

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019



Oakland, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Ramapo Indian Hills Regional High School District

Oakland, New Jersey

For The Fiscal Year Ended June 30, 2019

Prepared by

Business Office

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

Page

INTRODUCTORY SECTION

Letter of Transmittal	i-vi
Organizational Chart	vii
Roster of Officials	viii
Consultants and Advisors	ix

FINANCIAL SECTION

Independent Auditor's Report	1-3
------------------------------	-----

REQUIRED SUPPLEMENTARY INFORMATION- PART I

Management's Discussion and Analysis	4-16
--------------------------------------	------

Basic Financial Statements

A. District-Wide Financial Statements

A-1 Statement of Net Position	17
A-2 Statement of Activities	18

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	19
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	20
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the District-Wide Statements	21

Proprietary Funds

B-4 Statement of Net Position	22
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	23
B-6 Statement of Cash Flows	24

Fiduciary Funds

B-7 Statement of Fiduciary Net Position	25
B-8 Statement of Changes in Fiduciary Net Position	26

Notes to the Financial Statements	27-70
--	--------------

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

Page

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

C-1	Budgetary Comparison Schedule – General Fund	71-77
C-2	Budgetary Comparison Schedule – Special Revenue Fund	78
C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information	79

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions and Other Postemployment Benefits (GASB Nos. 68 and 75)

L-1	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	80
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	81
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	82
L-4	Notes to Required Supplementary Information – Net Pension Liability	83
L-5	Required Supplementary Information – Schedule of District’s Proportionate Share of Total OPEB Liability	84
L-6	Notes to Required Supplementary Information – OPEB Liability	85

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules – Not Applicable

E. Special Revenue Fund

E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund – Budgetary Basis	86
E-2	Early Childhood Program Aid Schedule of Expenditures – Budgetary Basis – Not Applicable	

F. Capital Projects Fund

F-1	Summary Schedule of Project Expenditures	87
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	88
F-2a- F-2m	Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis	89-101

G. Proprietary Funds

Enterprise Fund

G-1	Statement of Net Position	102
G-2	Statement of Revenues, Expenses and Changes in Net Position	102
G-3	Statement of Cash Flows	102

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

Page

H. Fiduciary Funds

H-1	Combining Statement of Agency Assets and Liabilities	103
H-2	Combining Statement of Changes in Fiduciary Net Position	104
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	105
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	105

I. Long-Term Debt

I-1	Schedule of Bonds Payable	106
I-2	Schedule of Obligations under Capital Leases	107
I-3	Budgetary Comparison Schedule – Debt Service Fund	108

J. STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	109
J-2	Changes in Net Position	110-111
J-3	Fund Balances – Governmental Funds	112
J-4	Changes in Fund Balances - Governmental Funds	113
J-5	General Fund Other Local Revenue by Source	114
J-6	Assessed Value and Actual Value of Taxable Property – Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	115
J-7	Direct and Overlapping Property Tax Rates - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	116
J-8	Principal Property Taxpayers - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	117
J-9	Property Tax Levies and Collections	118
J-10	Ratios of Outstanding Debt by Type - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	119
J-11	Ratios of Net General Bonded Debt Outstanding - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	120
J-12	Computation of Direct and Overlapping Outstanding Bonded Debt	121
J-13	Legal Debt Margin Information (Combined)	122
J-14	Demographic and Economic Statistics - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	123
J-15	Principal Employers - Borough of Franklin Lakes, Township of Wyckoff and Borough of Oakland	124
J-16	Full-Time Equivalent District Employees by Function/Program	125
J-17	Operating Statistics	126
J-18	School Building Information	127
J-19	Schedule of Required Maintenance for School Facilities	128
J-20	Schedule of Insurance	129

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

Page

K. SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	130-131
K-2	Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance as Required By New Jersey OMB Circular 15-08 – Independent Auditor’s Report	132-134
K-3	Schedule of Expenditures of Federal Awards	135
K-4	Schedule of Expenditures of State Financial Assistance	136-137
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	138-139
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	140-141
K-7	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	142
K-7	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	143
K-8	Summary Schedule of Prior Year Audit Findings and Questioned Costs	144

INTRODUCTORY SECTION

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

131 YAWPO AVENUE
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November 11, 2019

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

Dear Board Members and Constituents:

The comprehensive annual financial report of the Ramapo Indian Hills Regional High School District for the fiscal year ended June 30, 2019 is hereby submitted. Responsibility for the accuracy of the data and the completeness and fairness of the presentation including all disclosures rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

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

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

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

The District provides a full range of educational services appropriate to grade levels 9 through 12 for all students enrolled in the District. The District reported for the 2018-19 fiscal year an enrollment of 2,320 students, which is five (5) students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last nine (9) years and the projected enrollment for the next year:

Enrollment (October 15th of each year)

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	2,271 (projected)	(2.1%)
2018-2019	2,320	(.21%)
2017-2018	2,325	.7%
2016-2017	2,309	(.69%)
2015-2016	2,325	(.21%)
2014-2015	2,330	(.08%)
2013-2014	2,350	n/a
2012-2013	2,352	1.90%
2011-2012	2,308	(3.5%)
2010-2011	2,388	.9%

Initiatives: The District filed for and received a free energy audit from the State, which outlined various capital projects that be completed to save energy. The District also solicited a Request for Proposal for banking services, the results of which generated a greater return on investment. Continued progress was made to further automate manual processes, including the implementation of an on-line central document repository (Frontline Central) and automated time sheets.

Capital Improvements: During the Summer of 2018, the District replaced the visitor grandstands at Ramapo High School and the home and visitor grandstands at Indian Hills High School. In addition, several sections of foam roof at Indian Hills High School were re-coated. In April 2019, the Board awarded contracts for the replacement of artificial turf and track surfaces at both schools.

District Curriculum Initiatives during the 2018-19 School Year: The District has continued to follow the three-year curriculum renewal cycle during the 2018-2019 school year, where different content areas went through a curriculum evaluation, revision, implementation, or final revision phase depending on where they were in the cycle.

Family Consumer Science, Visual and Performing Arts, Business, and Social Studies went through the curriculum evaluation process during the 2018-2019 school year, with plans of revising curriculum in the summer of 2019 for implementation in September of 2019. All of the District's curriculum has been revised and approved in accordance with the New Jersey Student Learning Standards and follows the adoption dates established through the Quality Single Accountability Continuum (QSAC) for the NJ Department of Education.

Several courses have been researched, developed and / or revised throughout the 2018-2019 school year for implementation during the 2019-2020. The District's Application Development / iApps course in the Business department has been completely redesigned into two 2.5-credit courses (iApps 1 and iApps 2), which introduces students to programming through block coding and develops the students' skills and understandings to work with line by line coding by the end of the second course. The goal of this approach is to introduce more students to coding and prepare more students for working proficiently in a coding environment. The Applied Technology department researched and developed a second level robotics course as a follow-up to Robotics 1. The Mathematics department has coupled with Syracuse University Project Advance (dual enrollment) to offer Calculus III, and the Health and Physical Education department participated in self-defense professional development and implemented a self-defense unit for all seniors as part of the District's physical education program.

The District worked towards (and was awarded) the Future Ready Schools Bronze Tier Certification during the 2018-2019 school year. This includes meeting the necessary requirements and showing evidence in the areas of Education and Classroom Practice, Leadership, and Technology Support and Services. The District's Future Ready Schools Task Force focused on redesigning physical spaces, leveraging technology to personalize learning, differentiated instruction, interdisciplinary learning, and redesigning time. The District also continued to integrate initiatives that supported the 2018-2019 District goals in the areas of interdisciplinary learning, differentiated instruction, and wellness.

Relevant Financial Policies: The operations of the Ramapo Indian Hills Regional High School District are financed through a combination of local property taxes, state and federal aid and other local miscellaneous revenue. Property Taxes, the largest local revenue source (82%) for the District, have increased by roughly 2% each year over the past five years.

The second largest revenue source (approximately 15% of revenue) for the District is State and Federal aid/grants. Approximately \$6.8 million of the aid pertains to on-behalf payments made by the State for pension and social security, of those district employees enrolled in teachers' pension plan. The other significant sources of aid pertain to funding special education, security and transportation aid, extraordinary aid and additional nonpublic transportation aid.

Economic Condition and Outlook: The school district serves three (3) communities: Township of Wyckoff, Borough of Franklin Lakes and Borough of Oakland. All three towns are stable, vibrant, residential communities located less than 40 miles from New

York City. The locations of the towns afford residents employment opportunities throughout the deep and diverse New York City and northern New Jersey economies.

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

The District is in a strong economic position. For the current year the District ended with a total General Fund budgetary fund balance in excess of \$24 million, an amount that represents 39% of the General Fund's current year's expenditures. As a result of this surplus, the District was able to replenish \$8,317 to its Emergency Reserve Account, \$76,275 to its Maintenance Reserve Account and \$1,000,000 to Excess Surplus that will be utilized in the District's 2020-21 budget as an appropriated funding source. These amounts are in addition to the \$1,000,000 that has already been designated as a fund balance funding source for the 2019-2020 school year.

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

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

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

Budgetary Controls: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital projects fund. The final budget amount is amended for the fiscal year and reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments of fund balance at June 30, 2019.

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

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

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

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

In addition, the board annually adopts district goals. The goals presented often balance fiscal and program issues. Goals for 2018-19 are as follows –

1. Successfully negotiate successor agreements with the Ramapo Indian Hills Supervisors Association, Ramapo Indian Hills Administrators Association, and the Ramapo Indian Hills Education Association.
2. Expand opportunities for student achievement recognition and staff recognition throughout the year with the goal not only to offer congratulation for accomplishment but to provide inspiration for future goals.
3. Continue to explore and identify opportunities for shared services with other FLOW school districts as well as municipalities. Establish an Ad Hoc Committee to oversee this effort. Areas for consideration for this Committee may include fixed expenses, financial services, and potential personnel positions,
4. Prioritize Long-Range Facilities Plan projects with the goal of identifying capital reserves to be used to implement projects.

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

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

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

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

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

Respectfully submitted,

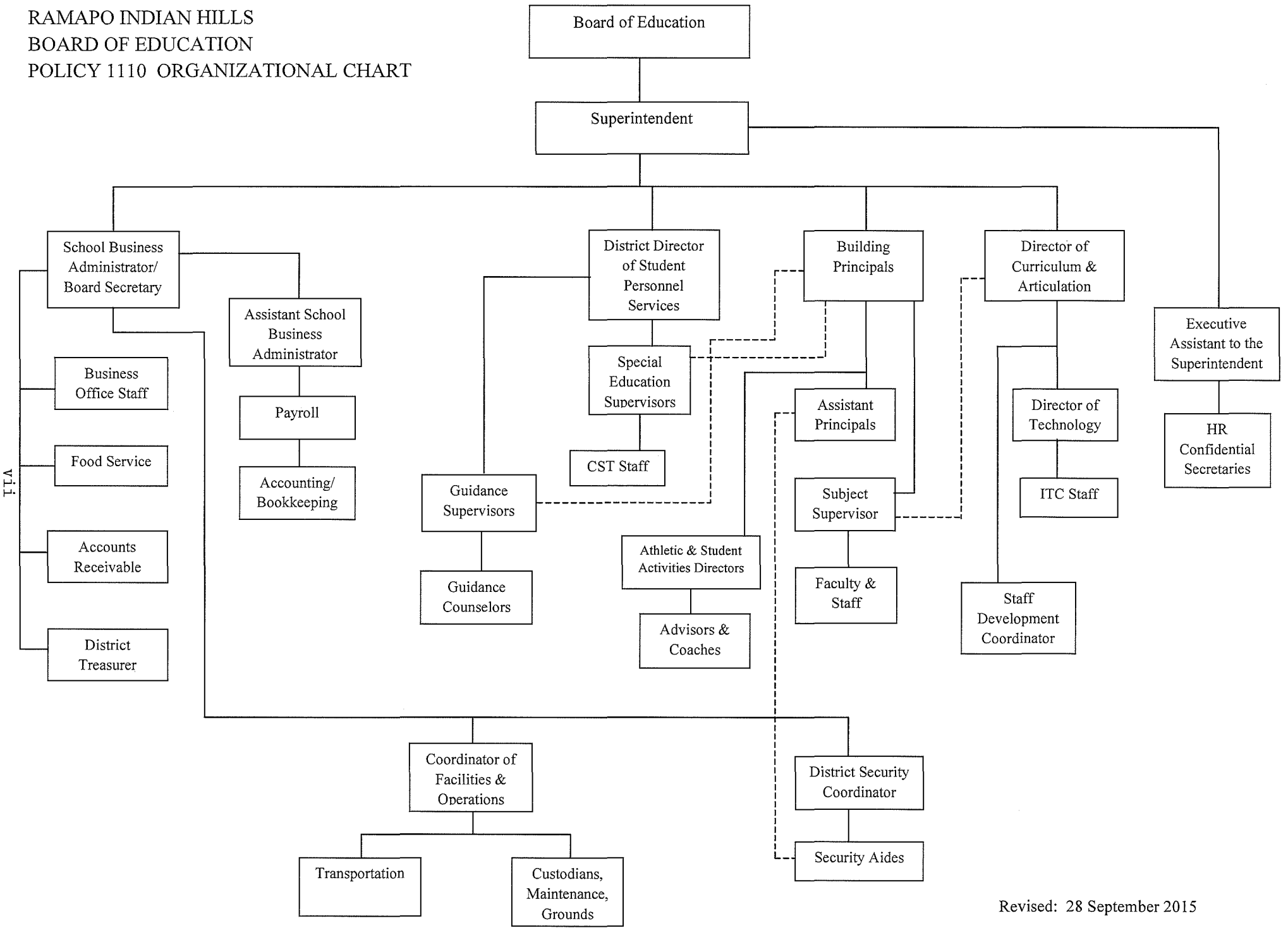


Beverly MacKay
Superintendent of Schools



Frank Ceurvets
Business Administrator / Board Secretary

RAMAPO INDIAN HILLS
 BOARD OF EDUCATION
 POLICY 1110 ORGANIZATIONAL CHART



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

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**ROSTER OF OFFICIALS
JUNE 30, 2019**

Members of the Board of Education

Term Expires

E. David Becker, President	2020
Teresa Kilday, Vice President	2020
Christine Becker	2019
Thomas Bunting	2019
John Butto	2019
Jon Lax	2019
John Kinney	2021
Filomena LaForgia	2021
Thomas Rukaj	2021

Other Officials

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

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

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**CONSULTANTS AND ADVISORS
JUNE 30, 2019**

Architects

Lan Associates
445 Godwin Avenue
Midland Park, New Jersey 07432

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

Attorney

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

Audit Firm

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

Official Depository

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

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramapo Indian Hills Regional High School District, as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramapo Indian Hills Regional High School District as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

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

Other Information


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ramapo Indian Hills Regional High School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Ramapo Indian Hills Regional High School District.


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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2019 on our consideration of the Ramapo Indian Hills Regional High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ramapo Indian Hills Regional High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Ramapo Indian Hills Regional High School District's internal control over financial reporting and compliance.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 11, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

This section of the Ramapo Indian Hills Regional High School District's comprehensive annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2019. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2018-2019) and the prior year (2017-2018) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2018-2019 fiscal year include the following:

- The assets and deferred outflows of resources of the Ramapo Indian Hills Regional High School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$57,286,806 (net position).
- Overall revenues were \$69,282,780. General revenues accounted for \$53,005,564 or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$16,277,216 or 23% of total revenues.
- The school district had \$64,573,958 in expenses for governmental activities; only \$14,650,372 of these expenses were offset by program specific charges, grants or contributions. General revenues, (predominantly property taxes) of \$52,992,681 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$28,184,600.
- The General Fund (GAAP Basis) fund balance at June 30, 2019 was \$23,524,745 a decrease of \$756,503 when compared with the beginning balance at July 1, 2018 of \$24,281,248.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

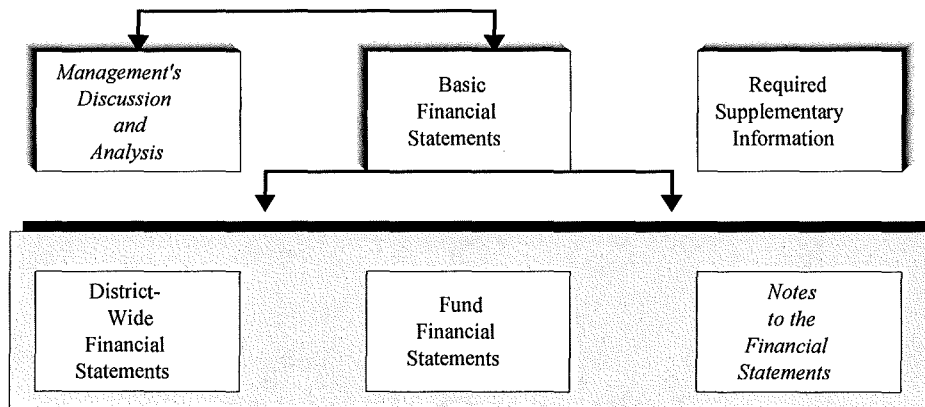
- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
 - The district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
 - Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.
 - Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

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



RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

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 are detailed below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as Unemployment, Payroll Agency, and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset/ deferred Outflows/inflows of resources/ liability information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-wide financial statements

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

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

District-wide financial statements (continued)

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

In the district-wide financial statements the District's activities are shown in two categories:

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

Fund financial statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way in the fund financial statements as district-wide statements.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

Fund financial statements (continued)

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

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

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

Notes to the financial statements

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

Other Information

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

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB statement No. 68 and post-retirement medical benefits as required under GASB Statement 75. The required supplementary information can be found following the notes to the financial statements.

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

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Ramapo Indian Hills Regional High School District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$57,286,806 as of June 30, 2019.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

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

Statement of Net Position As of June 30, 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current Assets	\$ 29,353,114	\$ 28,462,508	\$ 1,122,244	\$ 960,883	\$ 30,475,358	29,423,391
Capital Assets	<u>59,770,689</u>	<u>60,345,739</u>	<u>94,919</u>	<u>77,988</u>	<u>59,865,608</u>	<u>60,423,727</u>
Total Assets	<u>89,123,803</u>	<u>88,808,247</u>	<u>1,217,163</u>	<u>1,038,871</u>	<u>90,340,966</u>	<u>89,847,118</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	373,812	446,425	-	-	373,812	446,425
Deferred Amounts on Net Pension Liability	<u>2,564,536</u>	<u>3,922,711</u>	<u>-</u>	<u>-</u>	<u>2,564,536</u>	<u>3,922,711</u>
Total Deferred Outflows of Resources	<u>2,938,348</u>	<u>4,369,136</u>	<u>-</u>	<u>-</u>	<u>2,938,348</u>	<u>4,369,136</u>
Total Assets and Deferred Outflows of Resources	<u>92,062,151</u>	<u>93,177,383</u>	<u>1,217,163</u>	<u>1,038,871</u>	<u>93,279,314</u>	<u>94,216,254</u>
Liabilities						
Long-Term Liabilities	30,094,662	34,091,702			30,094,662	34,091,702
Other Liabilities	<u>1,204,956</u>	<u>2,786,476</u>	<u>176,721</u>	<u>140,218</u>	<u>1,381,677</u>	<u>2,926,694</u>
Total Liabilities	<u>31,299,618</u>	<u>36,878,178</u>	<u>176,721</u>	<u>140,218</u>	<u>31,476,339</u>	<u>37,018,396</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	<u>4,516,169</u>	<u>3,121,936</u>	<u>-</u>	<u>-</u>	<u>4,516,169</u>	<u>3,121,936</u>
Total Deferred Inflows of Resources	<u>4,516,169</u>	<u>3,121,936</u>	<u>-</u>	<u>-</u>	<u>4,516,169</u>	<u>3,121,936</u>
Total Liabilities and Deferred Inflows of Resources	<u>35,815,787</u>	<u>40,000,114</u>	<u>176,721</u>	<u>140,218</u>	<u>35,992,508</u>	<u>40,140,332</u>
Net Position						
Net Investment in Capital Assets	43,872,966	43,393,135	94,919	77,988	43,967,885	43,471,123
Restricted	23,733,024	21,117,838			23,733,024	21,117,838
Unrestricted	<u>(11,359,626)</u>	<u>(11,333,704)</u>	<u>945,523</u>	<u>820,665</u>	<u>(10,414,103)</u>	<u>(10,513,039)</u>
Total Net Position	<u>\$ 56,246,364</u>	<u>\$ 53,177,269</u>	<u>\$ 1,040,442</u>	<u>\$ 898,653</u>	<u>\$ 57,286,806</u>	<u>\$ 54,075,922</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

Changes in Net Position For the Fiscal Years Ended June 30, 2019 and 2018

	Governmental		Business-Type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for Services	\$ 264,329	\$ 246,132	\$ 1,626,844	\$ 1,522,438	\$ 1,891,173	\$ 1,768,570
Operating Grants and Contributions	14,386,043	17,402,448			14,386,043	17,402,448
Capital Grants and Contributions					-	-
General Revenues						
Property Taxes	51,429,511	50,424,260			51,429,511	50,424,260
Unrestricted State Aid	4,562	72,932			4,562	72,932
Other	1,558,608	1,667,403	12,883	6,105	1,571,491	1,673,508
Total Revenues	<u>67,643,053</u>	<u>69,813,175</u>	<u>1,639,727</u>	<u>1,528,543</u>	<u>69,282,780</u>	<u>71,341,718</u>
Expenses						
Instruction						
Regular	28,842,261	29,953,704			28,842,261	29,953,704
Special Education	6,406,391	6,634,085			6,406,391	6,634,085
Other Instruction	62,494	66,207			62,494	66,207
Other Instructional/Supplemental Programs	623,836	733,538			623,836	733,538
School Sponsored Activities and Athletics	3,612,829	3,818,895			3,612,829	3,818,895
Support Services						
Student and Instruction Related Serv.	9,084,007	9,245,740			9,084,007	9,245,740
School Administrative Services	3,563,670	3,680,283			3,563,670	3,680,283
General Administrative Services	971,199	1,055,019			971,199	1,055,019
Plant Operations and Maintenance	6,284,863	6,487,363			6,284,863	6,487,363
Pupil Transportation	2,813,691	2,587,510			2,813,691	2,587,510
Business and Other Support Services	1,801,089	2,039,587			1,801,089	2,039,587
Interest on Long-Term Debt	507,628	538,724			507,628	538,724
Food Services			1,396,466	1,317,617	1,396,466	1,317,617
1 to 1 Initiative	-	-	101,472	83,049	101,472	83,049
Total Expenses	<u>64,573,958</u>	<u>66,840,655</u>	<u>1,497,938</u>	<u>1,400,666</u>	<u>66,071,896</u>	<u>68,241,321</u>
Increase (Decrease) in Net Position						
Before Transfers and Special Item	3,069,095	2,972,520	141,789	127,877	3,210,884	3,100,397
Transfers		66,080		(66,080)	-	-
Special Item	-	1,132,825	-	-	-	1,132,825
Change in Net Position	3,069,095	4,171,425	141,789	61,797	3,210,884	4,233,222
Net Position Beginning of Year	<u>53,177,269</u>	<u>49,005,844</u>	<u>898,653</u>	<u>836,856</u>	<u>54,075,922</u>	<u>49,842,700</u>
Net Position, End of Year	<u>\$ 56,246,364</u>	<u>\$ 53,177,269</u>	<u>\$ 1,040,442</u>	<u>\$ 898,653</u>	<u>\$ 57,286,806</u>	<u>\$ 54,075,922</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$67,643,053 for the fiscal year ended June 30, 2019, a decrease of \$2,170,122 or 3.1% over the previous year. Property taxes of \$51,429,501 represented 76% of revenues. Another significant portion of revenues came from State, Federal and Local aid; total State, Federal, Local and formula aid was \$14,390,605 (21%) of revenues. Miscellaneous income, which includes items such as rentals, prior year refunds, interest etc. generated \$1,558,608 (2%) of total revenues. The smallest component of revenues is charges for services, which includes tuition from other LEAs and individuals and transportation fees from individuals.

The total cost of all governmental activities programs and services was \$64,573,958. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$39,547,811 (61%) of total expenses. Support services totaled \$24,518,519 or 38% of total expenses. The remaining expenses relate to interest and other charges on long-term debt which were \$507,628, or less than 1% of total expenses.

Total governmental activities revenues, surpassed expenses, increasing net position \$3,069,095 over the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$64,573,958. After applying program revenues, derived from charges for services of \$264,329 and operating and capital grants and contributions of \$14,386,043 the net cost of services of the District is \$49,923,586.

Total and Net Cost of Governmental Activities For the Fiscal Years Ended June 30, 2019 and 2018

	<u>Total Cost of</u> <u>Services</u>		<u>Net Cost</u> <u>of Services</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Instruction				
Regular	\$ 28,842,261	\$ 29,953,704	\$ 20,865,340	\$ 19,929,938
Special Education	6,406,391	6,634,085	3,719,223	3,714,855
Other Instruction	62,494	66,207	45,421	44,070
Other Instructional/Supplemental Programs	623,836	733,538	445,834	477,071
School Sponsored Activities and Athletics	3,612,829	3,818,895	3,512,953	3,596,164
Support Services				
Student and Instruction Related Svcs.	9,084,007	9,245,740	7,264,038	6,906,549
School Administrative Services	3,563,670	3,680,283	2,714,412	2,598,991
General Administrative Services	971,199	1,055,019	952,352	1,013,415
Plant Operations and Maintenance	6,284,863	6,487,363	6,133,750	6,202,404
Pupil Transportation	2,813,691	2,587,510	2,006,363	2,229,467
Business and Other Support Services	1,801,089	2,039,587	1,756,272	1,940,427
Interest on Long-Term Debt	507,628	538,724	507,628	538,724
Total	<u>\$ 64,573,958</u>	<u>\$ 66,840,655</u>	<u>\$ 49,923,586</u>	<u>\$ 49,192,075</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

Business-Type Activities – The District's total business-type activities revenues were \$1,639,727 for the year ended June 30, 2019. Charges for services accounted for more than 99% of total revenues for the year.

The total cost of all business-type activities programs and services was \$1,497,938. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District as well as a 1 to 1 initiative (laptop insurance) program.

Total business-type activities revenues surpassed expenses increasing net position by \$141,789 over the previous year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$28,184,600. At June 30, 2018, the fund balance was \$25,714,765. This increase is predominately attributable to a minimal increase in spending due to careful monitoring of the District's expenditures and the reserving of funds needed to fund future anticipated costs.

Revenues for the District's governmental funds were \$62,831,924, while total expenses were \$60,362,089, thereby increasing fund balance by \$2,469,835.

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2019</u>	Fiscal Year Ended <u>June 30, 2018</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 49,864,711	\$ 48,842,210	\$ 1,022,501	2%
Tuition	186,494	178,065	8,429	5%
Transportation	77,835	68,067	9,768	14%
Interest	569,170	299,850	269,320	90%
Miscellaneous	956,301	1,367,553	(411,252)	-30%
State Sources	<u>8,959,329</u>	<u>7,711,912</u>	<u>1,247,417</u>	16%
Total General Fund Revenues	<u>\$ 60,613,840</u>	<u>\$ 58,467,657</u>	<u>\$ 2,146,183</u>	4%

Total General Fund Revenues increased by \$2,146,183 or 4% compared with the previous year. The on-behalf state revenues and property taxes were largely attributable for the increase, along with the cancellation of prior year accounts payable.

Local property taxes increased approximately 2% from the previous year. State aid revenues increased \$1,247,417 or 16% predominantly attributable to the increase in the State's contribution for on-behalf TPAF pension system accrued liability costs.

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

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

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

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2019</u>	Fiscal Year Ended <u>June 30, 2018</u>	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 33,794,349	\$ 32,469,223	\$ 1,325,126	4%
Support Services	21,865,839	21,039,132	826,707	4%
Debt Service	673,976	1,935,870	(1,261,894)	-65%
Capital Outlay	<u>294,974</u>	<u>159,230</u>	<u>135,744</u>	85%
Total Expenditures	<u>\$ 56,629,138</u>	<u>\$ 55,603,455</u>	<u>\$ 1,025,683</u>	2%

Total General Fund expenditures increased \$1,025,683 or 2% over the previous year.

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

In 2018-2019 General Fund revenues and financing sources were less than expenditures and other financing uses by \$756,503. As a result, total fund balance decreased to \$23,524,745 at June 30, 2019. The unassigned fund balance increased from \$1,004,054 at June 30, 2018 to \$1,015,885 at June 30, 2019.

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

Revenues of the Special Revenue Fund were \$620,147 for the fiscal year ended June 30, 2019. Federal sources accounted for the majority of Special Revenue Fund's revenue, which represented 77% of the total revenue for the year.

Total Special Revenue Fund revenues increased \$86,834 or 16% from the previous year. Federal sources decreased \$10,211 or 2%, State sources decreased \$8,434 or 22% and local sources increased \$105,479.

Expenditures of the Special Revenue Fund were \$620,147 Instructional expenditures accounted for 91% of the expenditures for the fiscal year ended June 30, 2019.

Capital Projects Fund - The Capital Projects Fund revenues and other financing sources exceeded expenditures and other financing uses by \$3,226,338 resulting in a remaining fund balance of \$4,659,855 at June 30, 2019. The fund balance mostly represents the unexpended local share of capital projects approved by the Board.

Proprietary Funds

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

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

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

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

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2019 amounts to \$59,865,608 (net of accumulated depreciation). The capital assets consist of land, land improvements, construction in progress, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2018-2019 amounted to \$2,418,028 for governmental activities and \$11,314 for business-type activities.

Capital Assets at June 30, 2019 and 2018 (Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land and Improvements						
Other Than Building	\$ 1,310,253	\$ 1,420,085			\$ 1,310,253	\$ 1,420,085
Building and Building Improvements	54,240,878	56,090,964			54,240,878	56,090,964
Machinery and Equipment	1,035,167	941,933	\$ 94,919	\$ 77,988	1,130,086	1,019,921
Construction in Progress	<u>3,184,391</u>	<u>1,892,757</u>	<u>-</u>	<u>-</u>	<u>3,184,391</u>	<u>1,892,757</u>
Total Capital Assets, Net	<u>\$ 59,770,689</u>	<u>\$ 60,345,739</u>	<u>\$ 94,919</u>	<u>\$ 77,988</u>	<u>\$ 59,865,608</u>	<u>\$ 60,423,727</u>

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

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$1,389,238, lease purchase obligations of \$1,207,050 and bonds payable of \$16,271,535 and net pension liability of \$11,226,839.

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2019

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

The School Funding and Reform Act (SFRA) was enacted in 2008 and established a statewide, weighted student funding formula. For reasons beyond our control, the aid amount to Ramapo Indian Hills School District has been significantly under-funded since 2011-12. If the district were to receive its full share of funding under the formula in 2018-19, it would be entitled to receive state categorical aid in the amount of \$3,146,112. Instead, the district received \$1,824,745. In addition, the district did not receive its full share of funding for excess special education costs through the State of New Jersey's extraordinary aid program. The total excess costs included in the district's extraordinary aid application were \$689,630. The District received funding in the amount of \$404,655. With respect to the categorical state aid and extraordinary aid, the district is being underfunded by the State in the amount of \$1,606,342. This shortfall is thereby absorbed by the taxpayers in all 3 communities and magnifies the over-reliance on property taxes to fund our local schools.

Many factors were considered by the District's administration during the process of developing the fiscal year 2018-2019 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2019-2020. Budgeted expenditures in the General Fund increased 8 percent to \$58,022,810 for fiscal year 2019-2020.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator, Ramapo Indian Hills Regional High School, 131 Yawpo Avenue, Oakland, NJ 07436.

BASIC FINANCIAL STATEMENTS

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 29,103,675	\$ 1,119,387	\$ 30,223,062
Receivables, net	249,439		249,439
Inventories		2,857	2,857
Capital Assets:			
Not Being Depreciated	3,363,026		3,363,026
Being Depreciated, net	<u>56,407,663</u>	<u>94,919</u>	<u>56,502,582</u>
Total Assets	<u>89,123,803</u>	<u>1,217,163</u>	<u>90,340,966</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	373,812		373,812
Deferred Amounts on Net Pension Liability	<u>2,564,536</u>	-	<u>2,564,536</u>
Total Deferred Outflows of Resources	<u>2,938,348</u>	-	<u>2,938,348</u>
Total Assets and Deferred Outflows of Resources	<u>92,062,151</u>	<u>1,217,163</u>	<u>93,279,314</u>
LIABILITIES			
Accounts Payable and Other Liabilities	1,010,677	139,845	1,150,522
Accrued Interest Payable	36,442		36,442
Payable to State Government	23,289		23,289
Unearned Revenue	134,548	36,876	171,424
Noncurrent Liabilities :			
Due Within One Year	1,803,975		1,803,975
Due Beyond One Year	<u>28,290,687</u>	-	<u>28,290,687</u>
Total Liabilities	<u>31,299,618</u>	<u>176,721</u>	<u>31,476,339</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>4,516,169</u>	-	<u>4,516,169</u>
Total Deferred Inflows of Resources	<u>4,516,169</u>	-	<u>4,516,169</u>
Total Liabilities and Deferred Inflows of Resources	<u>35,815,787</u>	<u>176,721</u>	<u>35,992,508</u>
NET POSITION			
Net Investment in Capital Assets	43,872,966	94,919	43,967,885
Restricted for:			
Capital Projects	19,514,036		19,514,036
Other Purposes	4,218,988		4,218,988
Unrestricted	<u>(11,359,626)</u>	<u>945,523</u>	<u>(10,414,103)</u>
Total Net Position	<u>\$ 56,246,364</u>	<u>\$ 1,040,442</u>	<u>\$ 57,286,806</u>

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 28,842,261	\$ 35,032	\$ 7,941,889		\$ (20,865,340)		\$ (20,865,340)
Special Education	6,406,391	151,462	2,535,706		(3,719,223)		(3,719,223)
Other Instruction	62,494		17,073		(45,421)		(45,421)
Other Supplemental / At-Risk Programs	623,836		178,002		(445,834)		(445,834)
School Sponsored Activities and Athletics	3,612,829		99,876		(3,512,953)		(3,512,953)
Support Services:							
Student & Instruction Related Services	9,084,007		1,819,969		(7,264,038)		(7,264,038)
School Administrative Services	3,563,670		849,258		(2,714,412)		(2,714,412)
General Administrative Services	971,199		18,847		(952,352)		(952,352)
Plant Operations and Maintenance	6,284,863		151,113		(6,133,750)		(6,133,750)
Pupil Transportation	2,813,691	77,835	729,493		(2,006,363)		(2,006,363)
Business and Other Support Services	1,801,089		44,817		(1,756,272)		(1,756,272)
Interest on Long-Term Debt	507,628	-	-	-	(507,628)	-	(507,628)
Total Governmental Activities	<u>64,573,958</u>	<u>264,329</u>	<u>14,386,043</u>	<u>-</u>	<u>(49,923,586)</u>	<u>-</u>	<u>(49,923,586)</u>
Business-Type Activities:							
Food Service	1,396,466	1,471,893			-	\$ 75,427	75,427
1 to 1 Initiative	101,472	154,951			-	53,479	53,479
Total Business-Type Activities	<u>1,497,938</u>	<u>1,626,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,906</u>	<u>128,906</u>
Total Primary Government	<u>\$ 66,071,896</u>	<u>\$ 1,891,173</u>	<u>\$ 14,386,043</u>	<u>\$ -</u>	<u>(49,923,586)</u>	<u>128,906</u>	<u>(49,794,680)</u>
General Revenues and Transfers:							
Taxes:							
Property Taxes, Levied For General Purposes					49,864,711		49,864,711
Property Taxes Levied for Debt Service					1,564,800		1,564,800
Unrestricted State Aid					4,562		4,562
Investment Earnings					569,170	12,883	582,053
Miscellaneous Income					989,438	-	989,438
Total General Revenues, Transfers and Special Item					<u>52,992,681</u>	<u>12,883</u>	<u>53,005,564</u>
Change in Net Position					3,069,095	141,789	3,210,884
Net Position, Beginning of Year					<u>53,177,269</u>	<u>898,653</u>	<u>54,075,922</u>
Net Position, End of Year					<u>\$ 56,246,364</u>	<u>\$ 1,040,442</u>	<u>\$ 57,286,806</u>

FUND FINANCIAL STATEMENTS

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 24,329,892	\$ 80,855	\$ 4,692,928		\$ 29,103,675
Receivables From Other Governments	54,127	72,716	24,095		150,938
Other Receivables	97,241				97,241
Due from Other Funds	1,260	-	-	-	1,260
	<u>24,482,520</u>	<u>153,571</u>	<u>4,717,023</u>	<u>-</u>	<u>29,353,114</u>
Total Assets	<u>\$ 24,482,520</u>	<u>\$ 153,571</u>	<u>\$ 4,717,023</u>	<u>\$ -</u>	<u>\$ 29,353,114</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 951,040	\$ 13,415	\$ 45,821		\$ 1,010,276
Other Liabilities	401				401
Payable to State Government	-	23,289			23,289
Unearned Revenue	6,334	116,867	11,347	-	134,548
	<u>957,775</u>	<u>153,571</u>	<u>57,168</u>	<u>-</u>	<u>1,168,514</u>
Total Liabilities	<u>957,775</u>	<u>153,571</u>	<u>57,168</u>	<u>-</u>	<u>1,168,514</u>
Fund Balances:					
Restricted					
Excess Surplus	1,000,000				1,000,000
Excess Surplus - Designated for Subsequent Year's (2019/20) Budget	1,000,000				1,000,000
Capital Reserve	11,754,181				11,754,181
Capital Reserve - Designated for Subsequent Year's (2019/20) Budget	3,100,000				3,100,000
Maintenance Reserve	3,968,988				3,968,988
Maintenance Reserve - Designated for Subsequent Year's (2019/20) Budget	250,000				250,000
Emergency Reserve	490,487				490,487
Capital Projects			4,659,855		4,659,855
Committed					
Encumbrances	440,145				440,145
Assigned					
Encumbrances	504,426				504,426
Designated for Subsequent Year's (2019/20) Budget	633				633
Unassigned	1,015,885	-	-	-	1,015,885
	<u>23,524,745</u>	<u>-</u>	<u>4,659,855</u>	<u>-</u>	<u>28,184,600</u>
	<u>\$ 24,482,520</u>	<u>\$ 153,571</u>	<u>\$ 4,717,023</u>	<u>\$ -</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$97,157,638 and the accumulated depreciation is \$37,386,949.

59,770,689

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

373,812

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

(36,442)

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

(32,046,295)

Net Position of Governmental Activities

\$ 56,246,364

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 49,864,711			\$ 1,564,800	\$ 51,429,511
Tuition	186,494				186,494
Transportation Fees	77,835				77,835
Interest	569,170				569,170
Miscellaneous	<u>956,301</u>	<u>\$ 110,677</u>	<u>\$ 33,137</u>	<u>-</u>	<u>1,100,115</u>
Total - Local Sources	51,654,511	110,677	33,137	1,564,800	53,363,125
State Sources	8,959,329	30,237			8,989,566
Federal Sources	<u>-</u>	<u>479,233</u>	<u>-</u>	<u>-</u>	<u>479,233</u>
Total Revenues	<u>60,613,840</u>	<u>620,147</u>	<u>33,137</u>	<u>1,564,800</u>	<u>62,831,924</u>
EXPENDITURES					
Current					
Regular Instruction	24,317,901	180,125			24,498,026
Special Education Instruction	5,593,555	387,131			5,980,686
Other Instructional Programs	50,205				50,205
Other Supplemental / At Risk Programs	523,893				523,893
School Sponsored Activities and Athletics	3,308,795				3,308,795
Support Services					
Student & Instruction Related Services	7,893,712	52,891			7,946,603
General Administrative Services	902,126				902,126
School Administrative Services	3,055,810				3,055,810
Business and Other Support Services	1,570,540				1,570,540
Plant Operations and Maintenance	5,813,275				5,813,275
Pupil Transportation	2,630,376				2,630,376
Debt Service					
Principal	673,976			1,100,000	1,773,976
Interest and Other Charges				464,800	464,800
Capital Outlay	<u>294,974</u>	<u>-</u>	<u>1,548,004</u>	<u>-</u>	<u>1,842,978</u>
Total Expenditures	<u>56,629,138</u>	<u>620,147</u>	<u>1,548,004</u>	<u>1,564,800</u>	<u>60,362,089</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,984,702</u>	<u>-</u>	<u>(1,514,867)</u>	<u>-</u>	<u>2,469,835</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	(5,020,000)		(278,795)		(5,298,795)
Transfers In	<u>278,795</u>	<u>-</u>	<u>5,020,000</u>	<u>-</u>	<u>5,298,795</u>
Total Other Financing Sources and Uses	<u>(4,741,205)</u>	<u>-</u>	<u>4,741,205</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(756,503)	-	3,226,338	-	2,469,835
Fund Balance, Beginning of Year	<u>24,281,248</u>	<u>-</u>	<u>1,433,517</u>	<u>-</u>	<u>25,714,765</u>
Fund Balance, End of Year	<u>\$ 23,524,745</u>	<u>\$ -</u>	<u>\$ 4,659,855</u>	<u>\$ -</u>	<u>\$ 28,184,600</u>

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 2,469,835

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

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

Capital Outlay	\$	1,842,978	
Depreciation Expense		<u>(2,418,028)</u>	(575,050)

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

Principal Repayments:			
General Obligations Bonds		1,100,000	
Lease Purchase Agreements		<u>673,976</u>	1,773,976

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

Deferred Amount on Refunding of Debt		(72,613)	
Original Issue Premium		<u>27,494</u>	(45,119)

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

Net Increase in Compensated Absences		(516,415)	
Increase in Pension Expense		<u>(40,423)</u>	(556,838)

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

		<u>2,291</u>
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Change in Net Position of Governmental Activities (Exhibit A-2)	\$	<u><u>3,069,095</u></u>
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**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2019**

	<u>Food Service Fund</u>	<u>Non-Major Enterprise Fund</u>	<u>Total Enterprise Funds</u>
ASSETS			
Current Assets			
Cash	\$ 719,510	\$ 399,877	\$ 1,119,387
Inventories	<u>2,857</u>	<u>-</u>	<u>2,857</u>
Total Current Assets	<u>722,367</u>	<u>399,877</u>	<u>1,122,244</u>
Capital Assets			
Equipment	298,449		298,449
Less: Accumulated Depreciation	<u>(203,530)</u>	<u>-</u>	<u>(203,530)</u>
Total Capital Assets, Net	<u>94,919</u>	<u>-</u>	<u>94,919</u>
Total Assets	<u>817,286</u>	<u>399,877</u>	<u>1,217,163</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	139,845		139,845
Unearned Revenue	<u>36,876</u>	<u>-</u>	<u>36,876</u>
Total Current Liabilities	<u>176,721</u>	<u>-</u>	<u>176,721</u>
NET POSITION			
Investment in Capital Assets	94,919		94,919
Unrestricted	<u>545,646</u>	<u>399,877</u>	<u>945,523</u>
Total Net Position	<u>\$ 640,565</u>	<u>\$ 399,877</u>	<u>\$ 1,040,442</u>

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Food Service Fund</u>	<u>Non-Major Enterprise Fund</u>	<u>Total Enterprise Funds</u>
OPERATING REVENUES			
Charges for Services			
Sales	\$ 1,471,893		\$ 1,471,893
Program Fees	<u>-</u>	<u>\$ 154,951</u>	<u>154,951</u>
 Total Operating Revenues	 <u>1,471,893</u>	 <u>154,951</u>	 <u>1,626,844</u>
OPERATING EXPENSES			
Cost of Sales	662,751		662,751
Salaries and Employee Benefits	554,065	80,901	634,966
Purchased Professional and Technical Services	57,199	16,628	73,827
Supplies and Materials	27,840	3,698	31,538
Management Fees	39,457		39,457
Depreciation	11,314		11,314
Refunds/Returns	-	245	245
Repairs and Maintenance	6,428		6,428
Miscellaneous Expenditures	<u>37,412</u>	<u>-</u>	<u>37,412</u>
 Total Operating Expenses	 <u>1,396,466</u>	 <u>101,472</u>	 <u>1,497,938</u>
 Operating Income	 <u>75,427</u>	 <u>53,479</u>	 <u>128,906</u>
NONOPERATING REVENUES AND EXPENSES			
Interest Revenue	<u>12,883</u>	<u>-</u>	<u>12,883</u>
 Total Nonoperating Revenues and Expenses	 <u>12,883</u>	 <u>-</u>	 <u>12,883</u>
 Change in Net Position	 88,310	 53,479	 141,789
Net Position, Beginning of Year	<u>552,255</u>	<u>346,398</u>	<u>898,653</u>
Net Position, End of Year	<u>\$ 640,565</u>	<u>\$ 399,877</u>	<u>\$ 1,040,442</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Food Service Fund</u>	<u>Non-Major Enterprise Fund</u>	<u>Total Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 1,477,057	\$ 154,951	\$ 1,632,008
Cash Payments for Employees' Salaries and Benefits	(554,065)	(80,901)	(634,966)
Cash Payments to Suppliers for Goods and Services	<u>(796,464)</u>	<u>(20,730)</u>	<u>(817,194)</u>
Net Cash Provided by Operating Activities	<u>126,528</u>	<u>53,320</u>	<u>179,848</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of Capital Assets	<u>(28,245)</u>	<u>-</u>	<u>(28,245)</u>
Net Cash (Used) for Capital Financing Activities	<u>(28,245)</u>	<u>-</u>	<u>(28,245)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	<u>12,883</u>	<u>-</u>	<u>12,883</u>
Net Cash Provided by Investing Activities	<u>12,883</u>	<u>-</u>	<u>12,883</u>
Net Increase in Cash	111,166	53,320	164,486
Cash, Beginning of Year	<u>608,344</u>	<u>346,557</u>	<u>954,901</u>
Cash, End of Year	<u>\$ 719,510</u>	<u>\$ 399,877</u>	<u>\$ 1,119,387</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$ 75,427	\$ 53,479	\$ 128,906
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation	11,314		11,314
Change in Assets and Liabilities			
(Increase)/Decrease in Inventories	3,125		3,125
Increase/(Decrease) in Accounts Payable	31,498	(159)	31,339
Increase/(Decrease) in Unearned Revenue	<u>5,164</u>	<u>-</u>	<u>5,164</u>
Total Adjustments	<u>51,101</u>	<u>(159)</u>	<u>50,942</u>
Net Cash Provided by Operating Activities	<u>\$ 126,528</u>	<u>\$ 53,320</u>	<u>\$ 179,848</u>

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2019**

	Scholarship Fund	Unemployment Compensation Trust Fund	Agency Fund
ASSETS			
Cash	\$ 103,507	\$ 976,711	\$ 460,922
Cash with Fiscal Agents	<u>-</u>	<u>-</u>	<u>22,278</u>
Total Assets	<u>103,507</u>	<u>976,711</u>	<u>\$ 483,200</u>
LIABILITIES			
Payroll Deductions and Withholdings			\$ 168,545
Flexible Spending Account			22,237
Intergovernmental Payable		1,634	
Due to Other Funds			1,260
Due to Student Groups	<u>-</u>	<u>-</u>	<u>291,158</u>
Total Liabilities	<u>-</u>	<u>1,634</u>	<u>\$ 483,200</u>
NET POSITION			
Reserved For Scholarships	<u>\$ 103,507</u>		
Held in Trust for Unemployment Claims		<u>\$ 975,077</u>	

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Scholarship Fund	Unemployment Compensation Trust Fund
ADDITIONS		
Contributions		
Employee Deductions		\$ 61,282
Donations	\$ 32,726	
Investment Earnings		
Interest	<u>1,929</u>	<u>16,364</u>
Total Additions	<u>34,655</u>	<u>77,646</u>
DEDUCTIONS		
Scholarships Awarded	29,122	
Unemployment Claims and Contributions	<u>-</u>	<u>61,061</u>
Total Deductions	<u>29,122</u>	<u>61,061</u>
Change in Net Position	5,533	16,585
Net Position, Beginning of Year	<u>97,974</u>	<u>958,492</u>
Net Position, End of Year	<u>\$ 103,507</u>	<u>\$ 975,077</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. New Accounting Standards

During fiscal year 2019, the District adopted the following GASB statements as required:

- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the fiscal year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

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

Additionally, the government reports the following fund types:

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

4. Capital Assets

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets (Continued)*

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

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

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

5. *Deferred Outflows/Inflows of Resources*

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Long-Term Obligations*

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2019 audited excess surplus that is required to be appropriated in the 2020/2021 original budget certified for taxes.

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

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

Capital Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Maintenance Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note3d).

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

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

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

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

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

Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. *Fund Balance Policies*

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

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

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

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 2017-2018 and 2018-2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

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

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

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Bonds Payable	\$ 16,130,000
Issuance Premium (to be amortized as interest expense)	141,535
Lease Purchase Obligations	1,207,050
Compensated Absences	1,389,238
Net Pension Liability	11,226,839
Deferred Outflows of Resources - Net Pension Liability	(2,564,536)
Deffered Inflows of Resources - Net Pension Liability	<u>4,516,169</u>
Net Adjustment to Reduce Fund Balance - Total Governmental Funds to arrive at Net Position - Governmental Activities	<u>\$ 32,046,295</u>

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2018/2019. Also, during 2018/2019 the Board increased the original General Fund budget by \$5,811,597 and the Special Revenue budget by \$358,768. The increase was funded by additional surplus appropriated, grant awards and the reappropriation of prior year general fund encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018		\$ 15,541,608
Increased by		
Interest Earnings	\$ 248,003	
Return of Unexpended Funding from Capital Projects Fund	153,358	
Deposits Approved by Board Resolution	<u>3,581,212</u>	
Total Increases		<u>3,982,573</u>
		19,524,181
Withdrawals		
Approved by Board Resolutions		<u>4,670,000</u>
Balance, June 30, 2019		<u>\$ 14,854,181</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$3,100,000 of the capital reserve balance at June 30, 2019 was designated and appropriated for use in the 2019/2020 original budget certified for taxes.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018	\$ 4,142,713
Increased by	
Interest earnings	<u>76,275</u>
Balance, June 30, 2019	<u>\$ 4,218,988</u>

The June 30, 2019 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$5,609,547. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities. \$250,000 of the maintenance reserve balance at June 30, 2019 was designated and appropriated for use in the 2019/2020 original budget certified for taxes.

D. Emergency Reserve

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

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

The activity of the emergency reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018	\$ 482,170
Increased by	
Interest Earnings	<u>8,317</u>
Balance, June 30, 2019	<u>\$ 490,487</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Transfers to Capital Outlay

During the 2018/2019 school year, the district transferred \$4,670,000 to the Capital Projects Fund. The transfer was made from the capital reserve account to provide resources for various capital projects approved by the Board.

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2019 is \$2,000,000. Of this amount, \$1,000,000 was designated and appropriated in the 2019/2020 original budget certified for taxes and the remaining amount of \$1,000,000 will be appropriated in the 2020/2021 original budget certified for taxes.

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2019, the book value of the Board's deposits were \$31,786,480 and bank and brokerage firm balances of the Board's deposits amounted to \$34,801,847. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	\$ 26,074,492
Uninsured and Collateralized	
Collateral held by pledging financial institution's trust	
department not in the Board's name	8,705,077
Cash with Fiscal Agent	<u>22,278</u>
	<u>\$ 34,801,847</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2019 the Board’s bank balance of \$8,727,355 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized

Collateral held by pledging financial institution's trust department
not in the Board's name

\$ 8,727,355

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law,” (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2019, the Board had no outstanding investments.

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Board places no limit in the amount the District may invest in any one issuer.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2019 for the district's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Receivables:				
Accounts	\$ 97,241			\$ 97,241
Intergovernmental				
State	54,127		\$ 24,095	78,222
Federal	-	\$ 72,716	-	72,716
Gross Receivables	<u>151,368</u>	<u>72,716</u>	<u>24,095</u>	<u>248,179</u>
Less: Allowance for				
Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 151,368</u>	<u>\$ 72,716</u>	<u>\$ 24,095</u>	<u>\$ 248,179</u>

C. Unearned Revenue

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

General Fund	
Tuition Received in Advance	\$ 6,334
Special Revenue Fund	
Unencumbered Grant Draw Downs	116,867
Capital Projects Fund	
Unrealized School Facilities Grants	<u>11,347</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 134,548</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance <u>July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Balance, <u>June 30, 2019</u>
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 178,635				\$ 178,635
Construction in Progress	<u>1,892,757</u>	<u>\$ 1,456,729</u>	<u>-</u>	<u>\$ (165,095)</u>	<u>3,184,391</u>
Total Capital Assets, Not Being Depreciated	<u>2,071,392</u>	<u>1,456,729</u>	<u>-</u>	<u>(165,095)</u>	<u>3,363,026</u>
Capital Assets, Being Depreciated:					
Buildings	86,423,589	91,275		165,095	86,679,959
Improvements Other Than Buildings	3,301,642	-	\$ (378,000)		2,923,642
Machinery and Equipment	<u>3,896,037</u>	<u>294,974</u>	<u>-</u>	<u>-</u>	<u>4,191,011</u>
Total Capital Assets Being Depreciated	<u>93,621,268</u>	<u>386,249</u>	<u>(378,000)</u>	<u>165,095</u>	<u>93,794,612</u>
Less Accumulated Depreciation for:					
Buildings	(30,332,625)	(2,106,456)			(32,439,081)
Improvements Other Than Buildings	(2,060,192)	(109,832)	378,000		(1,792,024)
Machinery and Equipment	<u>(2,954,104)</u>	<u>(201,740)</u>	<u>-</u>	<u>-</u>	<u>(3,155,844)</u>
Total Accumulated Depreciation	<u>(35,346,921)</u>	<u>(2,418,028)</u>	<u>378,000</u>	<u>-</u>	<u>(37,386,949)</u>
Total Capital Assets, Being Depreciated, Net	<u>58,274,347</u>	<u>(2,031,779)</u>	<u>-</u>	<u>165,095</u>	<u>56,407,663</u>
Governmental Activities Capital Assets, Net	<u>\$ 60,345,739</u>	<u>\$ (575,050)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,770,689</u>
	Balance, <u>July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2019</u>	
Business-Type Activities:					
Capital Assets, Being Depreciated:					
Machinery and Equipment	\$ 270,204	\$ 28,245	\$ -	\$ 298,449	
Total Capital Assets Being Depreciated	<u>270,204</u>	<u>28,245</u>	<u>-</u>	<u>298,449</u>	
Less Accumulated Depreciation for:					
Machinery and Equipment	<u>(192,216)</u>	<u>(11,314)</u>	<u>-</u>	<u>(203,530)</u>	
Total Accumulated Depreciation	<u>(192,216)</u>	<u>(11,314)</u>	<u>-</u>	<u>(203,530)</u>	
Business-Type Activities Capital Assets, Net	<u>\$ 77,988</u>	<u>\$ 16,931</u>	<u>\$ -</u>	<u>\$ 94,919</u>	

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction

Regular	\$ 1,023,633
Special Education	99,455
Other Instruction	4,985
Other Supplemental / At-Risk Programs	23,791
School Sponsored Activities and Athletics	162,204
Total Instruction	<u>1,314,068</u>

Support Services

Student and Instruction Related Services	295,414
General Administrative Services	42,309
School Administrative Services	123,447
Plant Operations and Maintenance	313,601
Pupil Transportation	162,283
Business and Other Support Services	166,906
Total Support Services	<u>1,103,960</u>

Total Depreciation Expense - Governmental Activities \$ 2,418,028

Business-Type Activities:

Food Service Fund	<u>\$ 11,314</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 11,314</u>

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2019:

<u>Project Title/Description</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment June 30, 2019</u>
<u>Capital Projects Fund</u>		
Visitors Bleachers Replacement Project - IHHS	\$ 1,319,294	\$ 26,924
Visitors Bleachers Replacement Project - RHS	488,094	15,361
Bathroom Renovations - IHHS	30,647	<u>132,353</u>
		<u>\$ 174,638</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2019, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Student Activity Fund	\$ 114
General Fund	Payroll Agency Fund	<u>1,146</u>
		<u>\$ 1,260</u>

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

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

Interfund Transfers

	<u>Transfer In</u>		<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	
<u>Transfer Out:</u>			
General Fund		\$ 5,020,000	\$ 5,020,000
Capital Projects Fund	\$ 278,795	-	<u>278,795</u>
 Total Transfers Out	<u>\$ 278,795</u>	<u>\$ 5,020,000</u>	<u>\$ 5,298,795</u>

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Operating Leases

The District leases copiers under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2019 were \$42,485. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2020	\$ 44,382
2021	44,382
2022	44,382
2023	44,382
2024	<u>29,588</u>
Total	<u>\$ 207,116</u>

Capital Leases

The District is leasing computer supplies totaling \$3,816,896 under capital leases. The leases are for terms of 3 to 5 years.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2020	\$ 673,975
2021	<u>533,075</u>
Total minimum lease payments	<u>\$ 1,207,050</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2019 are comprised of the following issues:

\$20,775,000, 2015 School Refunding Bonds, due in annual installments of \$1,130,000 to \$1,615,000 through June 1, 2031, interest at 2.50% to 3.00%	<u>\$16,130,000</u>
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The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2020	\$ 1,130,000	\$ 437,300	\$ 1,567,300
2021	1,150,000	409,050	1,559,050
2022	1,190,000	380,300	1,570,300
2023	1,225,000	350,550	1,575,550
2024	1,270,000	319,925	1,589,925
2025-2029	6,995,000	1,088,825	8,083,825
2030-2031	<u>3,170,000</u>	<u>143,550</u>	<u>3,313,550</u>
Total	<u>\$ 16,130,000</u>	<u>3,129,500</u>	<u>\$ 19,259,500</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2019 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 345,122,441
Less: Net Debt	<u>16,130,000</u>
Remaining Borrowing Power	<u>\$ 328,992,441</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019, was as follows:

	Balance, <u>July 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2019</u>	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 17,230,000		\$ (1,100,000)	\$ 16,130,000	\$ 1,130,000
Add:					
Unamortized Premium	<u>169,029</u>	<u>-</u>	<u>(27,494)</u>	<u>141,535</u>	<u>-</u>
Total Bonds Payable	17,399,029	-	(1,127,494)	16,271,535	1,130,000
Lease Purchase Obligations	1,881,026		(673,976)	1,207,050	673,975
Compensated Absences	872,823	\$ 516,415		1,389,238	
Net Pension Liability	<u>13,938,824</u>	<u>-</u>	<u>(2,711,985)</u>	<u>11,226,839</u>	<u>-</u>
Governmental Activities Long-Term Liabilities	<u>\$ 34,091,702</u>	<u>\$ 516,415</u>	<u>\$ (4,513,455)</u>	<u>\$ 30,094,662</u>	<u>\$ 1,803,975</u>

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

NOTE 5 OTHER INFORMATION

A. Risk Management

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

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	None	\$ 61,282	\$ 61,061	\$ 975,077
2018	None	57,866	35,725	958,492
2017	None	56,123	39,595	927,395

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2019, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2019, the District has not estimated its arbitrage earnings due to the IRS, if any.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

Public Employees’ Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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

Teachers’ Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division’s) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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 represent the membership tiers for TPAF:

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

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

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

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

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

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

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

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

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

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

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2018 is \$19.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 53.60%. The collective net pension liability of the State funded TPAF at June 30, 2018 is \$63.81 billion and the plan fiduciary net position as a percentage of total pension liability is 26.49%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2017 which were rolled forward to June 30, 2018.

Actuarial Methods and Assumptions

In the July 1, 2017 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2019.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2019 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than this actuarial determined amount. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2019, 2018 and 2017 were equal to the required contributions.

During the fiscal years ended June 30, 2019, 2018 and 2017 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2019	\$ 567,159	\$ 3,606,894	\$ 23,246
2018	554,713	2,770,085	24,983
2017	507,275	2,061,113	10,952

In addition for fiscal years 2019, 2018 and 2017 the District contributed \$2,628, \$9,264 and \$2,994, respectively for PERS and the State contributed \$3,624, \$4,218 and \$4,577 respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,540,212 during the fiscal year ended June 30, 2019 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2017 through June 30, 2018. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2018 are based on the ratio of each employer’s contribution to total employer contributions of the group for the fiscal year ended June 30, 2018.

At June 30, 2019, the District reported in the statement of net position (accrual basis) a liability of \$11,226,839 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportionate share of the net pension liability was based on the District’s share of contributions to the pension plan relative to the contributions of all participating governmental entities, actuarially determined. At June 30, 2018, the District’s proportionate share was .05702 percent, which was a decrease of 0.00285 percent from its proportionate share measured as of June 30, 2017 of 0.05987 percent.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$607,582 for PERS. The pension contribution made by the District during the current 2018/2019 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2019 with a measurement date of the prior fiscal year end of June 30, 2018. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2019 for contributions made subsequent to the measurement date. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 214,098	\$ 57,889
Changes of Assumptions	1,849,997	3,589,746
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		105,308
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>500,441</u>	<u>763,226</u>
Total	<u>\$ 2,564,536</u>	<u>\$ 4,516,169</u>

At June 30, 2019, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2019	\$ 71,042
2020	(166,000)
2021	(834,898)
2022	(733,751)
2023	(288,026)
Thereafter	<u>-</u>
	<u>\$ (1,951,633)</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 are summarized in the following table:

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

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	5.66%
2018	June 30, 2017	5.00%

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2018. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2018, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$6,810,869 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the net pension liability attributable to the District is \$116,831,527. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2018. At June 30, 2018, the State's share of the net pension liability attributable to the District was 0.18364 percent, which was an increase of 0.00040 percent from its proportionate share measured as of June 30, 2017 of 0.18324 percent.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.25%
Salary Increases:	
2011-2026	1.55-4.55%
Thereafter	2.00-5.45%
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2006

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 are summarized in the following table:

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

<u>Fiscal</u> <u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	4.86%
2018	June 30, 2017	4.25%

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

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.86%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.86 percent) or 1-percentage-point higher (5.86 percent) than the current rate:

	<u>1%</u> <u>Decrease</u> <u>(3.86%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(4.86%)</u>	<u>1%</u> <u>Increase</u> <u>(5.86%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 138,799,519</u>	<u>\$ 116,831,527</u>	<u>\$ 98,734,200</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2018. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2018 was not provided by the pension system.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report effective for the fiscal year ended June 30, 2018. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2017:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	145,050
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
 Total	 <u>362,181</u>

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2018 is \$46.1 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2017 which were rolled forward to June 30, 2018.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2017 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2018.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2019, 2018 and 2017 were \$1,636,081, \$1,789,139 and \$1,717,376, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2017 through June 30, 2018. Nonemployer allocation percentages have been rounded for presentation purposes.

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$3,243,235. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the OPEB liability attributable to the District is \$74,328,191. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2018. At June 30, 2018, the state's share of the OPEB liability attributable to the District was 0.16119 percent, which was an increase of 0.00073 percent from its proportionate share measured as of June 30, 2017 of 0.16046 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy 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-2006 Headcount-Weighted Disable Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.
Long-Term Rate of Return	1.00%

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

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2012 to June 30, 2015 and July 1, 2011 to June 30, 2014, respectively.

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For prescription drug benefits, the initial trend rate is 8.0 percent and decreases to a 5.0 percent long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2018.

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	3.87%
2018	June 30, 2017	3.58%

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

	<u>Total OPEB Liability (State Share 100%)</u>
Balance, June 30, 2017 Measurement Date	\$ <u>86,069,876</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,068,596
Interest on the Total OPEB Liability	3,157,112
Differences Between Expected and Actual Experience	(7,519,043)
Changes of Assumptions	(8,529,532)
Gross Benefit Payments	(1,987,509)
Contributions from the Member	68,691
Net Changes	<u>\$ (11,741,685)</u>
Balance, June 30, 2018 Measurement Date	\$ <u>74,328,191</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58 percent in 2017 to 3.87 percent in 2018.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 was not provided by the pension system.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.87%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease <u>(2.87%)</u>	Current Discount Rate <u>(3.87%)</u>	1% Increase <u>(4.87%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 87,871,052</u>	<u>\$ 74,328,191</u>	<u>\$ 63,563,015</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	<u>\$ 61,436,579</u>	<u>\$ 74,328,191</u>	<u>\$ 91,377,842</u>

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2018. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2018 were not provided by the pension system.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 49,864,711	-	\$ 49,864,711	\$ 49,864,711	
Tuition - Intergovernmental	21,019	-	21,019	151,462	\$ 130,443
Tuition - Individuals	60,424	-	60,424	35,032	(25,392)
Transportation Fees from Individuals	47,000	-	47,000	77,835	30,835
Interest on Capital Reserve	10,000	-	10,000	248,003	238,003
Interest on Maintenance Reserve	4,000	-	4,000	76,275	72,275
Interest on Emergency Reserve	500	-	500	8,317	7,817
Interest	-	-	-	236,575	236,575
Miscellaneous-Restricted	350,000	-	350,000	351,690	1,690
Miscellaneous - Unrestricted	233,332	-	233,332	604,611	371,279
Total Local Revenues	<u>50,590,986</u>	<u>-</u>	<u>50,590,986</u>	<u>51,654,511</u>	<u>1,063,525</u>
State Sources					
Transportation Aid	452,605	\$ 246,330	698,935	698,935	
Special Education Aid	1,085,582	-	1,085,582	1,085,582	
Security Aid	40,228	-	40,228	40,228	
Extraordinary Aid	-	1,307	1,307	405,962	404,655
Additional Nonpublic Transportation Aid	-	-	-	54,127	54,127
Subtotal Non On-behalf State Revenues	<u>1,578,415</u>	<u>247,637</u>	<u>1,826,052</u>	<u>2,284,834</u>	<u>458,782</u>
Reimbursed TPAF Social Security Contributions (Non-Budgeted)					
				1,540,212	1,540,212
On-behalf TPAF Pension System Contributions-(Non-Budget)					
Normal Cost and Acerued Liability				3,532,940	3,532,940
Non-Contributory Insurance				73,954	73,954
Long Term Disability				3,624	3,624
Post-Retirement	-	-	-	1,636,081	1,636,081
Subtotal On-Behalf TPAF State Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,786,811</u>	<u>6,786,811</u>
Total Revenues	<u>52,169,401</u>	<u>247,637</u>	<u>52,417,038</u>	<u>60,726,156</u>	<u>8,309,118</u>
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Grades 9-12	15,035,132	164,330	15,199,462	14,840,142	359,320
Home Instruction					
Salaries of Teachers	70,000	-	70,000	60,751	9,249
Purchased Professional/Educational Services	15,000	18,998	33,998	21,550	12,448
Regular Programs - Undistributed Instruction					
Purchased Professional/Educational Services	4,770	(1,835)	2,935	2,318	617
Other Purchased Services	745,490	(18,146)	727,344	712,480	14,864
General Supplies	432,193	7,856	440,049	385,918	54,131
Textbooks	300,393	(43,668)	256,725	208,424	48,301
Other Objects	14,918	(1,108)	13,810	9,570	4,240
Total Regular Programs	<u>16,617,896</u>	<u>126,427</u>	<u>16,744,323</u>	<u>16,241,153</u>	<u>503,170</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Special Education					
Cognitive -Mild					
Salaries of Teachers	\$ 163,111	\$ (1,309)	\$ 161,802	\$ 158,396	\$ 3,406
Other Salaries of Instruction	129,065	34,810	163,875	163,875	-
Other Purchased Services	300	40	340	335	5
General Supplies	4,000	-	4,000	3,822	178
Total Cognitive- Mild	296,476	33,541	330,017	326,428	3,589
Behavioral Disabilities					
Purchased Professional-Education Services	134,000	-	134,000	134,000	-
Total Behavioral Disabilities	134,000	-	134,000	134,000	-
Resource Room/Resource Center					
Salaries of Teachers	1,192,312	24,976	1,217,288	1,217,288	-
Other Salaries of Instruction	50,474	(1,976)	48,498	48,229	269
Other Purchased Services	1,000	(600)	400	379	21
General Supplies	13,000	(150)	12,850	11,677	1,173
Textbooks	4,700	(2,007)	2,693	601	2,092
Total Resource Room/Resource Center	1,261,486	20,243	1,281,729	1,278,174	3,555
Home Instruction					
Salaries of Teachers	50,000		50,000	12,960	37,040
Purchased Professional Educational Services	130,000	(5,400)	124,600	124,280	320
Total Home Instruction	180,000	(5,400)	174,600	137,240	37,360
Total Special Education	1,871,962	48,384	1,920,346	1,875,842	44,504
Basic Skills/Remedial					
Salaries of Teachers	33,180	-	33,180	32,776	404
Total Basic Skills/Remedial	33,180	-	33,180	32,776	404
School Sponsored Co/Extra-curricular Activities					
Salaries	701,200	-	701,200	622,530	78,670
Purchased Services	11,700	-	11,700	11,700	-
Supplies and Materials	46,700	3,389	50,089	32,335	17,754
Other Objects	28,373	(695)	27,678	23,462	4,216
Total School Sponsored Co-/Extra Curricular Activities	787,973	2,694	790,667	690,027	100,640
School Sponsored Athletics					
Salaries	1,259,903	-	1,259,903	1,168,507	91,396
Purchased Services	194,450	5,820	200,270	191,383	8,887
Supplies and Materials	190,947	3,363	194,310	169,894	24,416
Other Objects	416,708	(3,507)	413,201	401,543	11,658
Total School Sponsored Athletics	2,062,008	5,676	2,067,684	1,931,327	136,357

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Other Supplemental / At-Risk Programs - Instruction					
Salaries of Teachers	\$ 389,739	\$ -	\$ 389,739	\$ 341,723	\$ 48,016
General Supplies	500	-	500	452	48
	<u>390,239</u>	<u>-</u>	<u>390,239</u>	<u>342,175</u>	<u>48,064</u>
Total Other Instructional Programs- Instruction					
	<u>390,239</u>	<u>-</u>	<u>390,239</u>	<u>342,175</u>	<u>48,064</u>
Total - Instruction	<u>21,763,258</u>	<u>183,181</u>	<u>21,946,439</u>	<u>21,113,300</u>	<u>833,139</u>
Undistributed Expenditures					
Instruction					
Tuition Other LEA's Within the State - Regular	14,000	-	14,000	13,187	813
Tuition Other LEA's Within the State - Special	376,768	(29,250)	347,518	256,816	90,702
Tuition to County Vocational School - Regular	899,082	-	899,082	777,937	121,145
Tuition to County Vocational School - Special	162,000	-	162,000	135,000	27,000
Tuition to CSSD & Regional Day Schools	443,795	-	443,795	328,062	115,733
Tuition to Private School for the Disabled - Within State	2,580,624	(480,078)	2,100,546	1,738,777	361,769
Tuition to Private School for the Disabled & Other LEA's - Special, Outside the State	459,152	-	459,152	387,733	71,419
Tuition - Other	158,400	-	158,400	51,475	106,925
	<u>5,093,821</u>	<u>(509,328)</u>	<u>4,584,493</u>	<u>3,688,987</u>	<u>895,506</u>
Total Undistributed Expenditures - Instruction					
	<u>5,093,821</u>	<u>(509,328)</u>	<u>4,584,493</u>	<u>3,688,987</u>	<u>895,506</u>
Attendance and Social Work Services					
Salaries	206,357	(4,811)	201,546	199,990	1,556
	<u>206,357</u>	<u>(4,811)</u>	<u>201,546</u>	<u>199,990</u>	<u>1,556</u>
Total Attendance and Social Work Services					
	<u>206,357</u>	<u>(4,811)</u>	<u>201,546</u>	<u>199,990</u>	<u>1,556</u>
Health Services					
Salaries	301,230	5,299	306,529	306,529	-
Purchased Professional and Technical Services	16,700	88	16,788	12,512	4,276
Other Purchased Services	2,000	417	2,417	2,328	89
Supplies and Materials	10,750	916	11,666	11,112	554
Other Objects	775	(478)	297	297	-
	<u>331,455</u>	<u>6,242</u>	<u>337,697</u>	<u>332,778</u>	<u>4,919</u>
Total Health Services					
	<u>331,455</u>	<u>6,242</u>	<u>337,697</u>	<u>332,778</u>	<u>4,919</u>
Speech, OT, PT, & Related Services					
Purchased Professional and Ed. Svcs.	89,000	18,006	107,006	100,706	6,300
Supplies and Materials	1,500	(6)	1,494	409	1,085
	<u>90,500</u>	<u>18,000</u>	<u>108,500</u>	<u>101,115</u>	<u>7,385</u>
Total Speech, OT, PT & Related Services					
	<u>90,500</u>	<u>18,000</u>	<u>108,500</u>	<u>101,115</u>	<u>7,385</u>
Other Support Services - Students - Extra. Serv.					
Salaries	455,843	(33,501)	422,342	408,783	13,559
Purchased Professional Educational Svcs.	378,000	-	378,000	370,778	7,222
Supplies and Materials	1,500	-	1,500	414	1,086
	<u>835,343</u>	<u>(33,501)</u>	<u>801,842</u>	<u>779,975</u>	<u>21,867</u>
Total Other Support Services - Students - Extra. Serv.					
	<u>835,343</u>	<u>(33,501)</u>	<u>801,842</u>	<u>779,975</u>	<u>21,867</u>
Guidance					
Salaries of Other Professional Staff	1,122,711	1,336	1,124,047	1,124,047	-
Salaries of Secretarial and Clerical Assistants	251,805	(1,336)	250,469	249,473	996
Purchased Professional Educational Svcs.	2,000	13,861	15,861	13,623	2,238
Other Purchased Services	4,000	(291)	3,709	3,367	342
Supplies and Materials	40,100	(1,999)	38,101	32,678	5,423
Other Objects	10,925	(3,656)	7,269	4,827	2,442
	<u>1,431,541</u>	<u>7,915</u>	<u>1,439,456</u>	<u>1,428,015</u>	<u>11,441</u>
Total Guidance					
	<u>1,431,541</u>	<u>7,915</u>	<u>1,439,456</u>	<u>1,428,015</u>	<u>11,441</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Child Study Teams					
Salaries of Other Professional Staff	\$ 746,610	\$ (3,068)	\$ 743,542	\$ 726,561	\$ 16,981
Salaries of Secretarial and Clerical Assists.	165,810	3,068	168,878	168,878	-
Purchased Professional - Educational Services	44,000	590	44,590	40,599	3,991
Other Purchased Services	6,500	(332)	6,168	2,240	3,928
Miscellaneous Purchased Services	-	-	-	-	-
Supplies and Materials	11,550	(500)	11,050	7,885	3,165
Other Objects	1,600	(590)	1,010	747	263
	<u>976,070</u>	<u>(832)</u>	<u>975,238</u>	<u>946,910</u>	<u>28,328</u>
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	56,035	-	56,035	56,031	4
Salaries of Secretarial and Clerical Assistants	35,360	-	35,360	33,725	1,635
Other Salaries	88,675	40,000	128,675	128,675	-
Other Purchased Services	726	125	851	617	234
Supplies and Materials	4,020	(125)	3,895	2,002	1,893
Other Objects	500	-	500	423	77
	<u>185,316</u>	<u>40,000</u>	<u>225,316</u>	<u>221,473</u>	<u>3,843</u>
Educational Media Services/School Library					
Salaries	321,760	26,000	347,760	343,891	3,869
Salaries of Technology Coordinators	160,482	-	160,482	152,683	7,799
Purchased Professional and Technical Services	35,000	6,976	41,976	41,975	1
Other Purchased Services	2,000	1,770	3,770	3,612	158
Supplies and Materials	58,292	(19,341)	38,951	36,648	2,303
Other Objects	555	-	555	505	50
	<u>578,089</u>	<u>15,405</u>	<u>593,494</u>	<u>579,314</u>	<u>14,180</u>
Instructional Staff Training Services					
Salaries of Supervisors of Instruction	689,773	-	689,773	668,943	20,830
Salaries of Secretarial and Clerical Assistants	120,247	-	120,247	111,587	8,660
Other Salaries	124,556	-	124,556	100,592	23,964
Purchased Professional Educational Services	37,000	2,862	39,862	24,921	14,941
Other Purchased Services	42,500	(2,500)	40,000	23,807	16,193
Supplies and Materials	2,000	(284)	1,716	-	1,716
Other Objects	4,000	-	4,000	2,566	1,434
	<u>1,020,076</u>	<u>78</u>	<u>1,020,154</u>	<u>932,416</u>	<u>87,738</u>
Support Services General Administration					
Salaries	341,410	(3,433)	337,977	337,977	-
Legal Services	140,000	-	140,000	117,501	22,499
Audit Fees	44,500	7,500	52,000	35,730	16,270
Other Purchased Professional Services	20,000	36,150	56,150	30,115	26,035
Communications/Telephone	51,200	9,433	60,633	37,384	23,249
BOE Other Purchased Services	4,000	53	4,053	1,453	2,600
Misc Purchased Services	23,000	5,105	28,105	16,489	11,616
General Supplies	14,000	5,000	19,000	7,504	11,496
Judgements Against the School District	-	1,000	1,000	1,000	-
Miscellaneous Expenditures	4,000	-	4,000	3,870	130
BOE Membership Dues and Fees	23,000	-	23,000	21,790	1,210
	<u>665,110</u>	<u>60,808</u>	<u>725,918</u>	<u>610,813</u>	<u>115,105</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,548,009	\$ 103,000	\$ 1,651,009	\$ 1,589,590	\$ 61,419
Salaries of Secretarial and Clerical Assistants	392,109	20,000	412,109	381,102	31,007
Unused Vacation Payout to Terminated/Retired Staff	10,000	10,000	20,000	-	20,000
Other Purchased Services	38,250	26,291	64,541	37,545	26,996
Supplies and Materials	23,080	14,388	37,468	13,788	23,680
Other Objects	45,790	734	46,524	42,212	4,312
Total Support Services School Administration	2,057,238	174,413	2,231,651	2,064,237	167,414
Support Services-Central Services					
Salaries	640,413	-	640,413	637,994	2,419
Purchased Professional Services	30,000	14,200	44,200	6,957	37,243
Purchased Technical Services	18,000	-	18,000	14,525	3,475
Misc. Purchased Services	22,000	11,242	33,242	17,106	16,136
Supplies and Materials	7,500	-	7,500	1,968	5,532
Other Objects	9,500	-	9,500	7,204	2,296
Total Support Services - Central Services	727,413	25,442	752,855	685,754	67,101
Support Services - Admin. Info. Tech.					
Salaries	203,767	-	203,767	195,690	8,077
Purchased Technical Services	175,200	12,757	187,957	164,946	23,011
Other Purchased Services	109,600	(2,505)	107,095	78,290	28,805
Supplies and Materials	150,600	60,475	211,075	173,135	37,940
Total Support Services Admin. Info. Tech.	639,167	70,727	709,894	612,061	97,833
Required Maintenance of School Facilities					
Salaries	295,256	(41,500)	253,756	248,894	4,862
Cleaning, Repair and Maintenance Services	600,500	159,069	759,569	563,637	195,932
General Supplies	101,000	56,403	157,403	123,152	34,251
Total Required Maintenance of School Facilities	996,756	173,972	1,170,728	935,683	235,045
Custodial Services					
Salaries	1,127,717	(68,637)	1,059,080	983,308	75,772
Unused Vacation Payout to Terminated/Retired Staff	5,000	-	5,000	-	5,000
Purchased Professional and Technical Services	135,050	46,100	181,150	118,910	62,240
Cleaning, Repair and Maintenance Services	758,000	27,235	785,235	730,724	54,511
Rental of Land & Bldgs- Other Than Lease Purchase	16,600	4,050	20,650	15,811	4,839
Other Purchased Property Services	46,000	(2,000)	44,000	32,435	11,565
Insurance	320,000	(600)	319,400	308,811	10,589
Miscellaneous Purchased Services	3,000	-	3,000	827	2,173
General Supplies	178,000	289,108	467,108	154,092	313,016
Energy (Natural Gas)	500,000	(222,856)	277,144	247,848	29,296
Energy (Electricity)	672,000	(142,908)	529,092	501,393	27,699
Total Custodial Services	3,761,367	(70,508)	3,690,859	3,094,159	596,700
Care and Upkeep of Grounds					
Salaries	326,659	15,491	342,150	321,420	20,730
Cleaning, Repair and Maintenance Services	48,500	88,343	136,843	113,893	22,950
General Supplies	45,000	70,388	115,388	104,824	10,564
Total Care and Upkeep of Grounds	420,159	174,222	594,381	540,137	54,244

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Security					
Salaries	\$ 469,178	\$ (15,000)	\$ 454,178	\$ 441,445	\$ 12,733
Purchased Professional and Technical Services	14,500	(2,000)	12,500	9,427	3,073
Cleaning, Repair and Maintenance Services	15,000	9,102	24,102	17,674	6,428
General Supplies	10,000	-	10,000	8,259	1,741
Other Objects	1,000	-	1,000	738	262
Total Security	<u>509,678</u>	<u>(7,898)</u>	<u>501,780</u>	<u>477,543</u>	<u>24,237</u>
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	137,463	-	137,463	133,331	4,132
Salaries for Pupil Transportation (Other Than Between Home and School)	143,510	-	143,510	130,260	13,250
Cleaning, Repair and Maintenance Services	20,000	14,000	34,000	33,410	590
Contracted Services Transportation (Bet Home & School) - Vendors	991,365	-	991,365	977,690	13,675
Contracted Services Transportation (Other Than Between Home and School) - Vendors	185,765	152,732	338,497	309,352	29,145
Contracted Services Transportation (Spec.Ed.)-Vend.	700,000	292,680	992,680	793,539	199,141
Contracted Services - Aid in Lieu of Payments- Non Public Sch.	146,744	-	146,744	130,683	16,061
Miscellaneous Purchased Services-Transportation	7,000	-	7,000	6,625	375
Transportation Supplies	24,000	-	24,000	13,546	10,454
Other Objects	1,000	-	1,000	-	1,000
Total Student Transportation Services	<u>2,356,847</u>	<u>459,412</u>	<u>2,816,259</u>	<u>2,528,436</u>	<u>287,823</u>
Allocated Benefits					
Instructional Staff Training Services					
Tuition Reimbursement	80,000	-	80,000	59,624	20,376
Total Allocated Benefits	<u>80,000</u>	<u>-</u>	<u>80,000</u>	<u>59,624</u>	<u>20,376</u>
Unallocated Benefits					
Social Security Contributions	685,000	-	685,000	665,547	19,453
Other Retirement Contributions - PERS	615,000	-	615,000	567,862	47,138
Other Retirement Contributions - Regular	30,000	-	30,000	23,246	6,754
Workers Compensation	240,000	(49,000)	191,000	190,982	18
Health Benefits	6,575,750	(13,000)	6,562,750	5,955,261	607,489
Other Employee Benefits	142,000	(1,000)	141,000	50,145	90,855
Total Unallocated Benefits	<u>8,287,750</u>	<u>(63,000)</u>	<u>8,224,750</u>	<u>7,453,043</u>	<u>771,707</u>
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				1,540,212	(1,540,212)
On-behalf TPAF Pension System Contributions- Normal Cost (Non-Budget)				3,532,940	(3,532,940)
Non-Contributory Insurance (Non-Budget)				73,954	(73,954)
Long Term Disability (Non-Budget)				3,624	(3,624)
Post-Retirement (Non-Budget)	-	-	-	1,636,081	(1,636,081)
Total On-behalf TPAF Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,786,811</u>	<u>(6,786,811)</u>
Total Undistributed Expenditures	<u>31,250,053</u>	<u>536,758</u>	<u>31,786,811</u>	<u>35,059,274</u>	<u>(3,272,463)</u>
Total Current Expenditures	<u>53,013,311</u>	<u>719,939</u>	<u>53,733,250</u>	<u>56,172,574</u>	<u>(2,439,324)</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	\$ 10,000		\$ 10,000		\$ 10,000
Interest Deposit to Maintenance Reserve	4,000		4,000		4,000
Interest Deposit to Emergency Reserve	500	-	500	-	500
Total Interest Deposit to Reserves	<u>14,500</u>	<u>-</u>	<u>14,500</u>	<u>-</u>	<u>14,500</u>
Equipment					
Grades 9-12		\$ 106,573	106,573	\$ 73,412	33,161
School-Sponsored and Other Instructional Programs		45,873	45,873	31,136	14,737
Undistributed					
Maintenance		37,832	37,832		37,832
Admin. Information Technology	125,000	103,944	228,944	58,018	170,926
Care and Upkeep of Grounds	50,000	21,519	71,519	71,519	-
School Buses - Regular	55,000	102,223	157,223	60,889	96,334
Undistributed Expenditures - Non-Inst. Serv.	-	3,694	3,694	-	3,694
Total Equipment	<u>230,000</u>	<u>421,658</u>	<u>651,658</u>	<u>294,974</u>	<u>356,684</u>
Facilities Acquisition and Construction Services					
Other Objects	161,590	-	161,590	161,590	-
Total Facilities and Construction Services	<u>161,590</u>	<u>-</u>	<u>161,590</u>	<u>161,590</u>	<u>-</u>
Total Capital Outlay	<u>406,090</u>	<u>421,658</u>	<u>827,748</u>	<u>456,564</u>	<u>371,184</u>
Total Expenditures	<u>53,419,401</u>	<u>1,141,597</u>	<u>54,560,998</u>	<u>56,629,138</u>	<u>(2,068,140)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,250,000)</u>	<u>(893,960)</u>	<u>(2,143,960)</u>	<u>4,097,018</u>	<u>6,240,978</u>
Other Financing Sources (Uses)					
Capital Outlay Transfer to Capital Projects	(350,000)	-	(350,000)	(350,000)	-
Capital Reserve Transfer to Capital Projects	-	(4,670,000)	(4,670,000)	(4,670,000)	-
Transfer In - Capital Projects Fund	-	-	-	278,795	278,795
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>(4,670,000)</u>	<u>(5,020,000)</u>	<u>(4,741,205)</u>	<u>278,795</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(1,600,000)</u>	<u>(5,563,960)</u>	<u>(7,163,960)</u>	<u>(644,187)</u>	<u>6,519,773</u>
Fund Balances, Beginning of Year	<u>24,709,076</u>	<u>-</u>	<u>24,709,076</u>	<u>24,709,076</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 23,109,076</u>	<u>\$ (5,563,960)</u>	<u>\$ 17,545,116</u>	<u>\$ 24,064,889</u>	<u>\$ 6,519,773</u>
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				\$ 11,754,181	
Capital Reserve - Designated for Subsequent Year's (2019/20) Budget				3,100,000	
Emergency Reserve				490,487	
Maintenance Reserve				3,968,988	
Maintenance Reserve - Designated for Subsequent Year's (2019/20) Budget				250,000	
Excess Surplus - Designated for Subsequent Year's (2019/20) Budget				1,000,000	
Excess Surplus				1,000,000	
Committed Fund Balance					
Encumbrances				440,145	
Assigned Fund Balance					
Encumbrances				504,426	
Designated for Subsequent Year's (2019/20) Budget				633	
Unassigned				<u>1,556,029</u>	
Fund Balance- Budgetary Basis				24,064,889	
Reconciliation of Governmental Funds Statements (GAAP):					
Less: State Aid Revenues not recognized on GAAP basis				<u>(540,144)</u>	
Fund Balance per Governmental Funds Statements (GAAP)				<u>\$ 23,524,745</u>	

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGETARY (NON-GAAP) BASIS AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 60,725	\$ (7,199)	\$ 53,526	\$ 30,237	\$ (23,289)
Federal	442,485	138,423	580,908	479,233	(101,675)
Local	-	227,544	227,544	110,677	(116,867)
Total Revenues	<u>503,210</u>	<u>358,768</u>	<u>861,978</u>	<u>620,147</u>	<u>(241,831)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	8,500	(3,190)	5,310	2,191	3,119
Other Salaries	26,601	6,645	33,246	32,633	613
Purchased Professional/Educational Services	47,805	(6,775)	41,030	24,800	16,230
Tuition	364,229	111,015	475,244	387,131	88,113
General Supplies	9,195	8,627	17,822	11,228	6,594
Textbooks	3,725	(201)	3,524	787	2,737
Miscellaneous Expenditures	-	197,234	197,234	108,486	88,748
Total Instruction	<u>460,055</u>	<u>313,355</u>	<u>773,410</u>	<u>567,256</u>	<u>206,154</u>
Support Services					
Salaries	26,419	7,387	33,806	25,043	8,763
Personal Services-Employee Benefits	16,736	3,789	20,525	19,856	669
Purchased Professional/Educational Services	-	5,515	5,515	5,210	305
Supplies and Materials	-	3,722	3,722	2,782	940
Total Support Services	<u>43,155</u>	<u>20,413</u>	<u>63,568</u>	<u>52,891</u>	<u>10,677</u>
Facilities Acquisition and Construction					
Building Renovations	-	25,000	25,000	-	25,000
Total Facilities Acq. & Construction	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total Expenditures	<u>503,210</u>	<u>358,768</u>	<u>861,978</u>	<u>620,147</u>	<u>241,831</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
GENERAL AND SPECIAL REVENUE FUNDS
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual Revenues Budgetary Basis - Exhibits C-1 and C-2	\$ 60,726,156	\$ 620,147
<p>The State aid payments are recognized as revenue for budgetary purposes. This differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenditure.</p>		
State Aid recognized for GAAP purposes not recognized for budgetary statements (2017/2018 Aid)	427,828	
State Aid recognized for budgetary purposes not recognized for GAAP statements (2018/2019 State Aid)	<u>(540,144)</u>	<u>-</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 60,613,840</u>	<u>\$ 620,147</u>
Uses/outflows of resources		
Actual Expenditures Budgetary Basis - Exhibits C-1 and C-2	<u>\$ 56,629,138</u>	<u>\$ 620,147</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 56,629,138</u>	<u>\$ 620,147</u>

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

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

Public Employees Retirement System

Last Six Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.05702%	0.05987%	0.05710%	0.05961%	0.05966%	0.5695%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 11,226,839	\$ 13,938,824	\$ 16,911,607	\$ 13,380,986	\$ 11,170,110	\$ 10,884,362
District's Covered-Employee Payroll	\$ 4,065,956	\$ 3,934,979	\$ 4,184,646	\$ 4,033,071	\$ 3,952,062	\$ 4,100,264
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	276%	354%	404%	332%	283%	265%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.85%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

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

Public Employees Retirement System

Last Six Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 567,159	\$ 554,713	\$ 507,275	\$ 512,746	\$ 491,573	\$ 426,980
Contributions in Relation to the Contractually Required Contribution	<u>\$ 567,159</u>	<u>\$ 554,713</u>	<u>\$ 507,275</u>	<u>\$ 512,746</u>	<u>491,573</u>	<u>426,980</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 4,065,956	\$ 3,934,979	\$ 4,184,646	\$ 4,033,071	\$ 3,952,062	\$ 4,100,264
Contributions as a Percentage of Covered-Employee Payroll	14%	14%	12%	13%	12%	10%

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

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

Teachers Pension and Annuity Fund

Last Six Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 116,831,527</u>	<u>\$ 123,548,447</u>	<u>\$ 140,415,293</u>	<u>\$ 114,294,133</u>	<u>\$ 99,811,190</u>	<u>\$ 94,072,613</u>
Total	<u>\$ 116,831,527</u>	<u>\$ 123,548,447</u>	<u>\$ 140,415,293</u>	<u>\$ 114,294,133</u>	<u>\$ 99,811,190</u>	<u>\$ 94,072,613</u>
District's Covered-Employee Payroll	\$ 18,810,285	\$ 18,928,345	\$ 18,741,295	\$ 18,164,827	\$ 17,968,791	\$ 18,334,273
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Change of Benefit Terms:

None.

Change of Assumptions:

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

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

Postemployment Health Benefit Plan

Last Two Fiscal Years*

	<u>2019</u>	<u>2018</u>
Service Cost	\$ 3,068,596	\$ 3,693,844
Interest on Total OPEB Liability	3,157,112	2,728,661
Differences Between Expected and Actual Experience	(7,519,043)	-
Changes of Assumptions	(8,529,532)	(11,371,076)
Gross Benefit Payments	(1,987,509)	(1,907,794)
Contribution from the Member	<u>68,691</u>	<u>70,250</u>
Net Change in Total OPEB Liability	(11,741,685)	(6,786,115)
Total OPEB Liability - Beginning of Year	<u>86,069,876</u>	<u>92,855,991</u>
Total OPEB Liability - End of Year	<u>\$ 74,328,191</u>	<u>\$ 86,069,876</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>74,328,191</u>	<u>86,069,876</u>
Total OPEB Liability - Ending	<u>\$ 74,328,191</u>	<u>\$ 86,069,876</u>
District's Covered- Payroll	<u>\$ 22,876,241</u>	<u>\$ 22,863,324</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	 0%	 0%

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

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SPECIAL REVENUE FUND

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	IDEA Part B Basic	NCLB Title I	NCLB Title II-A	NCLB Title IV	Non-Public Nursing	Non-Public Textbooks	Non-Public Technology	Chapter 192	Chapter 193		Other Local Grants	Grand Total
								Compensatory Education	Examination & Classification	Supplementary Instruction		
REVENUES												
Intergovernmental												
State					\$ 3,062	\$ 787	\$ 1,588	\$ 6,599	\$ 10,192	\$ 8,009		\$ 30,237
Federal	\$ 387,131	\$ 57,150	\$ 26,098	\$ 8,854								479,233
Local	-	-	-	-	-	-	-	-	-	-	\$ 110,677	110,677
Total Revenues	\$ 387,131	\$ 57,150	\$ 26,098	\$ 8,854	\$ 3,062	\$ 787	\$ 1,588	\$ 6,599	\$ 10,192	\$ 8,009	\$ 110,677	\$ 620,147
EXPENDITURES												
Instruction												
Salaries of Teachers											\$ 2,191	\$ 2,191
Other Salaries		\$ 32,633										32,633
Purchased Prof & Educ Svcs								\$ 6,599	\$ 10,192	\$ 8,009		24,800
Tuition	\$ 387,131											387,131
General Supplies	-	6,578	-		\$ 3,062		\$ 1,588					11,228
Textbooks						\$ 787						787
Miscellaneous Expenditures	-	-	-	-	-	-	-	-	-	-	108,486	108,486
Total Instruction	387,131	39,211	-	-	3,062	787	1,588	6,599	10,192	8,009	110,677	567,256
Support Services												
Salaries			23,842	1,201								25,043
Personal Svcs. -Emp. Benefits		17,939	1,825	92								19,856
Purchased Professional/Educational Services				5,210								5,210
General Supplies	-	-	431	2,351	-	-	-	-	-	-	-	2,782
Total Support Services	-	17,939	26,098	8,854	-	-	-	-	-	-	-	52,891
Total Expenditures	\$ 387,131	\$ 57,150	\$ 26,098	\$ 8,854	\$ 3,062	\$ 787	\$ 1,588	\$ 6,599	\$ 10,192	\$ 8,009	\$ 110,677	\$ 620,147

CAPITAL PROJECTS FUND

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Project Title/Description</u>	<u>Expenditures to Date</u>				<u>Payables Cancelled</u>	<u>Current Year Cancelled</u>	<u>Balance June 30, 2019</u>
	<u>Original Appropriations</u>	<u>Modified Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>			
Exterior Masonry Upgrades - RHS	\$ 1,152,200	\$ 1,131,375	\$ 1,071,779	\$ 23,359			\$ 36,237
Boys/Girls Locker Room Upgrades - IHHS	538,192	496,339	492,946			\$ 3,393	-
Bathroom Upgrades - IHHS	450,000	450,000	327,956		\$ 33,137	122,044	33,137
Bleachers - RHS	664,500	664,500	645,468	15,750		3,282	-
Roof - IHHS	383,088	383,088	165,096	67,916		150,076	-
Bleachers - RHS and IHHS	2,105,000	2,105,000	1,082,193	916,229	-	-	106,578
Bathroom Upgrades - IHHS	194,506	194,506		57,932			136,574
Rood Recoating - RHS	87,000	87,000		11,495			75,505
Girls Locker Room - IHHS	1,210,000	1,210,000					1,210,000
Girls Locker Room - RHS	960,000	960,000					960,000
Roof Snow Guard	68,494	68,494		6,000			62,494
Exterior Window Replacement - Indian Hills High School	2,050,000	2,050,000	-				2,050,000
Window Phase 3 - RHS	450,000	450,000	-	449,323	-	-	677
	<u>\$ 10,312,980</u>	<u>\$ 10,250,302</u>	<u>\$ 3,785,438</u>	<u>\$ 1,548,004</u>	<u>\$ 33,137</u>	<u>\$ 278,795</u>	<u>\$ 4,671,202</u>
Transfer to:							
Capital Reserve							
General Fund - Fund Balance							
						\$ 153,358	
						<u>125,437</u>	
						<u>\$ 278,795</u>	
Project Appropriation Balance							
Less: Unrealized Grants (SDA)							
							\$ 4,671,202
							<u>(11,347)</u>
Fund Balance, GAAP Basis							
							<u>\$ 4,659,855</u>
<u>Reconciliation of Fund Balance:</u>							
Restricted:							
Encumbrances							
Available for Capital Projects							
						\$ 242,234	
							<u>4,417,621</u>
Total Fund Balance - Restricted for Capital Projects							
							<u>\$ 4,659,855</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Revenues and Other Financing Sources

Transfer from General Fund	
Capital Outlay	\$ 350,000
Capital Reserve	4,670,000
Prior Year Accounts Payable Cancelled	<u>33,137</u>
Total Revenues and Other Financing sources	<u>5,053,137</u>

Expenditures and Other Financing Uses

Architectural / Engineering Services	78,126
Construction Services	1,469,878
Transfer to General Fund -	
Capital Outlay	125,437
Capital Reserve	<u>153,358</u>
Total Expenditures and Other Financing Uses	<u>1,826,799</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,226,338
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Fund Balance, Beginning of Year	<u>1,444,864</u>
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Fund Balance, End of Year	<u>\$ 4,671,202</u>
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Reconciliation to GAAP Basis:

Fund Balance (Budgetary Basis)	\$ 4,671,202
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Less:

Unrealized Revenue (SDA Grants)	<u>(11,347)</u>
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Fund Balance (GAAP Basis)	<u>\$ 4,659,855</u>
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**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
EXTERIOR MASONRY UPGRADES - RAMAPO HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	\$ 440,055		\$ 440,055	\$ 440,055
Transfer from Capital Outlay	691,320	-	691,320	691,320
	<u>1,131,375</u>	<u>-</u>	<u>1,131,375</u>	<u>1,131,375</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>1,071,779</u>	<u>\$ 23,359</u>	<u>1,095,138</u>	<u>1,131,375</u>
Total Expenditures and Other Financing Sources	<u>1,071,779</u>	<u>23,359</u>	<u>1,095,138</u>	<u>1,131,375</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 59,596</u>	<u>\$ (23,359)</u>	<u>\$ 36,237</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4300-050-14-1015
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,152,200
Revised Authorized Cost	\$ 1,131,375
Percentage Completion	97%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2019/2020

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BOYS/GIRLS LOCKER ROOM UPGRADES - INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 386,447	\$ (3,393)	\$ 383,054	\$ 383,054
Transfer from Capital Reserve	<u>109,892</u>	<u>-</u>	<u>109,892</u>	<u>109,892</u>
Total Revenues	<u>496,339</u>	<u>(3,393)</u>	<u>492,946</u>	<u>492,946</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>492,946</u>	<u>-</u>	<u>492,946</u>	<u>492,946</u>
Total Expenditures and Other Financing Sources	<u>492,946</u>	<u>-</u>	<u>492,946</u>	<u>492,946</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 3,393</u>	<u>\$ (3,393)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 538,192
Revised Authorized Cost	\$ 492,946
Percentage Completion	100%
Original Target Completion Date	2015/2016
Revised Target Completion Date	2016/2017

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BATHROOM UPGRADES' - INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 450,000	(122,044)	\$ 327,956	\$ 327,956
Total Revenues	<u>450,000</u>	<u>(122,044)</u>	<u>327,956</u>	<u>327,956</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>327,956</u>	\$ (33,137)	<u>294,819</u>	<u>327,956</u>
Total Expenditures and Other Financing Sources	<u>327,956</u>	<u>(33,137)</u>	<u>294,819</u>	<u>327,956</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 122,044</u>	<u>\$ (88,907)</u>	<u>\$ 33,137</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 450,000
Revised Authorized Cost	\$ 327,956
Percentage Completion	90%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2017/2018

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BLEACHERS - RAMAPO HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 664,500	(3,282)	\$ 661,218	\$ 661,218
 Total Revenues	<u>664,500</u>	<u>(3,282)</u>	<u>661,218</u>	<u>661,218</u>
 EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>645,468</u>	\$ 15,750	<u>661,218</u>	<u>661,218</u>
 Total Expenditures and Other Financing Sources	<u>645,468</u>	<u>15,750</u>	<u>661,218</u>	<u>661,218</u>
 Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 19,032</u>	<u>\$ (19,032)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 664,500
Revised Authorized Cost	\$ 661,218
 Percentage Completion	 100%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2018/2019

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF - INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ 31,648		\$ 31,648	\$ 31,648
Transfer from Capital Reserve	<u>351,440</u>	<u>(150,076)</u>	<u>201,364</u>	<u>201,363</u>
 Total Revenues	 <u>383,088</u>	 <u>(150,076)</u>	 <u>233,012</u>	 <u>233,011</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>165,096</u>	<u>67,916</u>	<u>233,012</u>	<u>233,011</u>
 Total Expenditures and Other Financing Sources	 <u>165,096</u>	 <u>67,916</u>	 <u>233,012</u>	 <u>233,011</u>
 Excess (deficiency) of Revenues over (under) Expenditures	 <u>\$ 217,992</u>	 <u>\$ (217,992)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 383,088
Revised Authorized Cost	\$ 233,011
 Percentage Completion	 100%
Original Target Completion Date	2018/19
Revised Target Completion Date	2018/19

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BLEACHERS - RAMAPO HIGH SCHOOL AND INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 2,105,000	\$ -	\$ 2,105,000	\$ 2,105,000
Total Revenues	<u>2,105,000</u>	<u>-</u>	<u>2,105,000</u>	<u>2,105,000</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>1,082,193</u>	<u>916,229</u>	<u>1,998,422</u>	<u>2,105,000</u>
Total Expenditures and Other Financing Sources	<u>1,082,193</u>	<u>916,229</u>	<u>1,998,422</u>	<u>2,105,000</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 1,022,807</u>	<u>\$ (916,229)</u>	<u>\$ 106,578</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,105,000
Revised Authorized Cost	\$ 2,105,000
Percentage Completion	95%
Original Target Completion Date	2018/19
Revised Target Completion Date	2019/2020

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
BATHROOM UPGRADE - INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ -	\$ 194,506	\$ 194,506	\$ 194,506
Total Revenues	<u>-</u>	<u>194,506</u>	<u>194,506</u>	<u>194,506</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>-</u>	<u>57,932</u>	<u>57,932</u>	<u>194,506</u>
Total Expenditures and Other Financing Sources	<u>-</u>	<u>57,932</u>	<u>57,932</u>	<u>194,506</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ 136,574</u>	<u>\$ 136,574</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 194,506
Revised Authorized Cost	\$ 194,506
Percentage Completion	29.8%
Original Target Completion Date	2019/20
Revised Target Completion Date	2019/20

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF RECOATING - RAMAPO HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Authorized</u> <u>Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ -	\$ 87,000	\$ 87,000	\$ 87,000
 Total Revenues	 -	 87,000	 87,000	 87,000
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	11,495	11,495	87,000
 Total Expenditures and Other Financing Sources	 -	 11,495	 11,495	 87,000
 Excess (deficiency) of Revenues over (under) Expenditures	 \$ -	 \$ 75,505	 \$ 75,505	 \$ -

Additional Project Information:

Project Number		N/A		
Grant Number		N/A		
Grant Date		N/A		
Bond Issue Date		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$	87,000		
Revised Authorized Cost	\$	87,000		
 Percentage Completion		 13.2%		
Original Target Completion Date		2019/20		
Revised Target Completion Date		2019/20		

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
GIRLS LOCKER ROOM- INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 1,210,000	\$ 1,210,000	\$ 1,210,000
Total Revenues	-	1,210,000	1,210,000	1,210,000
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	-	-	1,210,000
Total Expenditures and Other Financing Sources	-	-	-	1,210,000
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ 1,210,000</u>	<u>\$ 1,210,000</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,210,000
Revised Authorized Cost	\$ 1,210,000
Percentage Completion	0.0%
Original Target Completion Date	2019/20
Revised Target Completion Date	2019/20

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
GIRLS LOCKER ROOM- RAMAPO HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 960,000	\$ 960,000	\$ 960,000
Total Revenues	<u>-</u>	<u>960,000</u>	<u>960,000</u>	<u>960,000</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>960,000</u>
Total Expenditures and Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>960,000</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ 960,000</u>	<u>\$ 960,000</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 960,000
Revised Authorized Cost	\$ 960,000
Percentage Completion	0.0%
Original Target Completion Date	2019/20
Revised Target Completion Date	2019/20

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
ROOF SNOW GUARD- INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Outlay	\$ -	\$ 68,494	\$ 68,494	\$ 68,494
 Total Revenues	 -	 68,494	 68,494	 68,494
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	6,000	6,000	68,494
 Total Expenditures and Other Financing Sources	 -	 6,000	 6,000	 68,494
 Excess (deficiency) of Revenues over (under) Expenditures	 \$ -	 \$ 62,494	 \$ 62,494	 \$ -

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 68,494
Revised Authorized Cost	\$ 68,494
 Percentage Completion	 8.8%
Original Target Completion Date	2019/20
Revised Target Completion Date	2019/20

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
EXTERIOR WINDOW REPLACEMENT- INDIAN HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 2,050,000	\$ 2,050,000	\$ 2,050,000
 Total Revenues	 -	 2,050,000	 2,050,000	 2,050,000
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	-	-	2,050,000
 Total Expenditures and Other Financing Sources	 -	 -	 -	 2,050,000
 Excess (deficiency) of Revenues over (under) Expenditures	 \$ -	 \$ 2,050,000	 \$ 2,050,000	 \$ -

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,050,000
Revised Authorized Cost	\$ 2,050,000
 Percentage Completion	 0.0%
Original Target Completion Date	2019/20
Revised Target Completion Date	2019/20

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
WINDOW PHASE 3- RAMAPO HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 450,000	\$ 450,000	\$ 450,000
 Total Revenues	 -	 450,000	 450,000	 450,000
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures	-	449,323	449,323	450,000
 Total Expenditures and Other Financing Sources	 -	 449,323	 449,323	 450,000
 Excess (deficiency) of Revenues over (under) Expenditures	 \$ -	 \$ 677	 \$ 677	 \$ -

Additional Project Information:

Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Issue Date	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 450,000
Revised Authorized Cost	\$ 450,000
 Percentage Completion	 99.8%
Original Target Completion Date	2019/20
Revised Target Completion Date	2019/20

PROPRIETARY FUNDS

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2019**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 291,272	\$ 169,650	\$ 460,922
Cash with Fiscal Agents	<u>-</u>	<u>22,278</u>	<u>22,278</u>
Total Assets	<u>\$ 291,272</u>	<u>\$ 191,928</u>	<u>\$ 483,200</u>
LIABILITIES			
Due to Other Funds	\$ 114	\$ 1,146	\$ 1,260
Payroll Deductions and Withholdings		168,545	168,545
Due to Student Groups	291,158		291,158
Flexible Spending Account	<u>-</u>	<u>22,237</u>	<u>22,237</u>
Total Liabilities	<u>\$ 291,272</u>	<u>\$ 191,928</u>	<u>\$ 483,200</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance, July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2019</u>
Ramapo High School	\$ 83,575	\$ 469,208	\$ 458,384	\$ 94,399
Indian Hills High School	168,060	436,329	440,570	163,819
Athletic Account	31,886	213,260	212,206	32,940
Due to Other Funds	<u>70</u>	<u>2,667</u>	<u>2,623</u>	<u>114</u>
 Total All Schools	 <u>\$ 283,591</u>	 <u>\$ 1,121,464</u>	 <u>\$ 1,113,783</u>	 <u>\$ 291,272</u>

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance, July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2019</u>
ASSETS				
Cash	\$ 233,431	\$ 33,341,766	\$ 33,405,547	\$ 169,650
Cash with Fiscal Agents	<u>22,226</u>	<u>69,337</u>	<u>69,285</u>	<u>22,278</u>
 Total Assets	 <u>\$ 255,657</u>	 <u>\$ 33,411,103</u>	 <u>\$ 33,474,832</u>	 <u>\$ 191,928</u>
LIABILITIES				
Due to Other Funds	\$ 550	\$ 10,508	\$ 9,912	\$ 1,146
Payroll Deductions and Withholdings	232,810	14,370,693	14,434,958	168,545
Accrued Salaries and Wages	98	18,960,948	18,961,046	-
Flexible Spending Account	<u>22,199</u>	<u>68,954</u>	<u>68,916</u>	<u>22,237</u>
 Total Liabilities	 <u>\$ 255,657</u>	 <u>\$ 33,411,103</u>	 <u>\$ 33,474,832</u>	 <u>\$ 191,928</u>

LONG-TERM DEBT

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

901

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2018</u>	<u>Retired</u>	<u>Balance, June 30, 2019</u>
			<u>Date</u>	<u>Amount</u>				
School Refunding Bonds, Series 2015	3/4/2015	\$ 20,775,000	6/1/2020	\$ 1,130,000	2.50%			
			6/1/2021	1,150,000	2.50%			
			6/1/2022	1,190,000	2.50%			
			6/1/2023	1,225,000	2.50%			
			6/1/2024	1,270,000	2.50%			
			6/1/2025	1,310,000	2.50%			
			6/1/2026	1,350,000	2.50%			
			6/1/2027	1,390,000	2.75%			
			6/1/2028	1,445,000	3.00%			
			6/1/2029	1,500,000	3.00%			
			6/1/2030	1,555,000	3.00%			
			6/1/2031	1,615,000	3.00%			
						<u>\$ 17,230,000</u>	<u>\$ 1,100,000</u>	<u>\$ 16,130,000</u>
						<u>\$ 17,230,000</u>	<u>\$ 1,100,000</u>	<u>\$ 16,130,000</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Description</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Balance, July 1, 2018</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2019</u>
			<u>Date</u>	<u>Amount</u>				
Computer Supplies	6/13/2017	\$ 422,702	7/30/2019	\$ 140,900	\$ 281,801		\$ 140,901	\$ 140,900
Computer Supplies	6/13/2017	3,394,194	7/30/2019	533,075				
			7/30/2020	533,075	1,599,225	-	533,075	1,066,150
					\$ 1,881,026	-	\$ 673,976	\$ 1,207,050

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 1,564,800	-	\$ 1,564,800	\$ 1,564,800	-
Total Revenues	<u>1,564,800</u>	<u>-</u>	<u>1,564,800</u>	<u>1,564,800</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal	1,100,000		1,100,000	1,100,000	-
Interest	464,800	-	464,800	464,800	-
Total Expenditures	<u>1,564,800</u>	<u>-</u>	<u>1,564,800</u>	<u>1,564,800</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net Investment in Capital Assets	\$ 19,205,138	\$ 20,265,853	\$ 33,895,064	\$ 34,085,038	\$ 34,108,759	\$ 35,365,773	\$ 40,451,949	\$ 42,294,899	\$ 43,393,135	\$ 43,872,966
Restricted	1,082,196	5,295,561	7,690,323	9,220,197	11,726,973	15,770,653	16,667,517	18,758,765	21,117,838	23,733,024
Unrestricted	5,109,991	2,656,608	3,220,602	4,112,757	(9,245,048)	(9,074,834)	(10,117,171)	(12,047,820)	(11,333,704)	(11,359,626)
Total Governmental Activities Net Position	<u>\$ 25,397,325</u>	<u>\$ 28,218,022</u>	<u>\$ 44,805,989</u>	<u>\$ 47,417,992</u>	<u>\$ 36,590,684</u>	<u>\$ 42,061,592</u>	<u>\$ 47,002,295</u>	<u>\$ 49,005,844</u>	<u>\$ 53,177,269</u>	<u>\$ 56,246,364</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 17,311	\$ 14,838	\$ -	\$ 82,523	\$ 68,809	\$ 92,790	\$ 100,228	\$ 89,108	\$ 77,988	\$ 94,919
Restricted										
Unrestricted	219,670	238,190	-	244,085	368,468	507,955	590,198	747,748	820,665	945,523
Total Business-Type Activities Net Position	<u>\$ 236,981</u>	<u>\$ 253,028</u>	<u>\$ -</u>	<u>\$ 326,608</u>	<u>\$ 437,277</u>	<u>\$ 600,745</u>	<u>\$ 690,426</u>	<u>\$ 836,856</u>	<u>\$ 898,653</u>	<u>\$ 1,040,442</u>
District-Wide										
Net Investment in Capital Assets	\$ 19,222,449	\$ 20,280,691	\$ 33,895,064	\$ 34,167,561	\$ 34,177,568	\$ 35,458,563	\$ 40,552,177	\$ 42,384,007	\$ 43,471,123	\$ 43,967,885
Restricted	1,082,196	5,295,561	7,690,323	9,220,197	11,726,973	15,770,653	16,667,517	18,758,765	21,117,838	23,733,024
Unrestricted	5,329,661	2,894,798	3,220,602	4,356,842	(8,876,580)	(8,566,879)	(9,526,973)	(11,300,072)	(10,513,039)	(10,414,103)
Total District Net Position	<u>\$ 25,634,306</u>	<u>\$ 28,471,050</u>	<u>\$ 44,805,989</u>	<u>\$ 47,744,600</u>	<u>\$ 37,027,961</u>	<u>\$ 42,662,337</u>	<u>\$ 47,692,721</u>	<u>\$ 49,842,700</u>	<u>\$ 54,075,922</u>	<u>\$ 57,286,806</u>

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

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

Source: School District's financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 21,644,133	\$ 21,539,785	\$ 22,014,895	\$ 21,522,529	\$ 23,683,182	\$ 24,077,035	\$ 28,225,194	\$ 30,823,984	\$ 29,953,704	\$ 28,842,261
Special Education	4,339,094	4,424,649	4,716,365	5,209,370	5,176,634	5,414,138	6,122,634	5,971,270	6,634,085	6,406,391
Other Instruction	105,572	132,758	135,039	113,455	183,163	92,346	98,598	106,224	66,207	62,494
Other Instructional Supplemental Programs-	396,531	382,737	384,012	537,132	534,901	605,808	658,870	624,233	733,538	623,836
School Sponsored Activities and Athletics	2,822,019	2,814,352	2,888,303	2,942,130	3,028,516	3,155,532	3,310,077	3,452,812	3,818,895	3,612,829
Support Services:										
Student & Instruction Related Services	6,516,072	6,441,902	6,412,077	6,679,746	6,544,100	7,491,674	8,033,079	8,726,716	9,245,740	9,084,007
School Administrative Services	2,363,003	2,357,389	2,478,330	2,617,734	2,436,351	2,837,026	2,914,019	3,169,276	3,680,283	3,563,670
General Administration	888,253	836,453	851,346	973,646	868,476	1,242,098	962,703	960,247	1,055,019	971,199
Plant Operations and Maintenance	5,710,525	5,428,363	4,948,545	5,507,301	6,099,746	5,646,755	5,761,447	6,334,414	6,487,363	6,284,863
Pupil Transportation	2,122,137	2,005,596	1,928,770	1,982,268	1,997,355	2,078,897	2,167,697	2,229,600	2,587,510	2,813,691
Central Services	1,354,809	1,287,398	1,400,640	1,373,611	1,647,074	1,739,834	1,679,661	1,881,170	2,039,587	1,801,089
Interest on Long-Term Debt	1,058,846	1,029,382	998,492	966,714	965,556	526,116	609,801	571,649	538,724	507,628
Total Governmental Activities Expenses	49,320,994	48,680,764	49,156,814	50,425,636	53,165,054	54,907,259	60,543,780	64,851,595	66,840,655	64,573,958
Business-Type Activities:										
Food Service	994,160	1,021,485	1,056,004	1,014,004	1,082,332	1,076,706	1,183,680	1,212,272	1,317,617	1,396,466
1 to 1 Initiative						21,543	20,629	109,481	83,049	101,472
Total Business-Type Activities Expense	994,160	1,021,485	1,056,004	1,014,004	1,082,332	1,098,249	1,204,309	1,321,753	1,400,666	1,497,938
Total District Expenses	\$ 50,315,154	\$ 49,702,249	\$ 50,212,818	\$ 51,439,640	\$ 54,247,386	\$ 56,005,508	\$ 61,748,089	\$ 66,173,348	\$ 68,241,321	\$ 66,071,896
Program Revenues										
Governmental Activities:										
Charges for Services:										
Regular	\$ 13,829	\$ 10,657	\$ 14,886	\$ 7,535	\$ 41,546	\$ 36,125	\$ 39,993	\$ 30,443	\$ 35,581	\$ 35,032
Special Education	38,602	25,153	96,632	104,759	63,818	83,838	63,038	78,203	142,484	151,462
Pupil Transportation	41,870	41,770	27,963	45,631	58,235	53,324	58,388	75,454	68,067	77,835
Operating Grants and Contributions	5,119,656	3,867,860	5,063,007	6,016,123	5,623,203	10,221,569	12,192,102	15,784,715	17,402,448	14,386,043
Capital Grants and Contributions	746,902	1,253,508	104,956	511,749	193,969	770,447	2,125,221	491,754	-	-
Total Governmental Activities Program Revenues	5,960,859	5,198,948	5,307,444	6,685,797	5,980,771	11,165,303	14,478,742	16,460,569	17,648,580	14,650,372
Business-Type Activities:										
Charges for Services										
Food Service	1,011,982	1,034,621	1,061,643	1,036,749	1,114,173	1,094,941	1,206,191	1,304,781	1,364,691	1,471,893
1 to 1 Initiative					76,726	165,194	163,797	161,330	157,747	154,951
Total Business Type Activities Program Revenues	1,011,982	1,034,621	1,061,643	1,036,749	1,190,899	1,260,135	1,369,988	1,466,111	1,522,438	1,626,844
Total District Program Revenues	\$ 6,972,841	\$ 6,233,569	\$ 6,369,087	\$ 7,722,546	\$ 7,171,670	\$ 12,425,438	\$ 15,848,730	\$ 17,926,680	\$ 19,171,018	\$ 16,277,216
Net (Expense)/Revenue										
Governmental Activities	\$ (43,360,135)	\$ (43,481,816)	\$ (43,849,370)	\$ (43,739,839)	\$ (47,184,283)	\$ (43,741,956)	\$ (46,065,038)	\$ (48,391,026)	\$ (49,192,075)	\$ (49,923,586)
Business-Type Activities	17,822	13,136	5,639	22,745	108,567	161,886	165,679	144,358	121,772	128,906
Total District-Wide Net Expense	\$ (43,342,313)	\$ (43,468,680)	\$ (43,843,731)	\$ (43,717,094)	\$ (47,075,716)	\$ (43,580,070)	\$ (45,899,359)	\$ (48,246,668)	\$ (49,070,303)	\$ (49,794,680)

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 42,238,098	\$ 42,238,098	\$ 43,950,645	\$ 43,920,582	\$ 44,761,456	\$ 46,348,005	\$ 47,274,965	\$ 48,103,336	\$ 48,842,210	\$ 49,864,711
Taxes Levied for Debt Service	1,712,573	1,712,573	1,666,402	1,726,415	1,734,815	1,741,615	1,622,925	1,563,428	1,582,050	1,564,800
Federal and State Aid - Unrestricted	-	-	-	-	-	44,474	47,058	68,174	72,932	4,562
Investment Earnings	95,878	95,878	30,060	76,625	85,160	71,636	73,473	87,956	299,850	569,170
Miscellaneous Income	369,506	369,506	658,347	764,851	659,906	1,007,134	772,109	571,681	1,367,553	989,438
Sale of Assets - Computers	-	-	-	-	-	-	1,137,597	-	1,132,825	-
Transfers	-	-	-	-	-	-	77,614	-	66,080	-
Total Governmental Activities	44,416,055	44,416,055	46,305,454	46,488,473	47,241,337	49,212,864	51,005,741	50,394,575	53,363,500	52,992,681
Business-Type Activities:										
Investment Earnings	2,688	2,688	1,186	1,619	2,102	1,582	1,616	2,072	6,105	12,883
Transfers	-	-	-	-	-	-	(77,614)	-	(66,080)	-
Total Business-Type Activities	2,688	2,688	1,186	1,619	2,102	1,582	(75,998)	2,072	(59,975)	12,883
Total District-Wide	\$ 44,418,743	\$ 44,418,743	\$ 46,306,640	\$ 46,490,092	\$ 47,243,439	\$ 49,214,446	\$ 50,929,743	\$ 50,396,647	\$ 53,303,525	\$ 53,005,564
Change in Net Position										
Governmental Activities	\$ 1,055,920	\$ 934,239	\$ 2,456,084	\$ 2,748,634	\$ 57,054	\$ 5,470,908	\$ 4,940,703	\$ 2,003,549	\$ 4,171,425	\$ 3,069,095
Business-Type Activities	20,510	15,824	6,825	24,364	110,669	163,468	89,681	146,430	61,797	141,789
Total District	\$ 1,076,430	\$ 950,063	\$ 2,462,909	\$ 2,772,998	\$ 167,723	\$ 5,634,376	\$ 5,030,384	\$ 2,149,979	\$ 4,233,222	\$ 3,210,884

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 4,537,306									
Unreserved	677,567									
Restricted		\$ 8,033,557	\$ 10,072,035	\$ 12,071,982	\$ 10,907,286	\$ 14,359,915	\$ 16,978,604	\$ 20,462,300	\$ 22,766,491	\$ 21,563,656
Committed		31,367	177,680	113,609		-		119,752		-
Assigned		476,541	865,633	1,195,533	764,140	728,990	851,760	618,798	390,951	945,204
Unassigned		871,450	854,083	843,676	944,596	877,475	939,056	913,114	1,004,054	1,015,885
Total General Fund	<u>\$ 5,214,873</u>	<u>\$ 9,412,915</u>	<u>\$ 11,969,431</u>	<u>\$ 14,224,800</u>	<u>\$ 12,616,022</u>	<u>\$ 15,966,380</u>	<u>\$ 18,769,420</u>	<u>\$ 21,994,212</u>	<u>\$ 24,281,248</u>	<u>\$ 23,524,745</u>
All Other Governmental Funds										
Reserved	\$ 2,249,608									
Unreserved	1,180,029									
Restricted	-	\$ 948,461	\$ 1,718,288	\$ 1,825,379	\$ 5,196,851	\$ 5,487,902	\$ 3,566,077	\$ 1,973,629	\$ 1,433,517	\$ 4,659,855
Total All Other Governmental Funds	<u>\$ 3,429,637</u>	<u>\$ 948,461</u>	<u>\$ 1,718,288</u>	<u>\$ 1,825,379</u>	<u>\$ 5,196,851</u>	<u>\$ 5,487,902</u>	<u>\$ 3,566,077</u>	<u>\$ 1,973,629</u>	<u>\$ 1,433,517</u>	<u>\$ 4,659,855</u>

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

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Tax Levy	\$ 43,950,671	\$ 45,854,902	\$ 45,617,047	\$ 45,646,997	\$ 46,496,271	\$ 48,089,620	\$ 48,897,890	\$ 49,666,764	\$ 50,424,260	\$ 51,429,511
Tuition Charges	52,431	35,810	111,518	112,294	105,364	119,963	103,031	108,646	178,065	186,494
Interest Earnings	95,878	93,900	30,060	76,625	85,160	71,636	73,473	87,956	299,850	569,170
Transportation	41,870	41,770	27,963	45,631	58,235	53,324	58,388	75,454	68,067	77,835
Miscellaneous	456,009	613,555	765,324	915,247	764,222	1,009,219	801,275	685,504	1,372,751	1,100,115
State Sources	5,111,554	4,310,384	4,469,815	5,871,062	5,162,090	6,226,156	8,143,578	7,260,545	7,750,583	8,989,566
Federal Sources	609,801	717,193	591,171	489,437	538,381	411,919	638,549	481,133	489,444	479,233
Total Revenues	50,318,214	51,667,514	51,612,898	53,157,293	53,209,723	55,981,837	58,716,184	58,366,002	60,583,020	62,831,924
Expenditures										
Instruction										
Regular Instruction	19,403,773	19,232,500	19,934,177	20,610,047	22,930,900	20,219,659	23,457,300	24,674,434	23,104,527	24,498,026
Special Education Instruction	4,283,838	4,419,753	4,536,061	5,120,721	5,101,348	5,059,462	5,679,196	5,419,647	5,962,416	5,980,686
Vocational Education										
Other Instruction	105,599	132,701	133,598	109,037	179,922	75,983	78,583	80,890	48,197	50,205
Other Instructional Supplemental Programs	396,634	382,573	379,918	516,047	517,000	505,221	532,504	3,120,928	558,861	523,893
School Sponsored Activities and Athletics	2,817,536	2,807,171	2,850,380	2,796,218	2,902,981	2,977,537	3,055,921	479,724	3,292,901	3,308,795
Support Services:										
Student & Inst. Related Services	6,507,105	6,436,591	6,344,269	6,417,018	6,330,654	6,563,426	6,805,361	7,127,481	7,398,190	7,946,603
General Administration	869,621	818,198	828,823	935,407	835,018	894,648	904,010	886,081	944,756	902,126
School Administrative Services	2,356,702	2,350,653	2,448,481	2,507,896	2,347,009	2,503,972	2,414,146	2,513,023	2,874,350	3,055,810
Plant Operations and Maintenance	5,327,588	5,029,009	4,911,693	5,222,634	5,842,717	5,330,624	5,351,025	5,832,292	5,773,598	5,813,275
Pupil Transportation	2,086,145	1,972,189	1,870,668	1,833,416	1,856,430	1,932,459	2,005,180	2,044,207	2,373,160	2,630,376
Central Services	1,260,483	1,194,743	1,294,491	1,221,587	1,508,352	1,448,645	1,479,328	1,637,130	1,710,712	1,570,540
Capital Outlay	2,356,655	3,303,552	892,381	1,698,390	1,348,976	2,509,420	6,250,009	3,097,530	2,475,413	1,842,978
Debt Service:										
Principal	840,000	875,000	895,000	870,000	1,525,378	1,737,241	3,111,017	1,854,243	3,025,870	1,773,976
Interest and Other Charges	1,024,015	996,015	966,615	936,415	904,815	592,046	576,902	521,050	492,050	464,800
Payment to Refunding Escrow Agent						419,947				
Cost of Issuance of Refunding Bonds						271,129				
Total Expenditures	49,635,694	49,950,648	48,286,555	50,794,833	54,131,500	53,041,419	61,700,482	59,288,660	60,035,001	60,362,089
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	682,520	1,716,866	3,326,343	2,362,460	(921,777)	2,940,418	(2,984,298)	(922,658)	548,019	2,469,835
Other Financing Sources (Uses)										
Sale of Assets - Computers							1,137,597		1,132,825	
Capital Leases (Non-Budgeted)					2,684,471		2,650,302	2,555,002		
Proceeds from Refunding						\$ 20,775,000				
Reoffering Premium						270,991				
Payments to Escrow Agent						(20,345,000)				
Transfers in	2,260,101	1,295,262	1,334,764	945,908	4,401,294	1,968,418	3,107,240	2,066,599	3,266,185	5,298,795
Transfers out	(2,260,101)	(1,295,262)	(1,334,764)	(945,908)	(4,401,294)	(1,968,418)	(3,029,626)	(2,066,599)	(3,200,105)	(5,298,795)
Total Other Financing Sources (Uses)	-	-	-	-	2,684,471	700,991	3,865,513	2,555,002	1,198,905	-
Net Change in Fund Balances	\$ 682,520	\$ 1,716,866	\$ 3,326,343	\$ 2,362,460	\$ 1,762,694	\$ 3,641,409	\$ 881,215	\$ 1,632,344	\$ 1,746,924	\$ 2,469,835
Debt Service as a Percentage of Noncapital Expenditures	3.94%	4.01%	3.93%	3.68%	4.60%	5.98%	6.65%	4.23%	6.11%	3.83%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

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

Fiscal Year Ended June 30,	Cancelled Checks	Monopole Revenue	Athletic Events	Rental Fees	Cancelled Prior Year A/P	Insurance/Other Refunds	Theater Receipts	E-Rate	Miscellaneous	Total
2010	\$ 2,747	\$ 231,693	\$ 18,926	\$ 48,845	\$ 39,323	\$ 11,988			\$ 15,984	\$ 369,506
2011	3,235	305,685	21,862	43,499	28,186	56,101			61,196	519,764
2012		361,052	23,572	58,686	113,502	69,449	\$ 11,922		20,164	658,347
2013	3,626	348,723	27,328	35,188	195,654	39,145			115,187	764,851
2014		355,066	25,298	86,736	15,672	59,323			117,811	659,906
2015	2,040	381,010	32,206	67,448	295,705	20,867			207,858	1,007,134
2016	5,060	357,343	25,700	63,774	62,697	27,307	10,002		220,226	772,109
2017	2,902	379,596	21,694	59,784	24,942	6,651			76,112	571,681
2018	997	401,565	22,450	62,503	560,581	31,112		\$ 202,669	85,676	1,367,553
2019	-	351,690	24,818	51,581	417,102	41,756		\$ 20,248	49,106	956,301

114

Source: District financial statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg	Qfarm	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2010	\$ 75,848,200	\$ 4,420,389,200	\$ 5,317,500	\$ 18,800	\$ 393,342,200	\$ 23,429,400	\$ 30,139,400	\$ 4,948,484,700	\$ 3,687,173	\$ 4,952,171,873	\$ 4,709,650,468	\$ 0.350
2011	53,113,100	3,563,332,500	4,240,000	21,400	408,302,900	32,820,000	30,139,400	4,091,969,300	3,325,267	4,095,294,567	4,354,743,831	0.431
2012	52,494,400	3,561,581,700	4,240,000	21,400	405,702,600	32,758,500	30,139,400	4,086,938,000	2,370,663	4,089,308,663	4,471,193,866	0.427
2013	50,565,400	3,566,930,300	4,505,500	23,700	405,652,700	32,285,300	30,139,400	4,090,102,300	-	4,090,102,300	4,344,917,974	0.434
2014	48,992,100	3,584,962,000	3,470,900	18,800	403,843,900	31,751,400	38,139,400	4,111,178,500	-	4,111,178,500	4,267,544,280	0.444
2015	51,052,600	3,593,943,600	3,470,900	18,800	403,874,900	31,751,400	38,139,400	4,122,251,600	-	4,122,251,600	4,358,772,529	0.451
2016	56,235,500	3,609,749,700	3,470,900	18,800	381,718,500	30,724,200	38,139,400	4,120,057,000	-	4,120,057,000	4,477,836,105	0.467
2017	40,151,200	3,648,064,000	3,470,800	18,800	397,446,900	30,424,200	56,562,000	4,176,137,900	-	4,176,137,900	4,389,577,030	0.460
2018	82,541,900	3,673,967,200	3,470,900	18,800	368,932,500	30,424,200	56,562,000	4,215,917,500	-	4,215,917,500	4,476,466,698	0.448
2019	98,737,600	3,687,397,300	4,177,300	14,500	368,418,200	30,374,200	56,562,000	4,245,681,100	-	4,245,681,100	4,462,092,591	0.451

**TOWNSHIP OF WYCKOFF
(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg	Qfarm	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2010	\$ 42,659,400	\$ 4,469,519,894	\$ 2,779,400	\$ 27,000	\$ 221,726,800	\$ 33,175,000	\$ 1,545,900	\$ 4,771,433,394	\$ 7,271,456	\$ 4,778,704,850	\$ 4,759,025,380	\$ 0.364
2011	39,532,900	4,487,703,143	2,779,400	27,000	222,862,000	33,175,000	1,545,900	4,787,625,343	6,003,258	4,793,628,601	4,636,536,100	0.375
2012	39,171,900	4,494,020,543	2,779,400	27,000	250,965,200	33,175,000	1,545,900	4,821,684,943	6,116,664	4,827,801,607	4,507,239,218	0.379
2013	31,380,600	4,497,796,143	2,779,400	22,700	253,371,600	31,644,000	1,545,900	4,818,540,343	-	4,818,540,343	4,313,961,266	0.379
2014	29,284,700	4,498,457,543	2,779,400	22,700	255,001,400	31,644,000	1,545,900	4,818,735,643	-	4,818,735,643	4,301,161,628	0.384
2015	30,820,900	4,295,188,200	2,493,900	19,400	257,699,500	32,743,400	1,942,500	4,620,907,800	-	4,620,907,800	4,515,521,857	0.412
2016	28,909,400	4,311,852,500	2,493,900	19,400	267,645,600	32,763,400	1,942,500	4,645,626,700	-	4,645,626,700	4,524,284,465	0.408
2017	21,423,800	4,337,725,800	2,493,900	19,400	277,143,600	32,763,400	1,942,500	4,673,512,400	-	4,673,512,400	4,627,781,006	0.412
2018	26,482,100	4,359,590,600	2,493,900	19,400	276,489,300	32,763,400	1,942,500	4,699,781,200	-	4,699,781,200	4,648,256,121	0.426
2019	26,834,900	4,375,681,300	2,493,900	19,400	275,699,700	32,763,400	1,942,500	4,715,435,100	-	4,715,435,100	4,692,442,134	0.435

**BOROUGH OF OAKLAND
(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg	Qfarm	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2010	\$ 42,396,400	\$ 2,141,264,100	\$ 3,305,200	\$ 65,800	\$ 176,488,900	\$ 173,344,700		\$ 2,536,865,100	\$ 5,707,334	\$ 2,542,572,434	\$ 2,775,734,176	\$ 0.398
2011	42,187,500	2,142,909,700	2,982,300	22,700	182,765,500	174,344,700		2,545,212,400	5,049,895	2,550,262,295	2,678,697,472	0.465
2012	28,272,400	1,798,418,300	2,557,300	25,900	173,457,800	168,479,300		2,171,211,000	100	2,171,211,100	2,370,838,202	0.456
2013	26,098,000	1,800,660,000	2,577,300	25,900	172,464,500	170,032,900		2,171,858,600	100	2,171,858,700	2,456,287,818	0.463
2014	24,211,200	1,802,856,800	2,885,500	39,900	171,359,400	169,098,100		2,170,450,900	91	2,170,450,991	2,397,105,440	0.485
2015	23,633,700	1,808,154,900	2,885,500	39,900	170,811,100	168,454,500		2,173,979,600	94	2,173,979,694	2,329,348,026	0.494
2016	23,953,700	1,809,505,300	2,885,500	39,900	170,999,400	164,690,500		2,172,074,300		2,172,074,300	2,368,709,018	0.506
2017	23,622,400	1,813,417,100	2,885,500	39,900	170,534,900	161,192,500		2,171,692,300		2,171,692,300	2,368,709,018	0.538
2018	23,234,600	1,817,481,500	2,885,500	41,000	171,494,300	158,608,700		2,173,745,600		2,173,745,600	2,490,923,953	0.553
2019	23,504,400	1,820,110,100	2,885,500	41,000	169,794,243	160,377,800		2,176,713,043		2,176,713,043	2,483,131,466	0.561

Source: County Abstract of Ratables

a Tax rates are per \$100

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

Calendar Year	Local School	Regional High School	Municipality	County	Total Direct and Overlapping Tax Rate
2010	\$ 0.499	\$ 0.350	\$ 0.210	\$ 0.187	\$ 1.246
2011	0.620	0.431	0.259	0.220	1.530
2012	0.602	0.427	0.264	0.240	1.533
2013	0.610	0.434	0.269	0.244	1.557
2014	0.613	0.444	0.272	0.243	1.572
2015	0.617	0.451	0.278	0.254	1.600
2016	0.625	0.467	0.281	0.265	1.638
2017	0.628	0.460	0.281	0.257	1.626
2018	0.636	0.448	0.282	0.259	1.625
2019	0.649	0.451	0.285	0.257	1.642

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

Calendar Year	Local School	Regional High School	Municipality	County	Total Direct and Overlapping Tax Rate
2010	\$ 0.677	\$ 0.364	\$ 0.233	\$ 0.200	\$ 1.474
2011	0.696	0.375	0.245	0.202	1.518
2012	0.704	0.379	0.247	0.204	1.534
2013	0.721	0.379	0.250	0.205	1.555
2014	0.739	0.384	0.256	0.208	1.587
2015	0.788	0.412	0.278	0.235	1.713
2016	0.803	0.408	0.281	0.240	1.732
2017	0.816	0.412	0.283	0.249	1.760
2018	0.827	0.426	0.287	0.242	1.782
2019	0.841	0.435	0.291	0.243	1.810

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

Calendar Year	Local School	Regional High School	Municipality	County	Total Direct and Overlapping Tax Rate
2010	\$ 0.946	\$ 0.398	\$ 0.547	\$ 0.207	\$ 2.098
2011	1.147	0.465	0.612	0.227	2.451
2012	1.175	0.456	0.610	0.249	2.490
2013	1.199	0.463	0.614	0.254	2.530
2014	1.220	0.485	0.646	0.260	2.611
2015	1.246	0.494	0.657	0.269	2.666
2016	1.268	0.506	0.669	0.267	2.710
2017	1.294	0.538	0.686	0.278	2.796
2018	1.313	0.553	0.686	0.281	2.833
2019	1.359	0.561	0.697	0.277	2.894

Source: County Abstract of Ratables

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

Taxpayer	2019			2010	
	Taxable Assessed Value	% of Total District Net Assessed Valuation		Taxable Assessed Value	% of Total District Net Assessed Valuation
Becton Dickinson & Company	\$ 156,547,900	3.69%	Becton Dickinson & Company	\$ 157,747,600	3.19%
Medco Health Solutions	84,000,000	1.98%	Merck Medco Managed Care, LLC	117,057,800	2.36%
Urban Farms Acquisition LLC	21,496,300	0.51%	1st Real Estate Investment Trust	19,794,200	0.40%
University Heights LLC	20,000,000	0.47%	Franklin Lakes Bldg Association, LLC	18,139,400	0.37%
1st Real Estate Invest Trust	19,784,900	0.47%	Franklin Farms Associates, LLC	16,470,200	0.33%
Franklin Lakes Realty, LLC	18,422,600	0.43%	Glenkamp Brothers	12,000,000	0.24%
E Coast Horizon @ Franklin Lakes	18,139,400	0.43%	Krieger SPE LLC	8,749,800	0.18%
Franklin Lakes Towne Square LLC	9,346,600	0.22%	Fichera, Salvatore & Valerie	8,166,800	0.16%
FL Storage LLC	8,700,000	0.20%	GS Realty	8,115,400	0.16%
LD Management LLC	7,416,600	0.17%	ITC Holdings LLC	7,481,000	0.15%
	<u>\$ 363,854,300</u>	<u>8.57%</u>		<u>\$ 373,722,200</u>	<u>7.55%</u>

**TOWNSHIP OF WYCKOFF
(Unaudited)**

Taxpayer	2019			2010	
	Taxable Assessed Value	% of Total District Net Assessed Valuation		Taxable Assessed Value	% of Total District Net Assessed Valuation
Munico Associates, LP	\$ 71,572,300	1.52%	Munico Associates	\$ 29,458,000	0.62%
Precision Multiple Controls, Inc.	12,184,200	0.26%	Precision Multiple Controls, Inc.	13,092,700	0.27%
UB Wyckoff 1, LLC	11,032,600	0.23%	Wyckoff Hye Partners	11,729,000	0.25%
Wyckoff Partners, LLC	9,763,300	0.21%	Grossman, Ivan & Solomon Platzer	9,841,900	0.21%
Individual Taxpayer #1	8,269,400	0.18%	Cole, Charles W. Jr. & Shawn	8,000,000	0.17%
Individual Taxpayer #2	7,717,300	0.16%	Canterbury Development Corp.	7,410,000	0.16%
Varnic, LLC	7,307,300	0.15%	Wyckoff Shopping Center	6,979,200	0.15%
Wyckoff Shopping Center, Inc.	6,192,800	0.13%	Varnic, LLC.	6,612,600	0.14%
677 Charnwood Drive, LLC	6,125,100	0.13%	Resident	6,490,000	0.14%
Wyckoff Capital Advisors, LP	3,738,000	0.08%	Wyckoff Properties L.P.	3,675,000	0.08%
	<u>\$ 143,902,300</u>	<u>3.05%</u>		<u>\$ 103,288,400</u>	<u>2.16%</u>

**BOROUGH OF OAKLAND
(Unaudited)**

Taxpayer	2019			2010	
	Taxable Assessed Value	% of Total District Net Assessed Valuation		Taxable Assessed Value	% of Total District Net Assessed Valuation
Jayare Associates, LLC	\$ 15,500,000	0.71%	Washington Square Owner LLC	\$ 16,100,000	0.63%
Washington Square Owner LLC	13,500,000	0.62%	Jayare Associates LLC	14,035,900	0.55%
BD Oakland Owner LLC	12,173,600	0.56%	40 Potash Road Associates LLC	13,688,900	0.54%
Unicorn Real Estate Investment, LLC	11,511,700	0.53%	Shiseido America Inc	12,766,900	0.50%
40 Potash Road Associates, LLC	10,674,000	0.49%	Oakland Care Ctr Real Estate Co LLC	10,750,800	0.42%
Oakland Care Ctr Real Estate Co. LLC	9,725,000	0.45%	5 Thornton Road Associates LLC	10,203,700	0.40%
5 Thornton Road Associates LLC	8,750,000	0.40%	The Realty Associates Fund VII LP	9,900,000	0.39%
Lincoln Realty Associates LLC	7,137,143	0.33%	Public Service Electric & Gas Co	7,611,800	0.30%
1 Raritan Road Realty LLC	6,235,900	0.29%	Ramapo Valley Resources Ltd	6,864,100	0.27%
Ramapo Valley Resources, LTD	6,087,700	0.28%	Bi-County Development	6,305,100	0.25%
	<u>\$ 101,295,043</u>	<u>4.65%</u>		<u>\$ 108,227,200</u>	<u>4.26%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 43,950,671	\$ 43,950,671	100.00%	
2011	45,854,902	45,854,902	100.00%	
2012	45,617,047	45,617,047	100.00%	
2013	45,646,997	45,646,997	100.00%	
2014	46,496,271	46,496,271	100.00%	
2015	48,089,620	48,089,620	100.00%	
2016	48,897,890	48,897,890	100.00%	
2017	49,666,764	49,666,764	100.00%	
2018	50,424,260	50,424,260	100.00%	
2019	51,429,511	51,429,511	100.00%	

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Lease Purchases/ Capital Leases			
2010	\$ 9,515,161		\$ 9,515,161	10,597	\$ 898
2011	9,233,126		9,233,126	10,674	865
2012	8,925,025		8,925,025	10,700	834
2013	8,637,757		8,637,757	10,735	805
2014	8,273,850	\$ 775,746	9,049,596	10,768	840
2015	7,838,088	511,679	8,349,767	10,755	776
2016	7,651,744	768,371	8,420,115	10,732	785
2017	7,163,580	1,492,502	8,656,082	11,074	782
2018	6,690,689	730,433	7,421,122	11,096	669
2019	6,194,727	463,568	6,658,295	11,096 (E)	600

TOWNSHIP OF WYCKOFF
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Lease Purchases/ Capital Leases			
2010	\$ 9,384,047		\$ 9,384,047	16,747	\$ 560
2011	9,124,612		9,124,612	16,897	540
2012	8,930,801		8,930,801	16,948	527
2013	8,632,005		8,632,005	16,991	508
2014	8,273,850	\$ 775,746	9,049,596	17,020	532
2015	8,119,922	530,077	8,649,999	17,068	507
2016	7,716,028	774,826	8,490,854	17,050	498
2017	7,304,343	1,521,830	8,826,173	17,064	517
2018	6,893,508	752,575	7,646,083	17,068	448
2019	6,491,518	485,777	6,977,295	17,068 (E)	409

BOROUGH OF OAKLAND
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Lease Purchases/ Capital Leases			
2010	\$ 5,425,792		\$ 5,425,792	12,773	\$ 425
2011	5,232,262		5,232,262	12,838	408
2012	4,979,174		4,979,174	12,884	386
2013	4,775,238		4,775,238	12,930	369
2014	4,667,300	\$ 437,601	5,104,901	12,963	394
2015	4,596,990	300,096	4,897,086	13,004	377
2016	4,112,228	412,940	4,525,168	12,988	348
2017	3,852,077	802,564	4,654,641	13,018	358
2018	3,645,803	398,018	4,043,821	13,021	311
2019	3,443,755	257,705	3,701,460	13,021 (E)	284

Source: District records

16,130,000 1,207,050

(E) Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2010	\$ 9,515,161		\$ 9,515,161	0.19%	\$ 898
2011	9,233,126		9,233,126	0.23%	865
2012	8,925,025		8,925,025	0.22%	834
2013	8,637,757		8,637,757	0.21%	805
2014	8,273,850		8,273,850	0.20%	768
2015	7,838,088		7,838,088	0.19%	729
2016	7,651,744		7,651,744	0.19%	713
2017	7,163,580		7,163,580	0.17%	647
2018	6,690,689		6,690,689	0.16%	603
2019	6,194,727		6,194,727	0.15%	558

TOWNSHIP OF WYCKOFF
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2010	\$ 9,384,047		\$ 9,384,047	0.20%	\$ 560
2011	9,124,612		9,124,612	0.19%	540
2012	8,930,801		8,930,801	0.18%	527
2013	8,632,005		8,632,005	0.18%	508
2014	8,273,850		8,273,850	0.17%	486
2015	8,119,922		8,119,922	0.18%	476
2016	7,716,028		7,716,028	0.17%	453
2017	7,304,343		7,304,343	0.16%	428
2018	6,893,508		6,893,508	0.15%	404
2019	6,491,518		6,491,518	0.14%	380

BOROUGH OF OAKLAND
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2010	\$ 5,425,792		\$ 5,425,792	0.21%	\$ 425
2011	5,232,262		5,232,262	0.21%	408
2012	4,979,174		4,979,174	0.23%	386
2013	4,775,238		4,775,238	0.22%	369
2014	4,667,300		4,667,300	0.22%	360
2015	4,596,990		4,596,990	0.21%	354
2016	4,112,228		4,112,228	0.19%	317
2017	3,852,077		3,852,077	0.18%	296
2018	3,645,803		3,645,803	0.17%	280
2019	3,443,755		3,443,755	0.16%	264

Source: District records

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(Unaudited)**

Net Direct Debt of School District as of June 30, 2019	\$ 16,130,000
Net Overlapping Debt of School District (A)	
Borough of Franklin Lakes (1)	\$ 11,098,445
Borough of Oakland (1)	22,293,247
Township of Wyckoff (1)	3,287,800
County of Bergen (2)	94,033,648
Northwest Bergen County Utilities Auth. (3)	<u>2,400,871</u>
	<u>133,114,011</u>
Total Direct and Overlapping Bond Debt as of June 30, 2019	<u>\$149,244,011</u>

(A) The Net Overlapping Debt is as of December 31, 2018 as the entities are calendar year.

(B) The debt for this entity was apportioned by dividing the Municipality's 2019 equalized value by the total 2019 equalized value for Bergen County.

Source:

- (1) 2018 Annual Debt Statements - Borough of Franklin Lakes, Borough of Oakland and Township of Wyckoff
- (2) Bergen County 2018 Annual Debt Statement
- (3) Northwest Bergen County Utilities Authority

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

	<u>Fiscal Year Ended June 30,</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>	<u>2019</u>
Debt Limit	\$ 361,571,569	\$ 359,779,674	\$ 351,750,440	\$ 341,798,164	\$ 332,781,748	\$ 329,577,075	\$ 332,536,949	\$ 337,880,613	\$ 342,607,589	\$ 345,122,441
Total Net Debt Applicable to Limit	<u>24,325,000</u>	<u>23,590,000</u>	<u>22,835,000</u>	<u>22,045,000</u>	<u>21,215,000</u>	<u>20,555,000</u>	<u>19,480,000</u>	<u>18,320,000</u>	<u>17,230,000</u>	<u>16,130,000</u>
Legal Debt Margin	<u>\$ 337,246,569</u>	<u>\$ 336,189,674</u>	<u>\$ 328,915,440</u>	<u>\$ 319,753,164</u>	<u>\$ 311,566,748</u>	<u>\$ 309,022,075</u>	<u>\$ 313,056,949</u>	<u>\$ 319,560,613</u>	<u>\$ 325,377,589</u>	<u>\$ 328,992,441</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.73%	6.56%	6.49%	6.45%	6.38%	6.24%	5.86%	5.42%	5.03%	4.67%

Legal Debt Margin Calculation for Fiscal Year 2019

Equalized Valuation Basis	
2016	\$ 11,390,360,385
2017	11,534,460,956
2018	<u>11,587,422,732</u>
	<u>\$ 34,512,244,073</u>
Three Year Average	<u>\$ 11,504,081,358</u>
3% of Equalized Valuation Basis	\$ 345,122,441
Less Net Debt	<u>16,130,000</u>
	<u>\$ 328,992,441</u>

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

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2010	10,597	\$ 65,992	5.0%
2011	10,674	68,865	4.9%
2012	10,700	71,789	5.0%
2013	10,735	71,100	6.50%
2014	10,768	73,637	4.10%
2015	10,755	76,821	3.90%
2016	10,732	77,901	3.30%
2017	11,074	81,203	3.30%
2018	11,096	Not Available	3.00%
2019	11,096 (E)	Not Available	Not Available

**TOWNSHIP OF WYCKOFF
(Unaudited)**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2010	16,747	\$ 65,992	6.1%
2011	16,897	68,865	6.0%
2012	16,948	71,789	6.1%
2013	16,991	71,100	5.50%
2014	17,020	73,637	4.30%
2015	17,068	76,821	3.70%
2016	17,050	77,901	3.50%
2017	17,064	81,203	3.20%
2018	17,068	Not Available	2.70%
2019	17,068 (E)	Not Available	Not Available

**BOROUGH OF OAKLAND
(Unaudited)**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2010	12,773	\$ 65,992	6.1%
2011	12,838	68,865	6.0%
2012	12,884	71,789	6.1%
2013	12,930	71,100	7.6%
2014	12,963	73,637	5.50%
2015	13,004	76,821	4.50%
2016	12,988	77,901	4.20%
2017	13,018	81,203	4.00%
2018	13,021	Not Available	3.70%
2019	13,021 (E)	Not Available	Not Available

(1) - As of July 1

Per Capita Income reflects Bergen County, not the municipality.

Source: New Jersey State Department of Education

(E) Estimated

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

<u>Employer</u>	<u>2019</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

BOROUGH OF FRANKLIN LAKES

NOT AVAILABLE

TOWNSHIP OF WYCKOFF

NOT AVAILABLE

BOROUGH OF OAKLAND

NOT AVAILABLE

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Function/Program</u>	<u>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>	<u>2019</u>
Instruction										
Regular	201	198	194	197	196	195	196	196	196	196
Special Education	14	14	21	22	22	25	23	23	23	23
Support Services:										
Student & Instruction Related Services	69	68	68	68	64	68	68	64	66	68
General Administration	3	2	3	3	3	3	3	3	3	3
School Administrative Services	16	17	17	17	17	17	17	17	17	17
Central Services	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	-	2	2	2	2	2	2
Plant Operations and Maintenance	38	38	38	38	38	37	37	37	37	38
Pupil Transportation	3	3	3	3	3	3	3	3	3	3
Other Support Services	2	2	2	2	2	2	2	2	2	2
Total	<u>354</u>	<u>350</u>	<u>354</u>	<u>356</u>	<u>353</u>	<u>358</u>	<u>357</u>	<u>353</u>	<u>355</u>	<u>358</u>

Source: DOE Budget Report

* Included in Regular Education Total

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Senior High School				
2010	2,366	\$ 45,415,024	\$ 19,195	1.83%	232	1:11	2,314.50	2,201.10	0.70%	95.10%
2011	2,388	44,776,081	18,750	-2.32%	229	1:11	2,329.70	2,214.10	0.66%	95.04%
2012	2,308	45,532,559	19,728	5.21%	229	1:11	2,263.50	2,148.90	-2.84%	94.94%
2013	2,352	47,290,028	20,111	1.94%	229	1:11	2,215.30	2,098.10	-2.13%	94.71%
2014	2,350	50,352,331	21,427	6.54%	217	1:11	2,307.18	2,193.31	4.15%	95.06%
2015	2,330	47,511,636	20,391	-4.83%	213	1:10	2,304.08	2,191.34	-0.13%	95.11%
2016	2,325	51,762,554	22,263	9.18%	216	1:11	2,283.96	2,172.25	-0.87%	95.11%
2017	2,265	53,815,837	23,760	6.72%	216	1:10.7	2,270.85	2,152.11	-0.57%	94.77%
2018	2,325	54,041,668	23,244	-2.17%	216	1:10.8	2,278.33	2,151.32	0.33%	94.43%
2019	2,320	56,280,335	24,259	4.37%	221	1:10.9	2,274.64	2,155.03	-0.16%	94.74%

Sources: District records

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

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

	<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>	<u>2019</u>
<u>District Building</u>										
<u>High School</u>										
Square Feet	481,920	481,920	481,920	481,920	481,920	481,920	481,920	481,920	481,920	481,920
Capacity (students)	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084
Enrollment	2,366	2,388	2,308	2,351	2,350	2,330	2,325	2,265	2,325	2,320
Number of Schools at June 30, 2019										
Senior High School	2	2	2	2	2	2	2	2	2	2

Source: District Records

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

<u>School Facilities</u>	<u>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>	<u>2019</u>
Ramapo High School	\$ 269,084	\$ 332,524	\$ 347,591	\$ 324,394	\$ 510,043	\$ 374,819	\$ 403,528	\$ 387,668	\$ 425,244	\$ 438,222
Indian Hills High School	<u>673,292</u>	<u>433,354</u>	<u>474,449</u>	<u>634,440</u>	<u>603,902</u>	<u>490,070</u>	<u>471,749</u>	<u>576,769</u>	<u>548,733</u>	<u>497,461</u>
Total School Facilities	<u>\$ 942,376</u>	<u>\$ 765,878</u>	<u>\$ 822,040</u>	<u>\$ 958,834</u>	<u>\$ 1,113,945</u>	<u>\$ 864,889</u>	<u>\$ 875,277</u>	<u>\$ 964,437</u>	<u>\$ 973,977</u>	<u>\$ 935,683</u>

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF INSURANCE
JUNE 30, 2019
(Unaudited)

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

Source: District Records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramapo Indian Hills Regional High School District as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Ramapo Indian Hills Regional High School District's basic financial statements and have issued our report thereon dated November 11, 2019.

Internal Control Over Financial Reporting

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

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

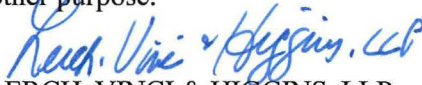
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ramapo Indian Hills Regional High School District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 11, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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CHRIS SOHN, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR’S REPORT

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

Report on Compliance for Each Major State Program

We have audited the Ramapo Indian Hills Regional High School District’s compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Ramapo Indian Hills Regional High School District’s major state programs for the fiscal year ended June 30, 2019. The Ramapo Indian Hills Regional High School District’s major state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Ramapo Indian Hills Regional High School District’s major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Ramapo Indian Hills Regional High School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the Ramapo Indian Hills Regional High School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2019.

Report on Internal Control Over Compliance

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


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

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

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

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

We have audited the financial statements of the Ramapo Indian Hills Regional High School District, as of and for the fiscal year ended June 30, 2019 and have issued our report thereon dated November 11, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 11, 2019

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2018			Funds Released		Balance, June 30, 2019			MEMO GAAP Receivable	
						Accounts Receivable/ Unearned Revenue/ Due to Grantor	Accounts Receivable Carryover Amount	Unearned Revenue Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment Accounts Receivable	Adjustment Unearned Revenue	(Accounts Receivable)		Unearned Revenue
U.S. Department of Education Passed-through State Department of Education															
Special Revenue Fund:															
I.D.E.A. Part B, Basic	84.027	H027A170100	IDEA430018	7/1/17-6/30/18	\$ 428,505	\$ (100,535)	\$ 148,835	\$ (48,300)							
I.D.E.A. Part B, Basic	84.027	H027A160100	IDEA430019	7/1/18-6/30/19	426,944		(148,835)	48,300	432,019	\$ 387,131		\$ (143,760)	\$ 88,113	\$ (55,647)	
ESEA Title I	84.010A	S010A170030	ESEA430018	7/1/17-6/30/18	50,985	-	8,710	(8,710)						-	
ESEA Title I	84.010A	S010A160030	ESEA430019	7/1/18-6/30/19	51,325		(8,710)	8,710	50,618	57,150		(9,417)	2,885	(6,532)	
ESEA Title II A	84.367	S367A170029	ESEA430018	7/1/17-6/30/18	31,081	(22,166)	26,619	(4,453)						-	
ESEA Title II A	84.367	S367A160029	ESEA430019	7/1/18-6/30/19	29,812		(26,619)	4,453	38,336	26,098		(18,095)	8,167	(9,928)	
ESEA Title IV	84.424	S424A170031	ESEA430018	7/1/17-6/30/18	10,000	(8,228)	9,592	(1,364)						-	
ESEA Title IV	84.424	S424A170031	ESEA430019	7/1/18-6/30/19	10,000	-	(9,592)	1,364	16,473	8,854		(3,119)	2,510	(609)	
Total Special Revenue Fund						(130,929)	-	-	537,446	479,233		(174,391)	101,675	(72,716)	
Total U.S. Department of Education/Federal Financial Awards						\$ (130,929)	\$ -	\$ -	\$ 537,446	\$ 479,233	\$ -	\$ -	\$ (174,391)	\$ 101,675	\$ (72,716)

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2018					Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2019			Memo Only	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Carryover Amount	(Accounts Receivable)				Unearned Revenue	Due to Grantor	GAAP Accounts Receivable	Total Cumulative Expenditures	
State Department of Education																
General Fund:																
Special Education Categorical Aid	18-495-034-5120-089	7/1/17-6/30/18	\$ 1,085,582	\$ (70,662)				\$ 70,662								
Special Education Categorical Aid	19-495-034-5120-089	7/1/18-6/30/19	1,085,582					1,004,977	\$ 1,085,582		\$ (80,605)				\$ 1,085,582	
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	40,228	(2,619)				2,619								
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	40,228					37,241	40,228		(2,987)				40,228	
Professional Learning Comm Aid	18-495-034-5120-101	7/1/17-6/30/18	23,230	(1,512)				1,512								
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	23,430	(1,525)				1,525								
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	23,430	(1,525)				1,525								
Total State Aid - Public Cluster				(77,843)				1,120,061	1,125,810		(83,592)					1,125,810
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	207,672	(13,518)				13,518								
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	698,935					647,038	698,935		(51,897)				698,935	
Additional Nonpublic Transportation Aid	N/A	7/1/17-6/30/18	51,790	(51,790)				51,790								
Additional Nonpublic Transportation Aid	N/A	7/1/18-6/30/19	54,127						54,127		(54,127)			\$ (54,127)	54,127	
Total Transportation Aid - Cluster				(65,308)				712,346	753,062		(106,024)			(54,127)	753,062	
Extraordinary Aid	18-100-034-5120-473	7/1/17-6/30/18	336,467	(336,467)				337,774	1,307						1,307	
Extraordinary Aid	19-100-034-5120-473	7/1/18-6/30/19	404,655					404,655	404,655		(404,655)				404,655	
Reimbursed TPAF Social Security	19-495-034-5094-003	7/1/18-6/30/19	1,540,212					1,540,212	1,540,212						1,540,212	
On-Behalf TPAF Pension System Contribution - Normal Cost and Accrued Liability	19-495-034-5094-006	7/1/18-6/30/19	3,532,940					3,532,940	3,532,940						3,532,940	
On-Behalf TPAF Pension System Contribution - Non Contributory Ins.	19-495-034-5094-007	7/1/18-6/30/19	73,954					73,954	73,954						73,954	
On-Behalf TPAF Pension System Contribution - Long Term Disability	19-495-034-5094-007	7/1/18-6/30/19	3,624					3,624	3,624						3,624	
On-Behalf TPAF Pension System Contribution - Post Retirement	19-495-034-5094-001	7/1/18-6/30/19	1,636,081					1,636,081	1,636,081						1,636,081	
Total General Fund				(479,618)				8,956,992	9,071,645		(594,271)			(54,127)	9,071,645	
Special Revenue Fund:																
N.J. Nonpublic Nursing Services	18-100-034-5120-070	7/1/17-6/30/18	\$ 7,857			\$ 1,863				\$ 1,863						
N.J. Nonpublic Nursing Services	19-100-034-5120-070	7/1/18-6/30/19	6,596					\$ 6,596	\$ 3,062				\$ 3,534		\$ 3,062	
N.J. Nonpublic Textbook	18-100-034-5120-064	7/1/17-6/30/18	4,382			4,382				4,382						
N.J. Nonpublic Textbook	19-100-034-5120-064	7/1/18-6/30/19	3,524					3,524	787				2,737		787	
N.J. Nonpublic Technology	18-100-034-5120-373	7/1/17-6/30/18	2,960			2,960				2,960						
N.J. Nonpublic Technology	19-100-034-5120-373	7/1/18-6/30/19	2,376					2,376	1,588				788		1,588	
Auxiliary Services																
Compensatory Education	18-100-034-5120-067	7/1/17-6/30/18	19,134			2,303				2,303						
Compensatory Education	169100-034-5120-067	7/1/18-6/30/19	9,729					9,729	6,599				3,130		6,599	
Total Nonpublic Auxiliary Services Aid (Chapter 192) Cluster						2,303		9,729	6,599	2,303			3,130		6,599	
Handicapped Services																
Exam & Classification	18-100-034-5120-066	7/1/17-6/30/18	26,936			19,833				19,833						
Exam & Classification	19-100-034-5120-066	7/1/18-6/30/19	17,838					17,838	10,192				7,646		10,192	
Supplementary Instruction	18-100-034-5120-066	7/1/17-6/30/18	9,278			1,428				1,428						
Supplementary Instruction	19-100-034-5120-066	7/1/18-6/30/19	10,784					10,784	8,009				2,775		8,009	
Corrective Speech	19-100-034-5120-066	7/1/18-6/30/19	2,679					2,679					2,679			
Total Nonpublic Handicapped Services Aid (Chapter 193) Cluster						21,261		31,301	18,201	21,261			13,100		18,201	
Total Special Revenue Fund						32,769		53,526	30,237	32,769			23,289		30,237	

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2018					Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2019			Memo Only	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Carryover Amount	(Accounts Receivable)				Unearned Revenue	Due to Grantor	GAAP Accounts Receivable	Total Cumulative Expenditures	
State of NJ Schools Development Authority:																
Exterior Masonry Upgrades - RHS	4300-050-14-1015		460,880	\$ (24,092)	\$ 11,343							\$ (24,092)	\$ 11,343		\$ (24,092)	\$ 449,537
Exterior Masonry Upgrades - IHHS	4300-030-14-1009		772,800	(3)	3	-	-	-	-	-	-	(3)	3	-	(3)	772,797
Total Capital Projects Fund (SDA Cluster)				(24,095)	11,346	-	-	-	-	-	-	(24,095)	11,346	-	(24,095)	3,551,248
Total State Financial Assistance Subject to Single Audit Determination				\$ (503,713)	\$ 11,346	\$32,769	\$ -	\$ 9,010,518	9,101,882	\$ 32,769	\$ (618,366)	\$ 11,346	\$ 23,289	\$ (78,222)	\$ 12,653,130	
State Financial Assistance not Subject to Single Audit On Behalf TPAF Pension Contrib.									(5,246,599)							
Total State Financial Assistance Subject to Major Program Determination									\$ 3,855,283							

137

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$112,316 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 8,959,329	\$ 8,959,329
Special Revenue Fund	\$ 479,233	30,237	509,470
Total Financial Assistance	<u>\$ 479,233</u>	<u>\$ 8,989,566</u>	<u>\$ 9,468,799</u>

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,540,212 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2019. The amount reported as TPAF Pension System Contributions in the amount of \$3,606,894, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,636,081 and TPAF Long-Term Disability Insurance in the amount of \$3,624 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2019.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued on financial statements: Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

NOT APPLICABLE

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

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

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

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

Identification of major programs:

<u>GMIS Number (s)</u>	<u>Name of State Program</u>
<u>19-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contribution</u>
<u>19-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>19-495-034-5120-084</u>	<u>Security Aid</u>
<u>19-495-034-5120-014</u>	<u>Transportation Aid Cluster</u>
_____	_____
_____	_____
_____	_____
_____	_____

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

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

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Part 2 - Schedule of Financial Statement Findings

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

There are none.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

CURRENT YEAR FEDERAL AWARDS

Not Applicable

CURRENT YEAR STATE AWARDS

There are none.

**RAMAPO INDIAN HILLS REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

STATUS OF PRIOR YEAR FINDINGS

There are none.