921	9,382,819	9,275,889	12,061,374	11,350,812	11,967,604	13,683,628
General Administrative Services	1,064,351	3,004,653	896,453	761,463	899,917	885,954	1,066,758	1,053,382	1,497,676	1,345,687
School Administrative Services	3,169,486	703,265	3,030,143	3,009,291	3,166,986	3,146,231	3,610,516	3,472,245	4,783,205	4,784,391
Central Services	1,228,392	1,194,015	1,298,659	1,136,733	1,202,245	1,274,730	1,245,370	1,000,404	1,289,114	1,312,465
Administrative Information Technology				10,313	83,650	100,284	105,992	134,442	1,738,285	1,320,865
Plant Operations and Maintenance	8,095,828	7,693,273	7,223,479	6,726,867	6,310,143	6,675,981	6,775,335	6,836,125	6,894,118	8,002,064
Pupil Transportation	5,496,300	5,214,720	5,593,179	5,720,656	5,752,185	5,779,495	5,267,105	5,023,207	5,645,318	5,656,385
Capital Outlay										
Special Schools	600,533	622,669	660,413	719,627	635,563	672,758	841,394	533,488	859,803	900,123
Charter Schools	32,950	21,642			52,082	19,374	58,082	42,044	195,324	202,199
Interest on Long-Term Debt	953,789	899,581	749,140	804,515	550,537	543,737	427,217	374,601	313,097	252,950
Unallocated Depreciation	284,146	935,029	828,363	727,330	758,700	760,780				
Total Governmental Activities Expenses	70,377,741	70,679,339	70,044,675	69,688,686	71,927,775	71,853,776	81,330,692	84,420,738	92,376,486	96,032,714
Business-Type Activities:										
Food Service	1,773,288	1,695,807	1,711,339	1,574,866	1,417,658	1,101,136	1,101,557	1,112,108	1,127,222	1,124,587
Total Business-Type Activities Expense	1,773,288	1,695,807	1,711,339	1,574,866	1,417,658	1,101,136	1,101,557	1,112,108	1,127,222	1,124,587
Total District Expenses	\$ 72,151,029	\$ 72,375,146	\$ 71,756,014	\$ 71,263,552	\$ 73,345,433	\$ 72,954,912	\$ 82,432,249	\$ 85,532,846	\$ 93,503,708	\$ 97,157,301
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Tuition	\$ 2,701,308	\$ 2,918,539	\$ 2,796,406	\$ 2,602,361	\$ 2,741,246	\$ 2,766,919	\$ 3,342,924	\$ 3,587,623	\$ 4,035,671	\$ 4,545,524
Pupil Transportation				21,418	62,319	139,384	57,575	56,163	48,200	370,716
Operating Grants and Contributions	8,693,374	8,975,032	8,543,660	8,650,196	10,469,091	9,684,847	17,333,605	20,524,419	26,841,000	29,182,962
Capital Grants and Contributions	95,786									
Total Governmental Activities Program Revenues	11,490,468	11,893,571	11,340,066	11,273,975	13,272,656	12,591,150	20,734,104	24,168,205	30,924,871	34,099,202

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

UNAUDITED
(CONTINUED)

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Program Revenues:										
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 1,529,078	\$ 1,410,092	\$ 1,382,792	\$ 1,286,052	\$ 1,081,466	\$ 856,283	\$ 887,758	\$ 904,584	\$ 921,744	\$ 902,647
Operating grants and contributions	244,266	274,822	249,023	261,804	225,138	235,186	280,895	207,061	207,568	217,914
Total Business-Type Activities Program Revenues	<u>1,773,344</u>	<u>1,684,914</u>	<u>1,631,815</u>	<u>1,547,856</u>	<u>1,306,604</u>	<u>1,091,469</u>	<u>1,168,653</u>	<u>1,111,645</u>	<u>1,129,312</u>	<u>1,120,561</u>
Total District Program Revenues	<u>\$ 13,263,812</u>	<u>\$ 13,578,485</u>	<u>\$ 12,971,881</u>	<u>\$ 12,821,831</u>	<u>\$ 14,579,260</u>	<u>\$ 13,682,619</u>	<u>\$ 21,902,757</u>	<u>\$ 25,279,850</u>	<u>\$ 32,054,183</u>	<u>\$ 35,219,763</u>
Net (Expense)/Revenue:										
Governmental Activities	\$(58,887,273)	\$(58,785,768)	\$(58,704,609)	\$(58,414,711)	\$(58,655,119)	\$(59,262,626)	\$(60,596,588)	\$(60,252,533)	\$(61,451,615)	\$(61,933,512)
Business-Type Activities	56	(10,893)	(79,524)	(27,010)	(111,054)	(9,667)	67,096	(463)	2,090	(4,026)
Total District-Wide Net Expense	<u>\$(58,887,217)</u>	<u>\$(58,796,661)</u>	<u>\$(58,784,133)</u>	<u>\$(58,441,721)</u>	<u>\$(58,766,173)</u>	<u>\$(59,272,293)</u>	<u>\$(60,529,492)</u>	<u>\$(60,252,996)</u>	<u>\$(61,449,525)</u>	<u>\$(61,937,538)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 44,263,323	\$ 46,502,323	\$ 47,061,915	\$ 48,003,153	\$ 48,723,200	\$ 49,648,941	\$ 50,636,955	\$ 51,644,630	\$ 53,234,534	\$ 54,299,224
Taxes Levied for Debt Service	2,171,656	2,235,130	2,191,817	2,226,747	2,166,330	2,227,877	2,235,484	2,295,454	2,475,791	2,163,224
Federal and State Aid not Restricted	11,149,465	11,034,026	9,721,205	11,277,693	10,738,556	10,914,722	10,883,688	10,903,265	10,931,095	10,943,978
Investment Earnings	67,977	19,139	15,283	7,241	3,187	5,337	7,828	9,870	15,946	57,314
Miscellaneous Income	758,740	1,131,850	984,040	711,152	486,099	903,264	565,788	397,898	613,769	320,840
Transfers	(50,000)				(91,135)	(11,182)	1,878	4,008	(288,920)	5,125
Total Governmental Activities	<u>58,361,161</u>	<u>60,922,468</u>	<u>59,974,260</u>	<u>62,225,986</u>	<u>62,046,237</u>	<u>63,688,959</u>	<u>64,331,621</u>	<u>65,255,125</u>	<u>66,982,215</u>	<u>67,789,705</u>
Business-Type Activities:										
Transfers	50,000				91,135	62,205		(5,100)	290,000	
Disposals of Capital Assets, Net										
Total Business-Type Activities	<u>50,000</u>	<u></u>	<u></u>	<u></u>	<u>91,135</u>	<u>62,205</u>	<u></u>	<u>(5,100)</u>	<u>290,000</u>	<u></u>
Total District-Wide	<u>\$ 58,411,161</u>	<u>\$ 60,922,468</u>	<u>\$ 59,974,260</u>	<u>\$ 62,225,986</u>	<u>\$ 62,137,372</u>	<u>\$ 63,751,164</u>	<u>\$ 64,331,621</u>	<u>\$ 65,250,025</u>	<u>\$ 67,272,215</u>	<u>\$ 67,789,705</u>
Change in Net Position:										
Governmental Activities	\$ (526,112)	\$ 2,136,700	\$ 1,269,651	\$ 3,811,275	\$ 3,391,118	\$ 4,426,333	\$ 3,735,033	\$ 5,002,592	\$ 5,530,600	\$ 5,856,193
Business-Type Activities	50,056	(10,893)	(79,524)	(27,010)	(19,919)	52,538	67,096	(5,563)	292,090	(4,026)
Total District	<u>\$ (476,056)</u>	<u>\$ 2,125,807</u>	<u>\$ 1,190,127</u>	<u>\$ 3,784,265</u>	<u>\$ 3,371,199</u>	<u>\$ 4,478,871</u>	<u>\$ 3,802,129</u>	<u>\$ 4,997,029</u>	<u>\$ 5,822,690</u>	<u>\$ 5,852,167</u>

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Restricted/Reserved	\$ 1,113,946	\$ 2,365,636	\$ 2,170,780	\$ 3,941,154	\$ 5,298,203	\$ 5,456,681	\$ 5,309,971	\$ 7,626,238	\$ 8,733,304	\$ 11,354,102
Unreserved	814,354	752,331								
Assigned			887,238	1,157,339	1,292,321	2,384,338	1,261,143	557,378	643,917	592,848
Unassigned			166,832	135,080	149,269	382,771	312,422	35,069	141,129	578,756
Total General Fund	\$ 1,928,300	\$ 3,117,967	\$ 3,224,850	\$ 5,233,573	\$ 6,739,793	\$ 8,223,790	\$ 6,883,536	\$ 8,218,685	\$ 9,518,350	\$ 12,525,706
All Other Governmental Funds:										
Restricted/Reserved for:										
Capital Projects Fund						\$ 6,530,366	\$ 1,094,014	\$ 138,124	\$ 27,179	
Debt Service Fund		\$ 58,801	\$ 60,029	\$ 2,258		1,030	1,030	48,539	559,383	\$ 1,029,506
Unreserved, Reported In:										
Debt Service Fund	\$ 119,995	\$ 85,619							503,114	197,158
Committed				283,651	140,891					(199)
Unassigned/(Deficit)							(637,072)	(7,082)		
Total All Other Governmental Funds	\$ 119,995	\$ 85,619	\$ 58,801	\$ 343,680	\$ 143,149	\$ 6,531,396	\$ 457,972	\$ 179,581	\$ 1,089,676	\$ 1,226,465
Total All Governmental Funds	\$ 2,048,295	\$ 3,203,586	\$ 3,283,651	\$ 5,577,253	\$ 6,882,942	\$ 14,755,186	\$ 7,341,508	\$ 8,398,266	\$ 10,608,026	\$ 13,752,171

Source: School District Financial Reports

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

Fiscal Year Ending June 30,

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Tax Levy	\$ 46,434,979	\$ 48,737,453	\$ 49,253,732	\$ 50,229,900	\$ 50,889,530	\$ 51,876,818	\$ 52,872,439	\$ 53,940,084	\$ 55,710,325	\$ 56,462,448
Tuition Charges	2,701,308	2,918,539	2,796,406	2,602,361	2,741,246	2,766,919	3,342,924	3,587,623	4,035,671	4,545,524
Transportation Fees from Individuals					62,319	139,384	57,575	56,163	48,200	370,716
Interest Earnings - Capital Reserve Fund	895	230	182	76	215	215				
Miscellaneous	843,339	1,162,699	1,015,453	763,806	501,344	918,687	578,167	410,620	635,429	389,249
State Sources	18,687,436	16,485,377	16,503,839	18,143,013	20,046,042	19,364,528	20,498,977	21,574,344	22,790,804	23,482,034
Federal Sources	1,233,672	3,511,741	1,744,714	1,760,805	1,169,332	1,224,740	1,129,303	1,176,331	1,186,937	1,277,316
Total Revenue	69,901,629	72,816,039	71,314,326	73,499,961	75,410,028	76,291,291	78,479,385	80,745,165	84,407,366	86,527,287
Expenditures:										
Instruction:										
Regular Instruction	19,556,955	20,125,347	19,985,819	19,674,836	19,630,540	19,794,737	20,168,005	20,646,364	21,017,913	20,238,948
Special Education Instruction	5,053,576	5,517,718	5,768,739	5,803,320	5,920,508	6,326,808	7,262,478	7,613,155	6,829,552	7,112,303
Other Special Instruction	737,080	736,853	495,129	582,753	472,833	565,861	812,073	624,708	554,372	734,280
Other Instruction	1,214,523	1,135,741	1,103,439	1,062,039	1,169,063	1,223,454	1,221,353	1,277,031	1,334,306	1,363,849
Support Services:										
Tuition	4,669,056	4,472,945	4,072,686	4,086,895	5,237,483	4,814,149	3,538,980	2,924,336	3,090,198	2,518,256
Student and Instruction Related Services	7,187,925	7,482,191	7,076,538	7,334,867	7,074,710	7,038,840	8,338,657	8,101,535	6,822,109	7,796,230
General Administrative Services	940,543	634,630	778,361	664,346	690,381	698,758	739,405	765,784	950,879	789,084
School Administrative Services	2,320,016	2,379,511	2,232,117	2,178,305	2,229,080	2,267,196	2,361,345	2,373,429	2,729,589	2,750,947
Central Services	830,421	886,590	853,353	815,883	861,520	968,943	918,042	898,193	834,544	873,646
Administration Information Technology	51,462	54,356	49,456	52,178	59,947	72,413	79,826	75,933	1,453,167	1,049,487
Plant Operations and Maintenance	6,535,101	6,057,791	5,575,819	5,932,064	5,639,082	6,351,512	6,421,043	6,892,997	7,044,120	7,568,520
Pupil Transportation	4,536,652	4,583,966	4,713,299	4,301,213	4,482,796	4,628,685	5,267,709	4,130,179	4,276,315	4,345,519
Allocated Benefits								6,233,986		
Unallocated Benefits	14,719,649	14,731,074	15,456,710	15,051,387	16,126,871	15,057,212	16,448,655	11,126,462	19,345,801	20,211,647
Special Schools	472,161	469,952	465,975	544,916	429,065	507,558	578,149	376,649	491,290	518,388
Charter Schools	32,950	21,642			52,082	19,374	58,082	42,044	195,324	202,199
Capital Outlay	1,270,812	381,979	388,186	1,202,308	1,713,142	6,061,270	11,075,561	3,341,685	3,650,831	4,356,641
Debt Service:										
Principal	1,290,000	1,350,000	1,415,000	1,565,000	1,650,000	1,720,000	1,770,000	1,830,000	1,605,000	1,395,000
Interest and Other Charges	972,376	919,506	803,635	660,519	574,101	509,105	465,484	417,945	359,947	298,300
Total Expenditures	72,391,258	71,941,792	71,234,261	71,512,829	74,013,204	78,625,875	87,524,847	79,692,415	82,585,257	84,123,244
Excess (Deficiency) of revenues over (under) expenditures	(2,489,629)	874,247	80,065	1,987,132	1,396,824	(2,334,584)	(9,045,462)	1,052,750	1,822,109	2,404,043

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other Financing sources (uses)										
Bond Proceeds						\$ 7,740,000				
Bond Premium						278,010				
Capital Lease Proceeds				\$ 306,470	\$ (91,135)	2,200,000	\$ 540,000		\$ 676,571	\$ 734,977
Capital Leases	\$ 430,510	\$ 281,044				(11,182)	1,089,906	\$ 4,008	(288,920)	5,125
Transfers	(50,000)			306,470	(91,135)	10,206,828	1,631,784	4,008	387,651	740,102
Total other financing sources (uses)	380,510	281,044		306,470	(91,135)	10,206,828	1,631,784	4,008	387,651	740,102
Net Change in Fund Balances	\$ (2,109,119)	\$ 1,155,291	\$ 80,065	\$ 2,293,602	\$ 1,305,689	\$ 7,872,244	\$ (7,413,678)	\$ 1,056,758	\$ 2,209,760	\$ 3,144,145
Debt Service as a Percentage of Noncapital Expenditures	3.18 %	3.17 %	3.13 %	3.17 %	3.08 %	3.07 %	2.92 %	2.94 %	2.49 %	2.12 %

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

Fiscal Year Ending June 30,	Interest on Investments	Transportation	Tuition	Rentals - Use of Facilities	Prior Year Refunds	Prior Year Accounts Payable Canceled	Community Adult School	School Enrichment	Gate Receipts	Athletic/ Activity Fees	Other	Total
2009	\$ 67,977	\$ 46,129	\$ 2,701,308	\$ 82,367	\$ 83,811	\$ 360,268	\$ 290,098	\$ 155,921			\$ 117,931	\$ 3,545,542
2010	19,139	85,289	2,918,539	67,806	141,872	19,908	283,249	133,327			60,039	4,069,528
2011	15,283	19,550	2,796,406	61,361			378,701	130,318	\$ 31,777	\$ 150,650	191,775	3,795,729
2012	7,241	21,418	2,602,361	38,417			438,918	43,127	24,313	3,175	163,202	3,342,172
2013	3,187	62,319	2,741,246	40,453	11,661		291,678	46,613	28,673		67,021	3,292,851
2014	5,337	139,384	2,766,919	8,678	52,153		208,834	46,587	21,412		565,600 *	3,814,904
2015	7,828	57,575	3,342,924	15,906	95,602		164,687	105,657	20,382		163,554	3,974,115
2016	9,870	56,163	3,587,623	47,408			227,862		16,509		106,119	4,051,554
2017	15,946	48,200	4,035,671	33,480			380,239		25,199		174,851	4,713,586
2018	57,314	370,716	4,200,543	31,627	274		344,981		27,897		261,042	5,294,394

* Includes \$435,459 in favorable settlements in excess of receivables recorded.

Source: Roxbury Township School District records

ROXBURY TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land		Farm		Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
	Residential	Regular	Qualified	Farm									
2008	\$ 1,623,484,500	\$ 3,829,400	\$ 228,000	\$ 306,868,700	\$ 64,422,300	\$ 9,584,900	\$ 2,041,426,200	\$ 5,876,442	\$ 2,047,302,642	\$ 92,705,800	\$ 2.25	\$ 4,036,287,915	
2009	1,633,580,500	3,829,400	228,000	315,640,000	65,075,600	9,584,900	2,058,815,500	7,377,254	2,066,192,754	92,869,500	2.31	3,951,401,584	
2010	1,635,087,600	3,829,400	225,300	314,938,400	64,775,600	9,584,900	2,061,374,800	7,658,118	2,069,032,918	95,355,800	2.36	3,764,049,787	
2011	1,636,148,300	3,828,900	226,000	314,474,500	64,775,600	9,584,900	2,061,264,200	7,216,033	2,068,480,233	97,111,900	2.40	3,642,015,229	
2012	1,635,612,800	3,834,600	226,000	317,718,200	64,715,800	9,584,900	2,062,900,700	7,427,104	2,070,327,804	97,598,500	2.44	3,513,190,500	
2013	1,632,602,200	4,164,100	227,600	305,435,800	64,715,800	9,584,900	2,058,131,000	-0-	2,058,131,000	98,367,700	2.50	3,290,349,682	
2014	1,631,922,500	4,164,100	227,600	303,970,800	76,346,800	9,584,900	2,052,882,600	-0-	2,052,882,600	98,731,500	2.55	3,104,453,299	
2015	1,631,433,400	4,164,100	227,600	303,811,000	75,093,500	9,584,500	2,051,055,700	-0-	2,051,055,700	98,655,900	2.61	3,141,577,131	
2016	1,633,500,700	4,172,700	227,600	302,200,500	67,309,400	9,584,500	2,043,278,100	-0-	2,043,278,100	99,030,900	2.66	3,289,984,499	
2017	1,636,332,200	3,957,400	228,800	295,975,300	67,309,400	12,901,900	2,042,952,200	-0-	2,042,952,200	99,429,200	2.75	3,252,973,487	

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
^b Tax rates are per \$100

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

Source: Municipal Tax Assessor

ROXBURY TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(RATE PER \$100 OF ASSESSED VALUE)
UNAUDITED

Year Ended December 31,	<u>Roxbury Township School District Direct Rate</u>			<u>Overlapping Rates</u>		Total Direct and Overlapping Tax Rate
	<u>Basic Rate</u> ^a	<u>General Obligation Debt Service</u> ^b	<u>Total Direct</u>	<u>Roxbury Township</u>	<u>Morris County</u>	
2008	\$ 2.145	\$ 0.105	\$ 2.250	\$ 0.933	\$ 0.456	\$ 3.639
2009	2.204	0.106	2.310	0.960	0.430	3.700
2010	2.255	0.105	2.360	1.020	0.420	3.800
2011	2.294	0.106	2.400	1.050	0.420	3.870
2012	2.336	0.104	2.440	1.070	0.420	3.930
2013	2.393	0.107	2.500	1.070	0.400	3.970
2014	2.443	0.108	2.551	1.099	0.383	4.033
2015	2.494	0.111	2.605	1.109	0.385	4.099
2016	2.546	0.118	2.664	1.127	0.411	4.202
2017	2.640	0.105	2.745	1.127	0.414	4.286

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

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

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

Source: Municipal Tax Collector and School Business Administrator

ROXBURY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2017		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Roxville Associates	\$ 55,970,200	1	2.74 %
AC I LedgeWood LLC	21,300,000	2	1.04 %
Hercules, Inc.	14,999,000	3	0.73 %
Roxbury 2002, LLC	14,440,000	4	0.71 %
Strategic Environmental Partners	11,631,000	5	0.57 %
National Retail Properties LP	8,386,000	6	0.41 %
200 Route 10 LLC	7,044,700	7	0.34 %
118 Main Street, Inc.	6,541,600	8	0.32 %
Individual Taxpayer #1	5,000,000	9	0.24 %
KBC Properties, LLC	4,994,700	10	0.24 %
Total	<u>\$ 150,307,200</u>		<u>7.36%</u>

Taxpayer	2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Roxville Associates	\$ 67,828,000	1	3.31 %
Acadia Realty Trust	21,300,000	2	1.04 %
Hercules, Inc.	14,995,600	3	0.73 %
Roxbury 2002, LLC	14,440,000	4	0.71 %
Natick Fourth Realty Corp.	8,000,000	5	0.39 %
Merry Heart Nursing Home	7,724,900	6	0.38 %
Roxury Enterprises LLC	7,605,000	7	0.37 %
Verizon	5,874,230	8	0.29 %
Individual Taxpayer #1	5,000,000	9	0.24 %
LedgeWood Circle/ Riback	4,597,000	10	0.22 %
Total	<u>\$ 157,364,730</u>		<u>7.68%</u>

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

Source: Municipal Tax Assessor

ROXBURY TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2009	\$ 46,434,979	\$ 46,434,979	100.00 %	\$ -0-
2010	48,737,453	48,737,453	100.00 %	-0-
2011	49,253,732	49,253,732	100.00 %	-0-
2012	50,229,900	50,229,900	100.00 %	-0-
2013	50,889,530	50,889,530	100.00 %	-0-
2014	51,876,818	51,876,818	100.00 %	-0-
2015	52,872,439	52,872,439	100.00 %	-0-
2016	53,940,084	53,940,079	100.00 %	-0-
2017	55,710,325	55,710,325	100.00 %	-0-
2018	56,462,448	56,462,448	100.00 %	-0-

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Business- Type Activities	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Capital Leases			
2009	\$ 20,856,000	\$ 877,081	\$ -0-	\$ 21,733,081	1.30 %	\$ 918.71
2010	19,515,000	721,549	-0-	20,236,549	1.19 %	866.70
2011	18,100,000	-0-	-0-	18,100,000	1.01 %	771.95
2012	16,730,000	-0-	-0-	16,730,000	0.90 %	711.61
2013	15,080,000	-0-	-0-	15,080,000	0.81 %	640.01
2014	21,100,000	1,796,932	-0-	22,896,932	1.17 %	972.85
2015	19,330,000	1,755,933	-0-	21,085,933	1.04 %	896.85
2016	17,275,000	1,179,717	407,114	18,454,717	0.89 %	789.54
2017	15,425,000	778,214	313,215	16,203,214	0.78 %	694.17
2018	13,770,000	1,011,221	-0-	14,781,221	0.71 %	632.38

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

^b Includes Early Retirement Incentive Loan Revenue Bonds and Energy Savings Improvement Bonds

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

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds ^a	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 20,856,000	\$ -0-	\$ 20,856,000	1.02 %	\$ 882
2010	19,515,000	-0-	19,515,000	0.94 %	836
2011	18,100,000	-0-	18,100,000	0.87 %	772
2012	16,730,000	-0-	16,730,000	0.81 %	712
2013	15,080,000	-0-	15,080,000	0.73 %	640
2014	21,100,000	-0-	21,100,000	1.03 %	896
2015	19,330,000	-0-	19,330,000	0.94 %	822
2016	17,275,000	-0-	17,275,000	0.84 %	739
2017	15,425,000	-0-	15,425,000	0.75 %	661
2018	13,770,000	-0-	13,770,000	0.67 %	589

^a Includes Early Retirement Incentive Loan Revenue Bonds

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

^c See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: School District Financial Reports

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2017
UNAUDITED

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable ^a</u>	<u>Estimated</u> <u>Share of</u> <u>Overlapping</u> <u>Debt</u>
Debt Repaid with Property Taxes			
Roxbury Township	\$ 4,470,119	100.00 %	\$ 4,470,119
Morris County General Obligation Debt	217,187,521	3.49 %	<u>7,578,319</u>
Subtotal, Overlapping Debt			12,048,438
Roxbury Township School District Direct Debt			<u>13,770,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 25,818,438</u></u>

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION,
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2018

	Equalized Valuation Basis
	2017 \$ 3,306,818,064
	2016 3,238,671,897
	2015 3,288,002,084
	\$ 9,833,492,045
Average Equalized Valuation of Taxable Property	\$ 3,277,830,682
Debt Limit (4% of Average Equalization Value)	\$ 131,113,227 ^a
Net Bonded School Debt	13,770,000
Legal Debt Margin	\$ 117,343,227

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 131,512,141	\$ 126,771,789	\$ 126,862,266	\$ 128,753,937	\$ 131,113,227
Total Net Debt Applicable to Limit	21,100,000	19,330,000	17,275,000	15,425,000	13,770,000
Legal Debt Margin	\$ 110,412,141	\$ 107,441,789	\$ 109,587,266	\$ 113,328,937	\$ 117,343,227
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	16.04 %	15.25 %	13.62 %	11.98 %	10.50 %

	Fiscal Year				
	2009	2010	2011	2012	2013
Debt Limit	\$ 155,528,648	\$ 155,035,176	\$ 146,195,473	\$ 144,448,148	\$ 138,440,814
Total Net Debt Applicable to Limit	20,856,000	19,515,000	18,100,000	16,730,000	15,080,000
Legal Debt Margin	\$ 134,672,648	\$ 135,520,176	\$ 128,095,473	\$ 132,052,892	\$ 123,360,814
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.41 %	12.59 %	12.38 %	11.58 %	10.89 %

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Morris County Per Capita Personal Income ^b	Township of Roxbury Personal Income ^c	Unemployment Rate ^d
2009	23,656	\$ 70,516	\$ 1,668,126,496	6.6 %
2010	23,349	72,780	1,699,340,220	6.7 %
2011	23,447	76,194	1,786,520,718	6.5 %
2012	23,510	78,693	1,850,072,430	6.7 %
2013	23,562	79,094	1,863,612,828	5.5 %
2014	23,536	82,810	1,949,016,160	5.4 %
2015	23,511	86,582	2,035,629,402	4.6 %
2016	23,374	89,065	2,081,805,310	4.3 %
2017	23,342	89,065 *	2,078,955,230	3.6 %
2018	23,342 **	89,065 *	2,078,955,230 ***	N/A

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

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

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

N/A - Information unavailable.

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

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

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS, COUNTY OF MORRIS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2017		
	Employees	Rank (Optional)	Percentage of Total Employment
Picatunny Arsenal	6,000	1	2.38%
Atlantic Health Systems	5,455	2	2.16%
Novartis Corporation	4,220	3	1.67%
Bayer Healthcare, LLC	2,800	4	1.11%
ADP	2,266	5	0.90%
Honeywell	1,838	6	0.73%
County of Morris	1,817	7	0.72%
Wyndham Worldwide	1,708	8	0.68%
St. Clare's Health System	1,688	9	0.67%
Accenture	1,631	10	0.65%
	<u>29,423</u>		<u>11.67%</u>
Total Employment	<u>250,348</u>		
Employer	2008		
	Employees	Rank (Optional)	Percentage of Total Employment
Novartis Corporation	5,000	1	1.89%
Atlantic Health Systems	4,045	2	1.53%
U.S. Army Armament Research and Development	3,412	3	1.29%
County of Morris	2,170	4	0.82%
Lucent Technologies	1,983	5	0.75%
United Parcel Service	1,941	6	0.73%
Wyndham Worldwide	1,371	7	0.52%
Greystone Psychiatric Center	1,296	8	0.49%
Tiffany & Company	1,200	9	0.45%
Accenture	1,200	10	0.45%
	<u>23,618</u>		<u>8.94%</u>
Total Employment	<u>264,282</u>		

Source: County of Morris

ROXBURY TOWNSHIP 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	288	291	253	261	259	254	254	299	299	299
Special education	68	66	84	97	121	126	126	97	113	113
Support Services:										
Student & instruction related services	84	83	88	88	74		71	88	88	88
School administrative services	34	34	28	40	30	30	30	26	26	26
General and business administrative services	20	20	20	23	35	35	35	23	23	23
Plant operations and maintenance	69	69	64	65	35	33	33	46	46	46
Pupil transportation	73	73	62	63	60	62	62	58	58	58
Total	636	636	599	637	614	540	611	637	653	653

ROXBURY TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Teacher/Pupil Ratio			Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2009	3,396	\$ 68,858,070	\$ 20,276	-1.15 %	534	1:12.4	1:11.8	1:11.7	4,361	4,194	-0.80 %	96.17 %
2010	3,396	69,290,307	20,404	0.63 %	534	1:12.4	1:11.8	1:11.7	4,267	4,106	-2.16 %	96.23 %
2011	3,396	68,627,440	20,208	-0.96 %	479	1:12.2	1:10.4	1:10.9	4,143	3,975	-2.91 %	95.94 %
2012	3,396	68,085,002	20,049	-0.79 %	483	1:12.1	1:10.3	1:10.6	4,019	3,868	-2.99 %	96.24 %
2013	3,888	70,075,961	18,024	-10.10 %	494	1:12.1	1:10.1	1:10.8	3,888	3,731	-3.26 %	95.96 %
2014	3,865	70,335,500	18,198	0.97 %	459	1:12.1	1:10.1	1:10.6	3,624	3,479	-6.79 %	96.00 %
2015	3,709	74,213,802	20,009	9.95 %	459	1:12.1	1:10.1	1:10.6	3,624	3,479	0.00 %	96.00 %
2016	3,662	74,102,785	20,236	1.13 %	537	1:12.1	1:10.1	1:10.6	3,636	3,490	0.33 %	95.98 %
2017	3,573	76,969,479	21,542	6.46 %	537	1:12.1	1:10.1	1:10.6	3,577	3,443	-1.62 %	96.25 %
2018	3,541	78,073,303	22,048	2.35 %	537	1:12.1	1:10.1	1:10.6	3,600	3,461	0.64 %	96.14 %

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

^b The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost per Pupil may be different from other Cost per Pupil calculations.

^c Teaching staff includes only full-time equivalents of certificated staff.

^d Enrollment, average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

District Building	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Roosevelt/Lincoln Intermediate School										
Square Feet	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550
Capacity (students)	831	831	831	831	831	831	831	831	831	831
Enrollment	634	634	634	634	540	539	551	496	495	499
Nixon Elementary School										
Square Feet	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890
Capacity (students)	464	464	464	464	464	464	464	464	464	464
Enrollment	350	350	350	350	280	277	284	289	269	276
Kennedy Elementary School										
Square Feet	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970
Capacity (students)	426	426	426	426	426	426	426	426	426	426
Enrollment	318	318	318	318	229	229	220	219	225	248
Jefferson Elementary School										
Square Feet	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050
Capacity (students)	614	614	614	614	614	614	614	614	614	614
Enrollment	480	480	480	480	387	388	335	334	345	349
Franklin Elementary School										
Square Feet	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260
Capacity (students)	482	482	482	482	482	482	482	482	482	482
Enrollment	362	362	362	362	350	349	332	330	304	320
Eisenhower Middle School										
Square Feet	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840
Capacity (students)	864	864	864	864	864	864	864	864	864	864
Enrollment	674	674	674	674	645	642	568	582	588	518
Roxbury High School										
Square Feet	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740
Capacity (students)	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968
Enrollment	578	578	578	578	1,457	1,441	1,419	1,412	1,347	1,331
Central Administration										
Square Feet	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Special Education Building										
Square Feet	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Number of Schools at June 30, 2018

Elementary = 5
Middle School = 1
High School = 1
Other = 2

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED

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

Fiscal Year Ended June 30,	Roosevelt/ Lincoln		Nixon		Kennedy		Jefferson		Franklin		Eisenhower		Roxbury		Total
	Intermediate School	High School	Elementary School	High School	Elementary School	High School	Elementary School	High School	Elementary School	High School	Middle School	High School	High School	High School	
2009	\$ 187,382	\$ 80,696	\$ 74,480	\$ 74,607	\$ 74,322	\$ 167,830	\$ 446,755	\$ 1,106,072							
2010	170,693	73,509	67,847	67,962	67,702	152,882	406,964	1,007,559							
2011	172,587	70,050	75,362	65,523	73,321	152,280	406,082	1,015,205							
2012	213,665	91,350	86,414	84,699	85,935	191,555	509,414	1,263,032							
2013	210,899	65,626	55,678	53,123	64,669	142,733	426,283	1,019,011							
2014	295,121	127,713	114,769	122,535	114,769	260,604	690,340	1,725,851							
2015	186,717	80,474	77,229	172,635	77,295	161,678	781,829	1,537,857							
2016	264,514	82,907	166,759	293,658	76,209	220,806	710,325	1,815,178							
2017	187,472	74,139	97,467	194,716	72,157	143,910	1,105,477	1,875,338							
2018	283,591	108,757	100,659	218,527	119,037	808,070	812,659	2,451,300							

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

Source: Roxbury Township School District records

ROXBURY TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2018
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Zurick American Insurance Company:		
Educators Legal Liability	\$ 1,000,000	\$ 5,000
Public Official Bonds:		
Western Surety Company:		
Treasurer	290,000	
School Board Secretary/Business Administrator	290,000	
RLI Insurance Company:		
Assistant Business Administrator	290,000	
Excess Liability:		
Markel Insurance Company	15,000,000	
Torus Insurance	15,000,000	
American Guarantee & Liability Insurance Company:		
Property:		
Building and Contents	167,876,742	5,000
Business Income & Extra Expense	5,000,000	
Crime Coverage:		
Employee Theft	600,000	1,000
Faithful Performance	600,000	1,000
Forgery or Alteration	600,000	1,000
Computer Fraud	100,000	500
Money Orders and Counterfeit Paper Currency	100,000	500
Equipment Breakdown	75,000,000	5,000
Inland Marine:		
Portable Equipment, Employee Tools, AEDs	845,759	500
Electronic Data Processing	3,250,000	5,000
General Liability:		
General Aggregate	2,000,000	
Products Aggregate	2,000,000	
Personal and Advertising Injury	1,000,000	
Each Occurrence Limit	1,000,000	
Employee Benefits	1,000,000	
Abuse Act Liability	1,000,000	
Zurich Insurance Company:		
Automobile Liability	1,000,000	
Umbrella	10,000,000	
New Jersey Schools Insurance Group:		
Workers Compensation	2,000,000	
Supplemental Indemnity	7 Day Waiting Period	

ROXBURY TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2018
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
ACE American Insurance Company: Premises Pollution	\$ 1,000,000	\$ 10,000
Gerber Life Insurance Company: Travel Accident Policy	100,000	
National Union Fire Insurance Company: Cyber Liability	1,000,000	15,000
Bob McCloskey Insurance: Student Accident	5,000,000	

Source: Roxbury Township School District records.

SINGLE AUDIT SECTION



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

Lawrence Business Center
11 Lawrence Road
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973-383-6699 | 973-383-6555 Fax

Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Roxbury Township School District
County of Morris, New Jersey

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

Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 2

Compliance and Other Matters

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

Purpose of this Report

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

January 18, 2019
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant



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Report on Compliance For Each Major Federal and State Program
and Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Roxbury Township School District
County of Morris, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 2

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

January 18, 2019
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2017		Cash Received	Budgetary Expenditures	Adjust- ments	Repayment of Prior Years' Balances	Cancellation of Prior Year Encumbrances/ Accts Payable	Balance at June 30, 2018	
					Budgetary Accounts Receivable	Due to Grantor						Budgetary Accounts Receivable	Amounts Provided to Subrecipients
U.S. Department of Agriculture:													
Passed-through State Department of Agriculture:													
Child Nutrition Cluster:													
Food Distribution Program	10.555	N/A	7/1/17-6/30/18	\$ 31,516	\$ 31,516		\$ (31,516)						\$ (14,880)
National School Lunch Program	10.555	N/A	7/1/17-6/30/18	177,261	162,381		(177,261)						
National School Lunch Program	10.555	N/A	7/1/16-6/30/17	160,932	34,440								
School Breakfast Program	10.553	N/A	7/1/17-6/30/18	2,037	1,863		(2,037)						(174)
School Breakfast Program	10.553	N/A	7/1/16-6/30/17	4,361	1,274								
Total Child Nutrition Cluster					231,474		(210,814)						(15,054)
Total U.S. Department of Agriculture					231,474		(210,814)						(15,054)
U.S. Department of Education:													
Special Revenue Fund:													
Passed-through State Department of Education:													
Elementary and Secondary Education Act:													
Title I	84.010	ESEA456018	7/1/17-6/30/18	242,556	143,605		(217,313)				\$ 509		(73,708)
Title I	84.010	ESEA456017	7/1/16-6/30/17	253,611	19,220					\$ (4,760)			(73,708)
Title I	84.010	ESEA456016	7/1/15-6/30/16	112,439		\$ 4,760							(25,510)
Total Title I					162,825		(217,313)						(73,708)
Title II A	84.367	ESEA456018	7/1/17-6/30/18	72,249	32,240		(57,750)						
Title II A	84.367	ESEA456017	7/1/16-6/30/17	79,620	22,525								
Title II A	84.367	ESEA456016	7/1/15-6/30/16	95,710		7,225				(7,225)			
Total Title II					54,765		(57,750)						(25,510)
Title III	84.365	ESEA456018	7/1/17-6/30/18	16,627	1,703		(12,173)						(10,470)
Title III	84.365	ESEA456017	7/1/16-6/30/17	17,438	858								
Title III - Immigrant	84.365	ESEA456018	7/1/17-6/30/18	3,944	1,253		(2,279)		\$ 1				(1,026)
Title III - Immigrant	84.365	ESEA456017	7/1/16-6/30/17	5,633	931								
Total Title III					4,745		(14,452)		1				(11,496)
Title IV	84.424	ESEA456018	7/1/17-6/30/18	10,000			(7,624)						(7,624)
Total Title IV							(7,624)						(7,624)
Special Education Cluster:													
I.D.E.A. Part B, Basic	84.027	IDEA456018	7/1/17-6/30/18	953,639	749,171		(874,992)						(125,821)
I.D.E.A. Part B, Basic	84.027	IDEA456017	7/1/16-6/30/17	881,440	34,495								
I.D.E.A. Part B, Basic	84.027	IDEA456016	7/1/15-6/30/16	915,086	316					(316)			(6,968)
I.D.E.A. Preschool	84.173	IDEA456018	7/1/17-6/30/18	40,508	800,830		(899,124)						(132,789)
Total Special Education Cluster					1,023,165		(1,196,263)		1				(251,127)
Subtotal - Special Revenue Fund					1,023,165		(1,196,263)		1				(251,127)
Total U.S. Department of Education					1,023,165		(1,196,263)		1				(251,127)

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2017		Cash Received	Budgetary Expenditures	Adjust- ments	Repayment of Prior Years' Balances	Cancellation of Prior Year Encumbrances/ Accis Payable	Balance at June 30, 2018		
					Budgetary Accounts Receivable	Due to Grantor						Budgetary Accounts Receivable	Amounts Provided to Subrecipients	
U.S. Department of Health and Human Services: Medicaid Cluster:														
Medicaid Assistance Program	93.778	N/A	7/1/17-6/30/18	\$ 83,002			\$ 78,382	\$ (83,002)					\$ (4,620)	
Medicaid Assistance Program	93.778	N/A	7/1/16-6/30/17	58,120			594							
Total U.S. Department of Health and Human Services/Medicaid Cluster														
Total Federal Awards														
							\$ 1,333,615	\$ (1,490,079)	\$ 1	\$ (12,301)	\$ 509	\$ (270,801)	\$ -0-	

N/A - Not Applicable

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2017		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2018		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:												
General Fund State Aid:												
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	\$ 10,300,890			\$ 9,285,858	\$ (10,300,890)			\$ (1,015,032)	\$ 10,300,890	
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	233,042			210,078	(233,042)			(22,964)	233,042	
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	2,433,575			2,193,775	(2,433,575)			(239,800)	2,433,575	
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	61,433			55,379	(61,433)			(6,054)	61,433	
Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	470,428			424,073	(470,428)			(46,355)	470,428	
School Choice Aid	18-495-034-5120-068	7/1/17-6/30/18	305,802			275,669	(305,802)			(30,133)	305,802	
PARCC Readiness	18-495-034-5120-098	7/1/17-6/30/18	34,275			30,898	(34,275)			(3,377)	34,275	
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	34,275			30,898	(34,275)			(3,377)	34,275	
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	34,470			31,073	(34,470)			(3,397)	34,470	
Extraordinary Special Education Costs Aid	18-495-034-5120-044	7/1/17-6/30/18	503,383				(503,383)	\$ (503,383)		(503,383)	503,383	
Excess Nonpublic Transportation Costs	18-495-034-5120-014	7/1/17-6/30/18	23,042				(23,042)	(23,042)		(23,042)	23,042	
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	7/1/17-6/30/18	2,038,334			1,939,647	(2,038,334)			(98,687)	2,038,334	
On-Behalf TPAF Post Retirement Contributions	18-495-034-5094-001	7/1/17-6/30/18	2,648,033			2,648,033	(2,648,033)			(98,687)	2,648,033	
On-Behalf TPAF Pension Contributions	18-495-034-5094-002	7/1/17-6/30/18	4,002,755			4,002,755	(4,002,755)				4,002,755	
On-Behalf TPAF Non-Contributory Insurance	18-495-034-5094-004	7/1/17-6/30/18	97,137			97,137	(97,137)				97,137	
On-Behalf TPAF Long-Term Disability Insurance	18-495-034-5094-004	7/1/17-6/30/18	6,278			6,278	(6,278)				6,278	
Equalization Aid	17-495-034-5120-078	7/1/16-6/30/17	\$ 10,300,890			1,022,762	\$ (1,022,762)				10,300,890	
Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	233,042			23,138	(23,138)				233,042	
Special Education Aid	17-495-034-5120-089	7/1/16-6/30/17	2,433,575			241,627	(241,627)				2,433,575	
Security Aid	17-495-034-5120-084	7/1/16-6/30/17	61,433			6,100	(6,100)				61,433	
Adjustment Aid	17-495-034-5120-085	7/1/16-6/30/17	470,428			46,708	(46,708)				470,428	
School Choice Aid	17-495-034-5120-068	7/1/16-6/30/17	249,172			24,740	(24,740)				249,172	
PARCC Readiness	17-495-034-5120-098	7/1/16-6/30/17	34,275			3,403	(3,403)				34,275	
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	34,275			3,403	(3,403)				34,275	
Professional Learning Community Aid	17-495-034-5120-101	7/1/16-6/30/17	34,470			3,423	(3,423)				34,470	
Extraordinary Special Education Costs Aid	17-495-034-5120-044	7/1/16-6/30/17	584,222			584,222	(584,222)				584,222	
Excess Nonpublic Transportation Costs	17-495-034-5120-014	7/1/16-6/30/17	21,418			21,418	(21,418)				21,418	
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	7/1/16-6/30/17	2,260,914			102,284	(102,284)				2,260,914	
Subtotal - General Fund						23,314,779	(23,227,152)			(625,112)	39,945,266	
Special Revenue Fund Aid:												
Nonpublic Auxiliary Services:												
Compensatory Education	18-100-034-5120-067	7/1/17-6/30/18	65,552			65,552	(51,731)			\$ 13,821	51,731	
English as a Second Language	17-100-034-5120-067	7/1/16-6/30/17	914									
Transportation	18-100-034-5120-067	7/1/17-6/30/18	20,815			20,815	(20,815)				20,815	
Home Instruction	17-100-034-5120-067	7/1/16-6/30/17	17,751			17,751					17,751	
Nonpublic Handicapped Services:												
Supplementary Instruction	18-100-034-5120-066	7/1/17-6/30/18	46,785			46,785	(23,314)			23,471	23,314	
Supplementary Instruction	17-100-034-5120-066	7/1/16-6/30/17	47,867			47,867	(6,335)				41,532	
Corrective Speech	18-100-034-5120-066	7/1/17-6/30/18	32,141			32,141	(19,017)			13,124	19,017	
Corrective Speech	17-100-034-5120-066	7/1/16-6/30/17	33,397			33,397	(5,372)				28,025	

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2017		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2018		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Due to Grantor		Budgetary Receivable
State Department of Education:												
Special Revenue Fund Aid (Cont'd):												
Nonpublic Handicapped Services:												
Examination and Classification	18-100-034-5120-066	7/1/17-6/30/18	\$ 51,505	\$ 13,128	\$ 51,505	\$ (36,213)	\$ (13,128)	\$ 15,292	\$	\$ 36,213		
Examination and Classification	17-100-034-5120-066	7/1/16-6/30/17	57,083							43,955		
N.J. Nonpublic Textbook Aid	18-100-034-5120-064	7/1/17-6/30/18	16,215	1,408	16,215	(15,887)	(1,408)	328		15,887		
N.J. Nonpublic Textbook Aid	17-100-034-5120-064	7/1/16-6/30/17	23,402							21,994		
N.J. Nonpublic Nursing Aid	18-100-034-5120-066	7/1/17-6/30/18	28,906	3,654	28,906	(28,906)	(3,654)			28,906		
N.J. Nonpublic Nursing Aid	17-100-034-5120-066	7/1/16-6/30/17	36,540							36,540		
N.J. Nonpublic Technology Initiative	18-100-034-5120-373	7/1/17-6/30/18	10,952		10,952	(10,776)	(349)	176		10,776		
N.J. Nonpublic Technology Initiative	17-100-034-5120-373	7/1/16-6/30/17	10,556	349	22,350	(21,678)	(349)	672		10,207		
N.J. Nonpublic Security Aid	18-100-034-5120-509	7/1/17-6/30/18	22,350							21,678		
N.J. Nonpublic Security Aid	17-100-034-5120-509	7/1/16-6/30/17	20,300	1			(1)			20,299		
Subtotal - Special Revenue Fund			\$ (17,751)	31,161	312,972	(228,337)	(31,161)	66,884		448,640		
Food Service Fund:												
State School Lunch Program	18-100-010-3350-023	7/1/17-6/30/18	7,100		6,491	(7,100)			\$ (609)	\$ 7,100		
State School Lunch Program	17-100-010-3350-023	7/1/16-6/30/17	5,965	(1,270)	1,270					5,965		
Subtotal - Food Service Fund					7,761	(7,100)			(609)	13,065		
Total State Department of Education				31,161	23,635,512	(23,462,589)	(31,161)	66,884	(1,996,210)	40,406,971		
Total State Awards Subject to Single Audit Determination				\$ (2,102,249)	\$ 31,161	\$ 23,635,512	\$ (23,462,589)	\$ (31,161)	\$ (1,996,210)	\$ 40,406,971		
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Contributions	18-495-034-5094-001	7/1/17-6/30/18	(2,648,033)		(2,648,033)	2,648,033						
On-Behalf TPAF Pension Contributions	18-495-034-5094-002	7/1/17-6/30/18	(4,002,755)		(4,002,755)	4,002,755						
On-Behalf TPAF Non-Contributory Insurance	18-495-034-5094-004	7/1/17-6/30/18	(97,137)		(97,137)	97,137						
On-Behalf TPAF Long-Term Disability Insurance	18-495-034-5094-004	7/1/17-6/30/18	(6,278)		(6,278)	6,278						
Subtotal - On-Behalf TPAF Pension System Contributions			(6,754,203)		(6,754,203)	6,754,203						
Total State Awards Subject to Single Audit Major Program Determination					\$ 16,881,309	\$ (16,708,386)						
N/A - Not Applicable/Available												

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Roxbury Township School District under programs of the federal and state governments for the fiscal year ended June 30, 2018. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,815 for the general fund and \$19,781 for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Revenue from federal and state awards is reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 83,002	\$ 23,231,967	\$ 23,314,969
Special Revenue Fund	1,194,314	250,067	1,444,381
Food Service Fund	210,814	7,100	217,914
Total Awards	<u>\$ 1,488,130</u>	<u>\$ 23,489,134</u>	<u>\$ 24,977,264</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

NOTE 4. INDIRECT COST RATE

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

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2018.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA GRANTS)

The District has been awarded six grants in the amount of \$2,891,657 in the Capital Projects Fund from the New Jersey School Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2018, five of the projects are near completion. As of June 30, 2018, \$-0- of the grant funds have been expended and drawn down on a GAAP basis. In the Capital Projects Fund, the District realizes the full amount of the grant revenue on a budgetary basis in the year awarded and realizes the grant revenue on a GAAP basis as it is expended and submitted for reimbursement. Expenditures, if any, reported under the NJSDA on the Schedule of Expenditures of State Awards represent reimbursement requests submitted to the NJSDA.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following:

	C.F.D.A./ State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. Part B, Basic	84.027	7/1/17-6/30/18	\$ 953,639	\$ 874,992
I.D.E.A. Preschool	84.173	7/1/17-6/30/18	40,508	24,132
<u>State:</u>				
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	10,300,890	10,300,890
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	2,433,575	2,433,575
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	61,433	61,433
Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	470,428	470,428
School Choice Aid	18-495-034-5120-068	7/1/17-6/30/18	305,802	305,802
PARCC Readiness	18-495-034-5120-098	7/1/17-6/30/18	34,275	34,275
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	34,275	34,275
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	34,470	34,470

- The threshold used for distinguishing between Type A and Type B federal and state programs was \$750,000.
- The District was determined to be a "low-risk" auditee for federal and state programs.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Summary of Auditors' Results: (Cont'd)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Status of Prior Year Findings:

The District had no prior year audit findings.