

# **Comprehensive Annual Financial Report**

**of the**

**Freehold Regional High School District**

**County of Monmouth**

**Englishtown, New Jersey**

**For the Fiscal Year Ended June 30, 2016**

**Prepared by**

**Sean Boyce, CPA  
Finance Department**



## TABLE OF CONTENTS

	<b>PAGE</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	1-4
Roster of Officials	5
Consultants and Advisors	6
Organizational Chart	7
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	8-10
<b>REQUIRED SUPPLEMENTARY INFORMATION - Part I</b>	11
Management's Discussion and Analysis (Unaudited)	12-21
<b>BASIC FINANCIAL STATEMENTS</b>	22
A. District-Wide Financial Statements:	23
A-1 Statement of Net Position	24
A-2 Statement of Activities	25
B. Major Fund Financial Statements:	26
Governmental Funds:	
B-1 Balance Sheet	27-28
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	29
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
Other Funds:	31
Propriety Funds:	
B-4 Statement of Net Position	32
B-5 Statement of Revenues, Expenses, and Changes in Net Position	33
B-6 Statement of Cash Flows	34
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	35
B-8 Statement of Changes in Fiduciary Net Position	36
<b>Notes to the Financial Statements</b>	37-81

**TABLE OF CONTENTS (CONTINUED)**

	<b>PAGE</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION - Part II</b>	82
C. Budgetary Comparison Schedules:	83
C-1 General Fund	84-98
C-2 Special Revenue Fund	99
C-3 Budget to GAAP Reconciliation	100
<b>REQUIRED SUPPLEMENTARY INFORMATION - Part III</b>	101
L. Schedules Related to Accounting and Reporting for Pension (GASB 68)	102
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System – Last Ten Years	103
L-2 Schedule of the District's Contributions – Public Employees Retirement System – Last Ten Years	104
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability Teachers Pension and Annuity Fund – Last Ten Years	105
L-4 Schedules Related to Accounting and Reporting for Pension (GASB 68) Note to RSI III for the Fiscal Year Ended June 30, 2016	106
<b>OTHER SUPPLEMENTARY INFORMATION</b>	107
D. School Level Schedules	N/A
E. Special Revenue Fund:	108
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	109-111
E-2 Demonstrably Effective Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-3 Early Childhood Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-4 Distance Learning Network Aid Schedule of Expenditures - Budgetary Basis	N/A
E-5 Instructional Supplement Aid Schedule of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund	112
F-1 Summary Statement of Project Expenditures – Budgetary Basis	113
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	114
F-2a Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Freehold Boro High School – Roof Replacement	115
F-2b Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Marlboro High School – Roof Replacement	116

## TABLE OF CONTENTS (CONTINUED)

	<b>PAGE</b>
F. Capital Projects Fund (Continued)	
F-2c Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Freehold Boro High School – Boiler & HVAC Replacement	117
F-2d Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Districtwide Energy Savings Improvement Plan	118
F-2e Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Colts Neck High School Roof Replacement	119
F-2f Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Howell High School Roof Replacement	120
F-2g Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Freehold Township High School Roof Replacement	121
F-2h Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Manalapan High School Roof Replacement	122
G. Proprietary Funds	123
Enterprise Fund:	
G-1 Combining Statement of Net Position	124
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	125
G-3 Combining Statement of Cash Flows	126
H. Fiduciary Fund	127
H-1 Combining Statement of Fiduciary Net Position	128
H-2 Combining Statement of Changes in Fiduciary Net Position	129
H-3 Schedule of Receipts and Disbursements - Student Activity Agency Fund	130
H-4 Schedule of Receipts and Disbursements - Payroll Agency Fund	131
H-5 Schedule of Receipt and Disbursements - Other Agency Funds	N/A
I. Long-Term Debt	132
I-1 Schedule of Serial Bonds	133
I-2 Schedule of Obligations Under Capital Leases	134
I-3 Comparative Statements of Revenues, Expenditures and Changes in Fund Balance - Debt Service Fund	135

## TABLE OF CONTENTS (CONTINUED)

	<b>PAGE</b>
<b>STATISTICAL SECTION - UNAUDITED</b>	
J-1 Net Position by Component	136
J-2 Changes in Net Position	137-138
J-3 Fund Balances – Governmental Funds	139
J-4 Changes in Fund Balances – Governmental Funds	140
J-5 General Fund Other Local Revenue by Source	141
J-6 Assessed Value and Actual Value of Taxable Property	142-144
J-7 Direct and Overlapping Property Tax Rates	145-147
J-8 Principal Property Tax Payers – Current Year and Ten Years Ago	148-151
J-9 Property Tax Levies and Collections	152
J-10 Ratios of Outstanding Debt by Type	153
J-11 Ratios of Net Bonded Debt Outstanding	154
J-12 Direct and Overlapping Governmental Activities Debt	155
J-13 Legal Debt Margin Information	156
J-14 Demographic and Economic Statistics	157-160
J-15 Principal Employers – Current Year and Last Year	161
J-16 Full-Time Equivalent District Employees by Function/Program	162
J-17 Operating Statistics	163
J-18 School Building Information	164
J-19 Schedule of Required Maintenance	165
J-20 Insurance Schedule	166

## SINGLE AUDIT SECTION

K-1 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	167-168
K-2 Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal and State Financial Assistance Program and on Internal Control Over Compliance in Accordance with U.S. OMB Circular A-133 and New Jersey OMB Circular 04-04	169-170
K-3 Schedule of Expenditures of Federal Awards, Schedule A	171
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	172
K-5 Notes to the Schedules of Expenditures of Awards and State Financial Assistance	173-174
K-6 Schedule of Findings and Questioned Costs	175-177
K-7 Schedule of Prior Audit Findings	178

**INTRODUCTORY SECTION**



# **FREEHOLD REGIONAL HIGH SCHOOL DISTRICT**

*Administration Building  
11 Pine Street Englishtown NJ 07726*

*(732) 792-7300 ext. 8519  
Fax: (732) 446-5192*

December 2, 2016

Honorable President and  
Members of the Board of Education  
Freehold Regional High School District  
County of Monmouth  
Englishtown, New Jersey

Dear Board Members:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the Freehold Regional High School District (District) for the fiscal year ended June 30, 2016. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. This report will provide the taxpayers of the Freehold Regional High School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs.

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

- The Introductory Section contains this Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal revenue and debt capacities and other operating information of the School District;
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

**Reporting Entity**



The Freehold Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board's (GASB) as established by Statement No. 39. All funds of the District are included in this report. The Freehold Regional High School District Board of Education and its six high schools constitute the District's reporting entity.

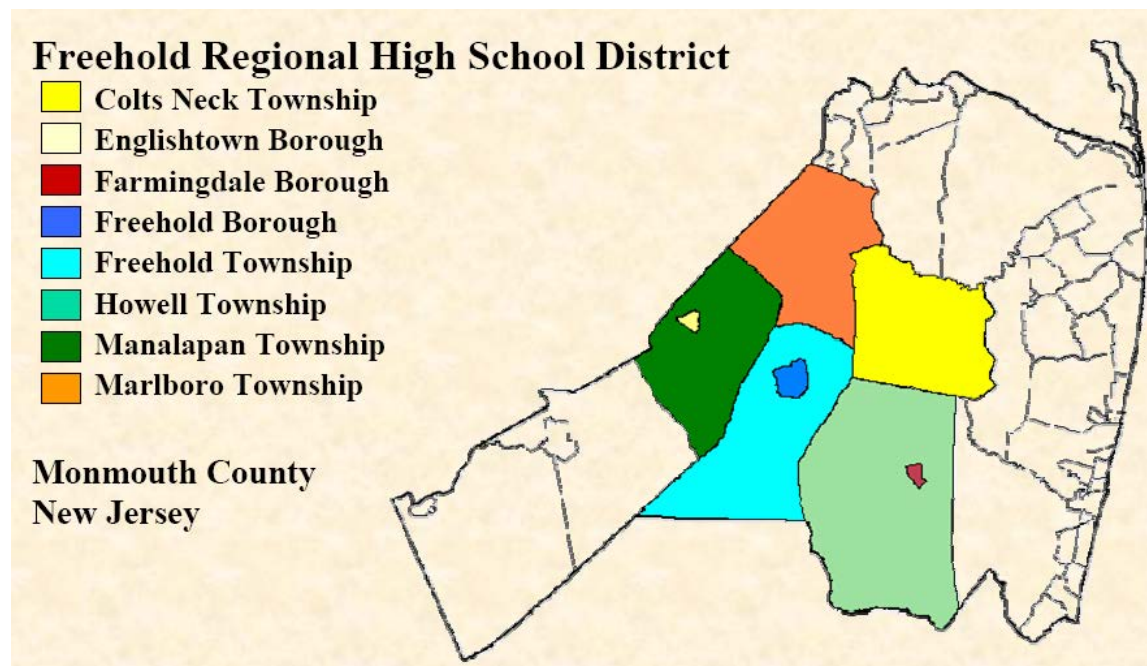
### School District Organization

The Freehold Regional High School District, the largest limited-purpose regional high school district in the state, is one of 56 school districts in Monmouth County. The School District provides education to students in grades nine through twelve.

An elected nine-member Board of Education (the "Board") serves as the policy maker for the School District. The Board adopts an annual budget and directly approves all expenditures which serve as the basis for control over and authorization for all expenditures of School District tax money.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Assistant Superintendent for Business/Board Secretary is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds, and investing idle funds as permitted by New Jersey law.

Geographically, the District is comprised of the Townships of Colts Neck, Freehold, Howell, Manalapan and Marlboro and the Boroughs of Englishtown, Farmingdale and Freehold. Established in 1953, the District's total area is 198 square miles. Of the 10,966 resident students, 10,805.5 students are enrolled in one of the Freehold Regional High School District's six high schools.



## **Economic Condition and Outlook**

Monmouth County is steeped in history from pre-revolutionary times to the present day. Rich in natural resources, Monmouth's deep forests, rolling countryside and miles of beautiful sandy beaches offer a perfect backdrop for the vast variety of recreational, cultural and leisure opportunities in the area. The County has horse country and thriving agricultural industry in the west, beaches and seaside resorts in the east, and a booming business community throughout. The Freehold Regional High School District serves students from a wide range of socioeconomic backgrounds.

Monmouth County is located in the center of the state approximately 47 miles south of New York City and 55 miles east of Philadelphia. Newark Liberty International Airport is just 40 minutes away. The public and private transportation systems include more than 2,600 miles of rails and roads, making the County accessible to virtually all of New Jersey as well as nearby New York and Philadelphia.

In November 2014 Standard and Poor's raised its Freehold Regional High School District's General Obligation School Issuer Credit Rating from AA to AA+ citing the district's improved financial position. Looking forward, Standard & Poor's notes "The stable outlook reflects Standard & Poor's view of the district's stable local economy and strong property tax base. The district's strong reserves and low debt burden provide additional stability."

## **Educational Program**

The District meets advanced academic needs through a wide assortment of accelerated and Advanced Placement classes at each high school. Rising ninth graders who are accepted into one of our prestigious *Learning Center* and *Academy* programs become full-time students at the program's home school for all four years of their high school career.

*Learning Centers* are four-year programs of academic study offered to a selected group of highly motivated students who have demonstrated interests and abilities in particular fields of study. They prepare students for further study of that field in college. Students and faculty of a particular program join together to form a unique learning community located within the comprehensive high school setting. All Learning Centers include in-depth study of targeted courses on an advanced level, with many courses meeting the requirements of Advanced Placement or college-level work. Learning Center courses fall under traditional academic disciplines such as science, math, social studies, and language arts. The four-year sequences combine to make an integrated and interdisciplinary academic experience for students. The Learning Centers address the core skills, knowledge, and values that are essential to success in high school and in preparation for acceptance to a competitive four-year college or university.

*Academies* are four-year programs of specialized coursework and experiences for students who have a particular career interest. Students who attend Academies are prepared to directly enter the work force where they can immediately use the knowledge and skills, or attend a post-secondary technical program, or attend a two- or four-year college. The programs integrate career and technical courses in addition to the traditional academic curriculum. Students who attend our Academies benefit from being part of a career-oriented learning community while at the same time being a fully participating student within a comprehensive high school. The Academy environment encourages students to engage in meaningful learning activities that are relevant to real-world settings.

## **Major Initiatives**

### *Strategic Planning*

As the district enters the final year of Compass, the Freehold Regional High School District's strategic plan, preparation is underway for the development of a successor plan in the upcoming year. View our plan mission, targets and implementation progress via The Compass Project link on the district's website.

### *Maximizing Learning Opportunities*

Continuous improvement through thoughtful researcher and collaborative development has long been a hallmark of the Freehold Regional High School District. Alternative school day structures, and their impact on teaching and learning, will continue to be explored in the upcoming year.

### *Capital Planning*

The district's capital plan that provided more than \$20 million in facility improvements through an Energy Savings Improvement Program, state grants and subsidies, and local reserve funds, is anticipated to conclude by the end of summer 2017. In addition, four running track replacements and planned improvements to the Howell High School football stadium have all been funded through local resources. Looking ahead, the current budget law limits opportunities to fund high dollar facility needs through the annual school budget or local reserves. Accordingly, a capital referendum is being considered to provide for scheduled roof replacements, building system upgrades, and other projects necessary to maintain functionally adequate facilities.

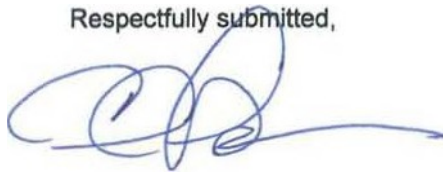
### **Acknowledgements and Achievements**

Among the district's many achievements:

- The Freehold Regional High School District earned system-wide accreditation from the Middle States Association Commissions on Elementary and Secondary Schools.
- New Jersey School Public Relations Association awarded the Freehold Regional High School District second place in their School Communications Award - Special Interest Publication category for the district's annual report.
- The Assistant Superintendent for Business was honored by the New Jersey Association of School Business Officials with the Distinguished Service Award.
- Class of 2016 students were accepted into top colleges and universities including Ivy League schools.

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

Respectfully submitted,



Charles Sampson  
Superintendent of Schools



Sean Boyce, CPA  
Assistant Superintendent for Business

**FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION  
ENGLISHTOWN, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2016**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Harold Moses, President	2018
Jennifer Sutera, Vice President	2018
Vincent Accettola	2017
Peter Bruno	2018
Elizabeth Canario	2016
Samuel Carollo	2017
Amy Fankhauser	2016
Kathie Lavin	2016
Michael Messinger	2017

**Other Officials**

Charles Sampson, Superintendent of Schools

Sean Boyce, CPA, Assistant Superintendent for Business Administration/Board Secretary

Mark Toscano, Esq., Solicitor

**FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION  
CONSULTANTS AND ADVISORS  
JUNE 30, 2016**

**Audit Firm**

Suplee, Clooney & Company  
308 East Broad Street  
Westfield, NJ 07090

**Attorney**

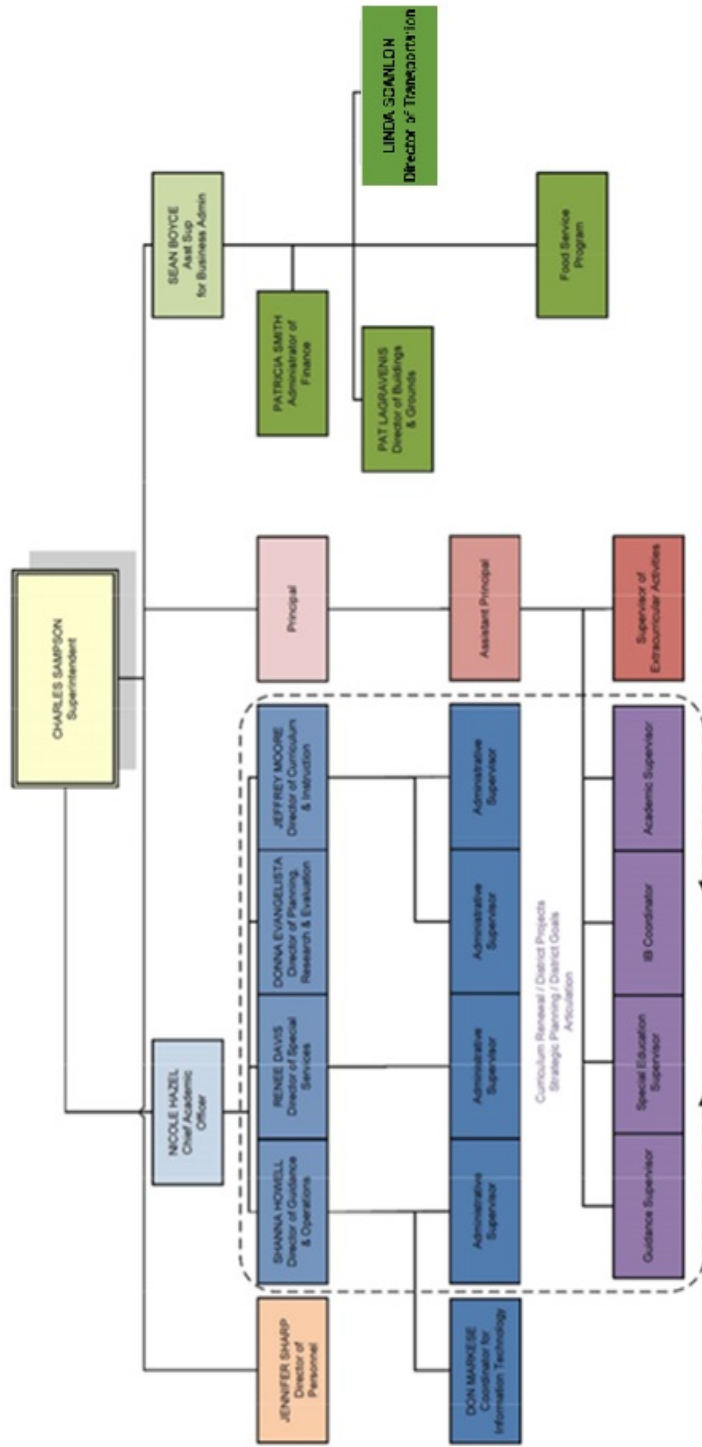
Mark Toscano  
Comegno Law Group, P.C.  
521 Pleasant Valley Avenue  
Moorestown, NJ 08057

**Official Depository**

Bank of America  
One West Main Street  
Freehold, New Jersey 07728

# FREEHOLD REGIONAL HIGH SCHOOL DISTRICT ORGANIZATIONAL CHART

JANUARY 2016



**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Freehold Regional High School District  
County of Monmouth  
Englishtown, 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 Freehold Regional High School District, County of Monmouth, New Jersey as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



## SUPLEE, CLOONEY & COMPANY

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

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

### **Opinion**

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 Freehold Regional High School District, County of Monmouth, New Jersey as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information in Exhibit C-1 through C-3 and the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 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.

# SUPLEE, CLOONEY & COMPANY

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Freehold Regional High School District's basic financial statements. The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance 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. 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 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated December 2, 2016 on our consideration of the Freehold 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 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 Freehold Regional High School District's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 948

December 2, 2016

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED**

The discussion and analysis of Freehold Regional High School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance. Certain comparative information between the current fiscal year (2015-2016) and the prior fiscal year (2014-2015) is presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2016 are as follows:

- ⇒ Net Position of governmental activities increased \$2,383,836, which represents a 4.3 percent increase from 2015.
- ⇒ Net Position of business-type activities increased \$159,690, which represents a 36.6 percent increase from 2015. Service continues to run smoothly and the operation is expected to continue to be self-sustaining.
- ⇒ Property taxes continue to provide the majority of revenue for the Governmental Funds accounting for 62.4 percent in 2016. During the five years the tax cap has been in place, the District has forgone more than \$20 million in available property tax.
- ⇒ Governmental Fund expenses (exclusive of the Capital Projects Fund) increased by \$9,118,664 which represents a 4.52 percent increase over 2015. Expenses required for staff training, curriculum revisions and textbooks associated with the implementation of mandates PARCC, Common Core and the teacher evaluation system are reflected in the financial statements. An increase in Capital Outlay resulted from the District investing in its transportation fleet, technology infrastructure upgrades to its network, and track rehabilitation at two schools.
- ⇒ The Capital Projects Fund reflects the establishment of more than \$20 million of facility improvements funded under the state's Energy Savings Improvement Program (ESIP). Under the program, energy conservation measures are funded by capital leases instead of serial bonds. Lease payments are provided for through energy savings, and without impact on instructional programs.

**USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Freehold Regional High School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The focus of governmental accounting differs from that of business enterprises. In government, the financial statement user is concerned with determining accountability for funds, evaluating operating results, and assessing the level of service that can be provided by the government along with its ability to meet obligations as they become due. In comparison, the primary emphasis in the private sector from both an operational and reporting perspective is on the maximization of profits.

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

**Reporting the School District as a Whole**

*Statement of Net Position and the Statement of Activities*

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of a whole school district, presenting both an aggregate view of a school district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

This document looks at all financial transactions and asks the question, "How did we do financially during 2016?" The *Statement of Net Position* and the *Statement of Activities* attempt to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's Net Position and changes in those assets. This change in Net Position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

In the *Statement of Net Position* and the *Statement of Activities*, the School District is divided into two distinct kinds of activities:

- Governmental activities - All of the School District's programs and services are reported here including instruction, support services, administration, operating maintenance of plant services, student transportation, and extracurricular activities.
- Business-Type Activities - This service is provided on a charge-for-goods-or-services basis to recover all the expenses of the goods or services provided. The Food Service and Extra Curricular funds are reported as a business activity.

**Reporting the School District's Most Significant Funds**

*Fund Financial Statements*

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same as in private industry.

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

*Notes to the Basic Financial Statements*

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

**THE SCHOOL DISTRICT AS A WHOLE**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net Position may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's Net Position for 2016 and 2015.

**TABLE 1  
Net Position**

	2015-2016			2014-2015		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
<b>ASSETS</b>						
Current & Other Assets	\$42,411,346	\$509,267	\$42,920,613	\$59,912,864	\$510,341	\$60,423,205
Capital Assets	122,543,091	182,315	122,725,406	107,286,886	220,747	107,507,633
Total Assets	164,954,437	691,582	165,646,019	167,199,750	731,088	167,930,838
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>						
Loss on Refunding of Long Term Debt	113,718		113,718	148,021		148,021
Pension Related	11,298,658		11,298,658	5,708,258		5,708,258
Total Deferred Outflow of Resources	11,412,376		11,412,376	5,856,279		5,856,279
<b>LIABILITIES</b>						
Long-Term Liabilities	95,628,703		95,628,703	95,571,425		95,571,425
Other Liabilities	20,136,302	95,683	20,231,985	18,717,265	294,879	19,012,144
Total Liabilities	115,765,005	95,683	115,860,688	114,288,690	294,879	114,583,569
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Pension Related	2,357,123		2,357,123	2,906,490		2,906,490
Total Deferred Inflow of Resources	2,357,123		2,357,123	2,906,490		2,906,490
<b>NET POSITION</b>						
Net Investment in Capital Assets	80,465,572	182,315	80,647,887	76,758,415	220,747	76,979,162
Restricted	28,446,908		28,446,908	30,394,625		30,394,625
Unrestricted (Deficit)						
Pension Related	(49,733,871)		(49,733,871)	(48,130,339)		(48,130,339)
Other	(933,924)	413,584	(520,340)	(3,161,852)	215,462	(2,946,390)
Total Net Position	\$58,244,685	\$595,899	\$58,840,584	\$55,860,849	\$436,209	\$56,297,058

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

Table 2 details the changes in Net Position for fiscal year 2016 and 2015.

**TABLE 2  
CHANGES IN NET POSITION**

	2015-2016			2014-2015		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	\$289,578	\$2,948,247	\$3,237,825	\$319,039	\$2,786,853	\$3,105,892
Operating Grants & Contributions	43,912,263	636,106	44,548,369	35,821,867	605,298	36,427,165
<b>General Revenues</b>						
Property Taxes	129,734,618		129,734,618	125,566,418		125,566,418
Grants (includes State Aid) and Entitlements	56,875,483		56,875,483	56,667,840		56,667,840
Other Revenues	782,770		782,770	148,292		148,292
Disposal of Capital Assets	(42,920)		(42,920)			
	<u>\$231,551,792</u>	<u>\$3,584,353</u>	<u>\$235,136,145</u>	<u>\$218,523,456</u>	<u>\$3,392,151</u>	<u>\$221,915,607</u>
<b>Expenses:</b>						
Instruction	128,707,519		128,707,519	121,813,903		121,813,903
Pupils and Instructional Staff	42,873,488		42,873,488	40,433,428		40,433,428
General Administration, School Administration, Central Services						
Information Technology & Maintenance	34,735,971		34,735,971	32,962,023		32,962,023
Transportation	16,804,098		16,804,098	17,118,697		17,118,697
Interest on Long-Term Debt	1,159,719		1,159,719	1,353,737		1,353,737
Business-Type		3,424,663	3,424,663		3,324,056	3,324,056
Other	4,887,161		4,887,161	4,881,749		4,881,749
Total Expenses	<u>\$229,167,956</u>	<u>\$3,424,663</u>	<u>\$232,592,619</u>	<u>\$218,563,537</u>	<u>\$3,324,056</u>	<u>\$221,887,593</u>
Change in Net Position	\$2,383,836	\$159,690	\$2,543,526	(\$40,081)	\$68,095	\$28,014
Net Position July 1,	<u>55,860,849</u>	<u>436,209</u>	<u>56,297,058</u>	<u>55,900,930</u>	<u>368,114</u>	<u>56,269,044</u>
Net Position June 30,	<u>\$58,244,685</u>	<u>\$595,899</u>	<u>\$58,840,584</u>	<u>\$55,860,849</u>	<u>\$436,209</u>	<u>\$56,297,058</u>

The presentation of net position in the District's June 30, 2016 financial statements includes revenues from federal and state grant programs as well as the state's on-behalf contributions to the Teachers' Pension and Annuity Fund. Corresponding amounts have been appropriately assigned throughout governmental expenses.

Both revenues and expenses increased mainly as a result of the district recognizing a larger on-behalf TPAF contribution as a revenue and as an expense based upon the State's Actuarial report.



**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

*Governmental Activities*

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for Governmental Activities. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

**TABLE 3  
NET COST OF SERVICES**

	Total Cost of Services <u>2016</u>	Total Cost of Services <u>2015</u>	Net Cost of Services <u>2016</u>	Net Cost of Services <u>2015</u>
Instruction	\$128,707,519	\$121,813,903	\$94,168,758	\$93,518,261
Pupils and Instructional Staff	\$42,873,488	40,433,428	36,498,072	35,332,656
General Administration, School Administration, Central Services				
Information Technology & Maintenance	\$34,735,971	32,962,023	31,738,124	30,546,353
Transportation	\$16,804,098	17,118,697	16,804,098	17,118,697
Interest on Long-Term Debt	\$1,159,719	1,353,737	869,902	1,024,915
Business-Type	\$3,424,663	3,324,056	(159,690)	(68,095)
Other	\$4,887,161	4,881,749	4,887,161	4,881,749
Total Expenses	<u>\$232,592,619</u>	<u>\$221,887,593</u>	<u>\$184,806,425</u>	<u>\$182,354,536</u>

As noted above, the presentation of position in the District's June 30, 2016 financial statements include the allocation of expenses funded by federal and state grant programs as well as the state's on-behalf contributions to the Teachers' Pension and Annuity Fund totaling \$40,364,472.

- Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.
- Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.
- General administration, school administration, central services, information technology and maintenance include expenses associated with administrative and financial supervision of the District, as well as costs associated with the upkeep of school grounds, buildings, and equipment in an effective working condition.
- Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.
- Interest on long-term debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.
- Business-type expenses include all expenses associated with the food service and extracurricular funds.
- "Other" includes depreciation on capital assets that is not allocated to a specific function mentioned above.

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

*Business-Type Activities*

Revenues for the District's business-type activities (food service and extra-curricular programs) were comprised of charges for services and federal and state reimbursements. The food service operation continues to run smoothly and has generated a profit since the District hired a new management company in 2014.

**THE SCHOOL DISTRICT'S FUNDS**

All governmental funds are accounted for using the modified accrual basis of accounting. Totals (excluding Capital Projects) for revenues amounted to \$208,026,096 and expenditures were \$210,696,689. Other Financing sources and uses included Capital Lease proceeds of \$1,648,018 used primarily for the purchase of new school buses and a transfer from Capital Reserve to Capital Projects in the amount of \$2,000,000 to fund HVAC projects included in ESIP. The net change in fund balance was a decrease of \$3,021,527. The decrease was mainly due to the transfer to Capital Projects. As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. Governmental Funds Revenues and Expenditures (exclusive of Capital Projects) are summarized in Table 4 and Chart 1 below.

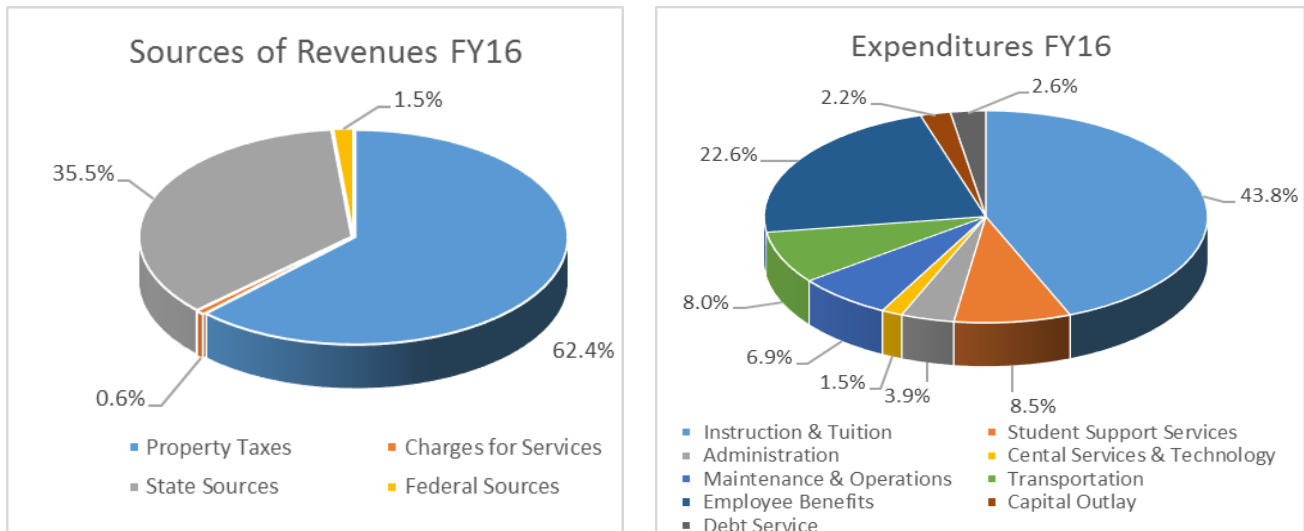
**Table 4  
Governmental Funds Revenues and Expenditures  
(Exclusive of Capital Projects)**

REVENUES:				
	<u>Amount</u>	<u>Percentage</u>	<u>Increase/Decrease from 2015</u>	<u>Percentage Change</u>
Local Sources	\$131,032,599	62.98%	\$4,881,718	3.87%
State Sources	73,820,815	35.49%	2,499,094	3.50%
Federal Sources	3,172,682	1.53%	343,875	12.16%
	<u>\$208,026,096</u>	<u>100.00%</u>	<u>\$7,724,687</u>	<u>3.86%</u>
EXPENDITURES				
	<u>Amount</u>	<u>Percentage</u>	<u>Increase/Decrease from 2015</u>	<u>Percentage Change</u>
Current Expense:				
Instruction	\$74,409,748	35.32%	(\$80,949)	-0.11%
Undistributed	122,983,960	58.37%	6,250,348	5.35%
Capital Outlay	4,611,508	2.19%	2,558,323	124.60%
Special Revenue	3,274,473	1.55%	382,442	13.22%
Debt Service:				
Principal	4,240,000	2.01%	210,000	5.21%
Interest	1,177,000	0.56%	(201,500)	-14.62%
Total	<u>\$210,696,689</u>	<u>100.00%</u>	<u>\$9,118,664</u>	<u>4.52%</u>

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

**Chart 1  
Governmental Funds Revenues and Expenditures  
(Exclusive of Capital Projects)**



Highlights include the following:

- Property tax levy increased in the aggregate by 3.3%. The FY16 budget accessed banked cap in order to increase the levy above the 2% cap.
- Student Support Services were significantly impacted by the increasing number of students with special needs. In addition, the implementation of mandates PARCC, Common Core and the teacher evaluation system required funding for staff training, curriculum revisions and textbooks.
- Transportation costs are representative of student need based programs and placements. As noted above, the fiscal year 2016 financial statements reflect the impact of the increasing number of students with special needs.
- The state's contribution to social security and pension costs for TPAF members increased by 17.7% from fiscal year 2015. These payments are made on-behalf of the District, and are reflected throughout the financial statements.
- An increase in Capital Outlay resulted from the District investing in its transportation fleet with the purchase of 22 new school buses and one maintenance vehicle, as well as track rehabilitation at two schools.

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONTINUED)**

**Capital Projects**

The district established a capital plan that addresses the needs of the facilities without draining resources from the instructional program. In March 2014 the board approved more than \$20 million in improvements anchored by an Energy Savings Improvement Program (ESIP). State ESIP laws provide all government agencies in New Jersey with a flexible tool to improve and reduce energy usage with minimal expenditure of new financial resources. Over 60% of the proposed work seeks to upgrade Heating, Ventilation and Air Conditioning (HVAC) equipment and control systems, with the balance of the proposed improvements involving roofing, lighting retrofits and other energy efficiency measures. In addition to funding under ESIP, the district is accessing subsidies managed by the NJ Board of Public Utilities and NJ Department of Education facility grants. Construction on most phases of the capital plan was nearing completion at the end of the 2015-16 school year, and it is anticipated that all projects will be finalized by the end of summer 2017. Additional information on projects in progress can be found in the Capital Projects Fund financial statements.

**CAPITAL ASSETS**

The District continues to invest in its Capital Assets. The major increase from 2015 is Construction in Progress related to the ESIP project described in detail in the previous section. Table 5 shows the fiscal year 2016 Capital Asset activity of the District.

**Table 5  
Capital Assets at June 30, 2016**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Transfers or Retirements</b>	<b>Ending Balance</b>
<b>Governmental activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 446,488			\$ 446,488
Construction In Progress	6,382,904	\$ 19,370,938		25,753,842
Total capital assets not being depreciated	6,829,392	19,370,938	-	26,200,330
<i>Capital assets being depreciated:</i>				
Site improvements	13,381,853	37,004		13,418,857
Building and improvements	203,745,505	298,039		204,043,544
Equipment	17,028,711	1,985,858	(978,094)	18,036,475
Total capital assets being depreciated	234,156,069	2,320,901	(978,094)	235,498,876
Total Gross Assets (Memo Only)	240,985,461	21,691,839	(978,094)	261,699,206
Less accumulated depreciation for:				
Site improvements	(5,829,643)	(664,879)		(6,494,522)
Building and improvements	(114,476,416)	(4,703,125)		(119,179,541)
Equipment	(13,392,516)	(1,024,710)	935,174	(13,482,052)
Total accumulated depreciation	(133,698,575)	(6,392,714)	935,174	(139,156,115)
Total capital assets being depreciated, net	100,457,494	(4,071,813)	(42,920)	96,342,761
Government activities capital assets, net	\$ 107,286,886	\$ 15,299,125	\$ (42,920)	\$ 122,543,091
<b>Business-type activities:</b>				
<i>Capital assets being depreciated:</i>				
Equipment	637,981			637,981
Less accumulated depreciation	(417,234)	(38,432)		(455,666)
Enterprise fund capital assets, net	\$ 220,747	\$ (38,432)	\$ -	\$ 182,315

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ENGLISHTOWN, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
UNAUDITED (CONCLUDED)**

**DEBT ADMINISTRATION**

Among the district's outstanding liabilities at June 30, 2016, \$2,581,015 is for compensated absences, \$26,275,418 for obligations under capital leases, \$56,426,018 for Net Pension Liability and \$19,300,000 of serial bonds for school construction. As noted earlier, capital leases issued under ESIP are repaid with energy savings rather than additional property tax levy.

**CONTACTING THE SCHOOL DISTRICT**

This financial report is designed to provide the District's citizens, taxpayers, bond holders, and creditors with a general overview of the District's finances and to show the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Assistant Superintendent for Business Administration at Freehold Regional Board of Education, 11 Pine Street, Englishtown, NJ 07726.

Please visit our website at [www.frhsd.com](http://www.frhsd.com).

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2016

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2016

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 25,639,889	\$ 73,219	\$ 25,713,108
Receivables, net	6,850,714	409,414	7,260,128
Inventory		26,634	26,634
Restricted assets:			
Restricted cash and cash equivalents	9,920,743		9,920,743
Capital assets:			
Land and Construction in progress	26,200,330		26,200,330
Other Capital Assets net of depreciation	<u>96,342,761</u>	<u>182,315</u>	<u>96,525,076</u>
Total Assets	164,954,437	691,582	165,646,019
<b>DEFERRED OUTFLOW OF RESOURCES:</b>			
Loss on Refunding of Long Term Debt	113,718		113,718
Pension Related	<u>11,298,658</u>		<u>11,298,658</u>
Total Deferred Outflow of Resources	11,412,376		11,412,376
<b>LIABILITIES:</b>			
Accounts payable	4,986,877	29,390	5,016,267
Interfund Payable	298,546		298,546
Payable to state government	16,248		16,248
Unearned revenue	14,216	66,293	80,509
Accrued Interest Payable	321,667		321,667
Accrued Liability for Insurance Claims	5,545,000		5,545,000
Noncurrent liabilities:			
Due within one year:			
Bonds and capital leases payable	8,953,748		8,953,748
Due beyond one year:			
Compensated absences payable	2,581,015		2,581,015
Bonds and capital leases payable	36,621,670		36,621,670
Net Pension Liability	<u>56,426,018</u>		<u>56,426,018</u>
Total liabilities	115,765,005	95,683	115,860,688
<b>DEFERRED INFLOW OF RESOURCES:</b>			
Pension Related	<u>2,357,123</u>		<u>2,357,123</u>
<b>NET POSITION:</b>			
Net investment in capital assets	80,465,572	182,315	80,647,887
Restricted for:			
Capital projects fund	944,577		944,577
Debt service fund (deficit)	(321,667)		(321,667)
Other purposes	27,823,998		27,823,998
Unrestricted (deficit)	<u>(50,667,795)</u>	<u>413,584</u>	<u>(50,254,211)</u>
Total net position	<u>\$ 58,244,685</u>	<u>\$ 595,899</u>	<u>\$ 58,840,584</u>

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



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
JUNE 30, 2016

Functions/Programs	Expenses	Indirect Cost Allocation	Programs Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
<b>Governmental Activities:</b>						
Instruction:						
Regular	\$ 67,041,252	\$ 25,302,707	\$ 70,929	\$ 23,198,713	\$ (69,074,317)	\$ (69,074,317)
Special	19,506,626	6,252,799	8,705,311	8,705,311	(17,054,114)	(17,054,114)
Other Instruction	7,898,146	2,705,989	73,319	2,490,489	(8,040,327)	(8,040,327)
Support services:						
Tuition	14,980,357			6,375,416	(14,980,357)	(14,980,357)
Student & instruction related services	21,203,504	6,689,627			(21,517,715)	(21,517,715)
General administrative services	1,595,143	121,375			(1,716,518)	(1,716,518)
School administrative services	8,160,406	3,069,896		2,852,517	(8,377,785)	(8,377,785)
Central service	1,766,562	367,024			(2,133,586)	(2,133,586)
Admin information technology	1,704,734	881,549			(2,586,283)	(2,586,283)
Plant operations and maintenance	15,313,283	1,755,999	145,330		(16,923,952)	(16,923,952)
Pupil transportation	14,760,543	2,043,555			(16,804,098)	(16,804,098)
Unallocated benefits	47,684,967	(47,684,967)				
Interest on Long-Term Debt	1,159,719		289,817		(869,902)	(869,902)
Unallocated depreciation	6,392,714	(1,505,553)	289,578	43,912,263	(4,887,161)	(4,887,161)
Total governmental activities	229,167,956	(1,505,553)	289,578	43,912,263	(184,966,115)	(184,966,115)
<b>Business-type activities:</b>						
Food Service	3,167,975		2,691,559	636,106		159,690
Non-Major Funds	256,688		256,688			
Total business-type activities	3,424,663		2,948,247	636,106		159,690
<b>Total primary government</b>	<b>\$ 232,592,619</b>		<b>\$ 3,237,825</b>	<b>\$ 44,548,369</b>	<b>\$ (184,966,115)</b>	<b>\$ (184,806,425)</b>
<b>General Revenues:</b>						
Taxes:						
Property taxes, levied for general purposes, net					\$ 125,634,974	\$ 125,634,974
Taxes levied for debt service					4,099,644	4,099,644
Federal and state aid not restricted					54,224,317	54,224,317
Federal and state aid restricted					2,651,166	2,651,166
Miscellaneous income					782,770	782,770
Disposal of capital asset (net)					(42,920)	(42,920)
Total general revenues					187,349,951	187,349,951
Change in net position					2,383,836	2,383,836
Total general revenues					159,690	159,690
Net Position - beginning					436,209	436,209
Net Position ending					595,899	595,899
					\$ 55,860,849	\$ 55,860,849
					\$ 58,244,685	\$ 58,244,685

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

## **MAJOR FUND FINANCIAL STATEMENTS**

The Individual Fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 31,961,008	\$	\$	\$ 31,961,008
Cash with Fiscal Agents	283,900		3,315,722	3,599,622
Other receivables	74,086	33,625		107,711
Due from other funds	1,053,975		1,161,425	2,215,400
Receivables from other governments	3,204,583	544,802	2,993,618	6,743,003
<b>Total assets</b>	<b>\$ 36,577,552</b>	<b>\$ 578,427</b>	<b>\$ 7,470,765</b>	<b>\$ 44,626,744</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,158,384	84,189	1,494,916	\$ 2,737,489
Payable to state government		16,248		16,248
Interfund payables	2,050,170	463,774		2,513,944
Unearned revenue		14,216		14,216
Accrued Liability for Insurance Claims	5,545,000			5,545,000
<b>Total liabilities</b>	<b>8,753,554</b>	<b>578,427</b>	<b>1,494,916</b>	<b>10,826,897</b>
<b>Fund balances:</b>				
<b>Restricted:</b>				
Capital Reserve Account	2,583,757			2,583,757
Capital Reserve - designated for subsequent years	1,750,000			1,750,000
Emergency Reserve Account	252,378			252,378
Maintenance Reserve Account	1,484,986			1,484,986
Maintenance Reserve - designated for subsequent years	250,000			250,000
Reserved Excess Surplus designated for subsequent years expenditures	11,647,416			11,647,416
Reserve for Excess surplus	9,855,461			9,855,461
Capital Projects fund			944,577	944,577
<b>Assigned:</b>				
Encumbrances			5,031,272	5,031,272
<b>Total fund balances</b>	<b>27,823,998</b>		<b>5,975,849</b>	<b>33,799,847</b>
<b>Total liabilities and fund balances</b>	<b>\$ 36,577,552</b>	<b>\$ 578,427</b>	<b>\$ 7,470,765</b>	<b>\$ 44,626,744</b>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016

Total Fund Balances (Brought Forward)	\$	33,799,847
<p>Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of Assets	\$ 261,699,206	
Accumulated Depreciation	<u>(139,156,115)</u>	122,543,091
<p>Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Net Pension Expense	(56,426,018)	
Compensated Absences	(2,581,015)	
Capital Lease Payable	(26,275,418)	
Bonds Payable	<u>(19,300,000)</u>	(104,582,451)
<p>Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.</p>		
Deferred Outflows:		
Pension related	\$ 9,049,270	
Employer Contribution related to pensions	<u>2,249,388</u>	
	11,298,658	
Loss on Refunding Debt	<u>113,718</u>	11,412,376
Deferred Inflows:		
Pension related		(2,357,123)
<p>Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Accounts Payable - Pension Related	(2,249,388)	
Accrued Interest Payable	<u>(321,667)</u>	<u>(2,571,055)</u>
Net Position of Governmental Activities	\$	<u><u>58,244,685</u></u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>					
Local sources:					
Local Tax Levy	\$ 125,634,974			\$ 4,099,644	\$ 129,734,618
Tuition	70,929				70,929
Unrestricted Miscellaneous Revenue	775,269		1,048		776,317
Interest Earned on Emergency Reserve	377				377
Interest Earned on Maintenance Reserve	2,591				2,591
Interest Earned on Capital Reserve Funds	3,485				3,485
Other Restricted Miscellaneous Revenue	218,649	226,681			445,330
<b>Total - local sources</b>	<b>126,706,274</b>	<b>226,681</b>	<b>1,048</b>	<b>4,099,644</b>	<b>131,033,647</b>
State sources	72,472,853	30,606	1,607,128	1,317,356	75,427,943
Federal sources	155,496	3,017,186			3,172,682
<b>Total revenues</b>	<b>199,334,623</b>	<b>3,274,473</b>	<b>1,608,176</b>	<b>5,417,000</b>	<b>209,634,272</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	54,420,588				54,420,588
Special instruction	13,445,974	2,904,936			16,350,910
Other Instruction	6,543,186				6,543,186
Support services:					
Tuition	14,980,357				14,980,357
Student & instruction related services	17,573,969	353,037			17,927,006
General administrative services	1,556,498				1,556,498
School administrative services	6,607,803				6,607,803
Central service	1,598,026				1,598,026
Administrative information technology services	1,623,756				1,623,756
Plant operations and maintenance	14,593,778				14,593,778
Pupil transportation	16,812,407				16,812,407
Unallocated benefits	47,637,366				47,637,366
Debt Service:					
Principal				4,240,000	4,240,000
Interest				1,177,000	1,177,000
Capital outlay	4,611,508	16,500	17,071,932		21,699,940
<b>Total expenditures</b>	<b>202,005,216</b>	<b>3,274,473</b>	<b>17,071,932</b>	<b>5,417,000</b>	<b>227,768,621</b>
Excess (deficiency) of revenues over (under) expenditures	(2,670,593)		(15,463,756)		(18,134,349)
Other financing sources (uses):					
Capital Lease	1,648,018				1,648,018
Transfer	(1,998,952)		1,998,952		
<b>Total other financing sources (uses)</b>	<b>(350,934)</b>		<b>1,998,952</b>		<b>1,648,018</b>
<b>Net change in fund balances</b>	<b>(3,021,527)</b>		<b>(13,464,804)</b>		<b>(16,486,331)</b>
Fund balances, July 1, 2015	\$ 30,845,525	\$	\$ 19,440,653	\$	\$ 50,286,178
Fund balances, June 30, 2016	\$ 27,823,998	\$	\$ 5,975,849	\$	\$ 33,799,847

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Total net change in fund balances - governmental funds (from B-2)	\$	(16,486,331)
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense		(6,392,714)
Capital outlays	\$ 21,699,940	
Less: Capital Outlays not capitalized	<u>(8,101)</u>	21,691,839
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position and is not reported in the statement of activities.</p>		
		4,240,000
<p>Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of Net Position.</p>		
Capital lease proceeds - Current Year		(1,661,250)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position and is not reported in the statement of activities.</p>		
Payment of capital lease payable		2,649,982
<p>In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.</p>		
		70,666
<p>Bond Issue costs are reported in the Governmental Funds as expenditures in the year the bonds are issued. However, on the Statement of Activities the costs are amortized over the life of the Bonds.</p>		
		(34,303)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
District pension contributions	2,161,050	
Less: Pension expense	<u>(3,764,582)</u>	(1,603,532)
<p>In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed(-).</p>		
		(42,920)
<p>In the statement of activities, contributed capital assets are reflected in the activity in which they are utilized whereas in the governmental funds, they are reflected as an expense. The change in net assets on the statement of activities must therefore reflect this contribution as a transfer</p> <p>In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-). When the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		<u>(47,601)</u>
Change in net position of governmental activities (A-2)	\$	<u>2,383,836</u>

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

**OTHER FUNDS**

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
JUNE 30, 2016

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>MAJOR FUND</u> <u>FOOD SERVICE</u> <u>FUND</u>	<u>NON-MAJOR FUND</u> <u>EXTRA-CURRICULAR</u> <u>FUND</u>	
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 73,219	\$	\$ 73,219
Accounts receivable:			
State	3,199		3,199
Federal	94,740		94,740
Other	4,615		4,615
Interfund Receivable	289,443	17,417	306,860
Inventories	26,634		26,634
	<u>491,850</u>	<u>17,417</u>	<u>509,267</u>
Total current assets			
Noncurrent assets:			
Furniture, machinery and equipment	637,981		637,981
Less accumulated depreciation	<u>(455,666)</u>		<u>(455,666)</u>
	<u>182,315</u>		<u>182,315</u>
Total noncurrent assets			
Total assets	<u>\$ 674,165</u>	<u>\$ 17,417</u>	<u>\$ 691,582</u>
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts Payable	\$ 29,390	\$	\$ 29,390
Unearned Revenue	<u>48,876</u>	<u>17,417</u>	<u>66,293</u>
	<u>\$ 78,266</u>	<u>\$ 17,417</u>	<u>\$ 95,683</u>
Total current liabilities			
<b>NET POSITION:</b>			
Net investment in capital assets	\$ 182,315	\$	\$ 182,315
Unrestricted	<u>413,584</u>		<u>413,584</u>
Total net position	<u>\$ 595,899</u>	<u>\$</u>	<u>\$ 595,899</u>

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



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>MAJOR FUND</u>	<u>NON-MAJOR FUND</u>	
	<u>FOOD SERVICE FUND</u>	<u>EXTRA-CURRICULAR FUND</u>	
<b>OPERATING REVENUES:</b>			
Charges for services:			
Daily sales - Reimbursable programs	\$ 1,028,892	\$	\$ 1,028,892
Daily sales - Non-reimbursable programs	1,619,796		1,619,796
Special Functions	42,871		42,871
Fees - individuals		256,688	256,688
	<hr/>	<hr/>	<hr/>
Total operating revenues	2,691,559	256,688	2,948,247
	<hr/>	<hr/>	<hr/>
<b>OPERATING EXPENSES:</b>			
Cost of sales - reimbursable programs	838,708		838,708
Cost of sales - non-reimbursable programs	580,132		580,132
Salaries and benefits	1,319,600	85,954	1,405,554
Supplies and materials	148,247	2,200	150,447
Management fee	100,800		100,800
Miscellaneous	142,056	23,609	165,665
Depreciation	38,432		38,432
Facility Rental		130,925	130,925
League Fees		14,000	14,000
	<hr/>	<hr/>	<hr/>
Total operating expenses	3,167,975	256,688	3,424,663
	<hr/>	<hr/>	<hr/>
Operating (loss)	(476,416)		(476,416)
	<hr/>	<hr/>	<hr/>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
State Sources			
State school lunch program	18,389		18,389
Federal Sources			
National school lunch program	465,964		465,964
School breakfast program	43,518		43,518
National food distribution commodities	108,235		108,235
Total nonoperating revenues (expenses)	636,106		636,106
	<hr/>	<hr/>	<hr/>
Income (loss) before contributions and transfers	159,690		159,690
	<hr/>	<hr/>	<hr/>
Change in net position	159,690		159,690
	<hr/>	<hr/>	<hr/>
Total net position - beginning	436,209		436,209
	<hr/>	<hr/>	<hr/>
Total net position - ending	\$ 595,899	\$	\$ 595,899
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>MAJOR FUND</u>	<u>NON-MAJOR FUND</u>	<u>TOTAL</u>
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	
	<u>FUND</u>	<u>FUND</u>	
Cash flows from operating activities:			
Receipts from customers	\$ 2,657,642	\$ 247,976	\$ 2,905,618
Payments to employees	(1,299,354)	(85,954)	(1,385,308)
Payments for Employee Benefits	(20,281)		(20,281)
Payments to suppliers	(1,872,246)	(170,734)	(2,042,980)
	<hr/>	<hr/>	<hr/>
Net cash provided by (used for) operating activities	(534,239)	(8,712)	(542,951)
Cash flows from noncapital financing activities:			
State sources	10,568		10,568
Federal sources	297,471		297,471
Operating subsidies and transfers to other funds	149,360	8,712	158,072
	<hr/>	<hr/>	<hr/>
Net cash provided by noncapital financing activities	457,399	8,712	466,111
Net increase (decrease) in cash and cash equivalents	(76,840)		(76,840)
Cash and cash equivalents, July 1, 2014	150,059		150,059
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents, June 30, 2015	\$ 73,219	\$	\$ 73,219
	<hr/>	<hr/>	<hr/>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (476,416)	\$	\$ (476,416)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	38,432		38,432
Federal commodities	108,235		108,235
Change in assets and liabilities:			
(Increase) decrease in accounts receivable, net	4,034		4,034
Increase (decrease) in unearned revenue	2,762	(8,712)	(5,950)
Increase (decrease) in accounts payable	(201,958)		(201,958)
(Increase) decrease in inventories	(9,328)		(9,328)
	<hr/>	<hr/>	<hr/>
Net cash provided by (used for) operating activities	\$ (534,239)	\$ (8,712)	\$ (542,951)

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Unemployment Compensation Insurance Trust</u>	<u>Private Purpose Trust</u>	<u>Agency Funds</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 1,061,205	\$ 925,112	\$ 3,431,933
Intrafund receivable			26,374
	<hr/>	<hr/>	<hr/>
Total assets	\$ <u>1,061,205</u>	\$ <u>925,112</u>	\$ <u>3,458,307</u>
<b>LIABILITIES:</b>			
Accounts payable	\$ 53,579	\$	
Intrafund payable	26,374		
Interfund payable			8,316
Payable to student groups			1,081,505
Wage Payable - Summer Payroll			2,363,330
Payroll deductions and withholdings			5,156
	<hr/>	<hr/>	<hr/>
Total liabilities	\$ <u>79,953</u>	\$	\$ <u>3,458,307</u>
<b>NET POSITION:</b>			
Held in trust for State Unemployment Insurance claims and other purposes	\$ 981,252	\$	
Held in trust for scholarships and other purposes		925,112	
	<hr/>	<hr/>	<hr/>
Total net position	\$ <u>981,252</u>	\$ <u>925,112</u>	\$ <u>-0-</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Unemployment Compensation Insurance Trust</u>	<u>Private Purpose Trust</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Plan member	\$ 242,539	\$	242,539
Donations	\$	17,298	17,298
Total contributions	<u>242,539</u>	<u>17,298</u>	<u>259,837</u>
Investment earnings:			
Interest	670	672	1,342
Net investment earnings	<u>670</u>	<u>672</u>	<u>1,342</u>
Total additions	<u>243,209</u>	<u>17,970</u>	<u>261,179</u>
DEDUCTIONS:			
Quarterly Contribution Reports	101,622		101,622
Unemployment Claims	148,510		148,510
Scholarships Awarded		34,261	34,261
Total deductions	<u>250,132</u>	<u>34,261</u>	<u>284,393</u>
Change in net position	(6,923)	(16,291)	(23,214)
Net position beginning of year	<u>988,175</u>	<u>941,403</u>	<u>1,929,578</u>
Net position end of year	<u>\$ 981,252</u>	<u>\$ 925,112</u>	<u>\$ 1,906,364</u>

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

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity**

The Freehold Regional High School District is a Type II District located in Monmouth County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Freehold Regional High School District, comprised of nine elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39), as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government
2. The primary government, or its component unit, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (continued)**

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include six High Schools. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

The District's basic financial statements consist of District-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

*District-wide Statements:* The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net assets presents the financial condition of the governmental and business-type activities of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

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

**Governmental Funds**

**General Fund** The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non instructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. Generally Accepted Accounting Principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to the current expense by Board resolution; in certain instances approval by the County Superintendent of Schools may also be required.

**Special Revenue Fund** The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Projects Funds** The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

**Proprietary Funds**

**Enterprise Fund** The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service and Extra-Curricular (Ice Hockey) program operations. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Fiduciary Funds**

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (agency, private purpose and state unemployment insurance). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, employees, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

The District's Fiduciary funds are as follows:

**Payroll Summer Payroll and Student Activities Funds** These are agency funds used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**Unemployment Compensation Insurance Trust Fund** This is an expendable trust fund used to account for certain unemployment compensation claims as they arise.

**Private Purpose Trust Funds** These trust funds are used to account for assets donated by individuals that will provide for the payment of scholarships.



**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting-Measurement Focus**

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognized 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 records.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Encumbrance Accounting**

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

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

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

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

**Inventories and Prepaid Expenses**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

In fiscal year 2016, the District implemented GASB 72. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

	<u>Estimated Life</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and computer equipment	10
Instructional equipment	10
Grounds equipment	15

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and/or collective bargaining unit contracts. Benefits are paid upon termination.

The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

**Fund Equity**

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

**Unearned Revenue**

Unearned revenue in the General, Special Revenue and Proprietary funds represents funds which have been received but not yet earned.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long term debt is recognized as a liability on the fund financial statements when due.

**Net Position**

In accordance with GASB 63, Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**Fund Balance Reserves**

The District has implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement modifies fund balance reporting and clarifies fund type definitions. This Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Under the new standard, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Reserves (Continued)**

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Maintenance Reserve, Emergency Reserve and Excess Surplus as Restricted Fund Balance.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education. The District does not report any Fund Balance in this category

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances and Designated for Subsequent Years Expenditures as Assigned Fund Balance.

Unassigned - is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**Revenues Exchange and Non-exchange Transactions**

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

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues Exchange and Non-exchange Transactions (Continued)**

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

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

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

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the District, these revenues are sales in the Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

**Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.



**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Extraordinary and Special Items**

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

**Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Accounting and Financial Reporting for Pensions**

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

In the Governmental Fund Financial Statements the year end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1<sup>st</sup> of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has two items that qualify for reporting in this category, deferred amounts from refunding debt and deferred amounts related to pensions.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies as a Deferred Inflow. Deferred amounts related to pensions.

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The Board considers petty cash, change funds, cash in banks, and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits**

The Freehold Regional High School District had the following cash and cash equivalents at June 30, 2016:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 36,276,493
Proprietary Funds	73,937
Fiduciary Funds	6,104,709
Total Cash in Bank	\$ 42,455,139
Less: Reconciling Items	5,002,662
	\$ 37,452,477

Custodial Credit Risk- Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2016, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$42,455,139 \$250,000 was covered by Federal Depository Insurance, and \$42,205,139 was covered under the provisions of NJGUDPA.

**Investments**

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

8. Agreements for the repurchase of fully collateralized securities if:
- a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1, and existing investment practices of NJARM, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

**NOTE 3: RECEIVABLES**

Receivables at June 30, 2016 are listed below. All receivables are considered collectible in full. A summary of the principal items of governmental receivables follows:

	Governmental Financial <u>Statements</u>	District-Wide Financial <u>Statements</u>
State Aid	\$6,192,291	6,192,291
Federal Aid	550,712	550,712
Interfunds	2,215,400	
Other	107,711	107,711
Gross Receivables	<u>9,066,114</u>	<u>6,850,714</u>
Less: Allowance for Uncollectibles		-
Total Receivables, Net	<u><u>\$9,066,114</u></u>	<u><u>\$6,850,714</u></u>

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 4: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	Beginning Balance	Additions	Transfers or Retirements	Ending Balance
<b>Governmental activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$446,488			\$446,488
Construction In Progress	6,382,904	\$19,370,938		25,753,842
Total capital assets not being depreciated	6,829,392	19,370,938	-	26,200,330
<i>Capital assets being depreciated:</i>				
Site improvements	13,381,853	37,004		13,418,857
Building and improvements	203,745,505	298,039		204,043,544
Equipment	17,028,711	1,985,858	\$(978,094)	18,036,475
Total capital assets being depreciated	234,156,069	2,320,901	(978,094)	235,498,876
Total Gross Assets (Memo Only)	240,985,461	21,691,839	(978,094)	261,699,206
Less accumulated depreciation for:				
Site improvements	(5,829,643)	(664,879)		(6,494,522)
Building and improvements	(114,476,416)	(4,703,125)		(119,179,541)
Equipment	(13,392,516)	(1,024,710)	935,174	(13,482,052)
Total accumulated depreciation	(133,698,575)	(6,392,714)	935,174	(139,156,115)
Total capital assets being depreciated, net	100,457,494	(4,071,813)	(42,920)	96,342,761
Government activities capital assets, net	107,286,886	15,299,125	(42,920)	122,543,091
<b>Business-type activities:</b>				
<i>Capital assets being depreciated:</i>				
Equipment	637,981			637,981
Less accumulated depreciation	(417,234)	(38,432)		(455,666)
Enterprise fund capital assets, net	220,747	(38,432)	-	182,315

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functional expenses areas of the District as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ (8,954)
Other Instruction	(1,557)
Student & Instruction Related Services	(107,349)
General Administrative Services	(30,392)
School Administrative Services	(4,735)
Central Service	(1,511)
Administrative Technology	(691,029)
Plant, Operations & Maintenance	(64,999)
Pupil Transportation	(595,027)
Unallocated	<u>(4,887,161)</u>
	<u>\$ (6,392,714)</u>

**NOTE 5: LONG-TERM LIABILITIES**

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 5: LONG-TERM LIABILITIES (CONTINUED)**

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2016:

Governmental Funds:

	Balance June 30, <u>2015</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2016</u>	Amounts due Within <u>one year</u>
Bonds Payable	\$23,540,000.00		\$4,240,000.00	\$19,300,000.00	\$4,460,000.00
Compensated Absences	2,533,414.00	47,601.00		2,581,015.00	
Capital Leases Payable	27,264,150.00	1,661,250.00	2,649,982.00	26,275,418.00	4,493,748.00
Pension Liability	<u>48,771,057.00</u>	<u>7,654,961.00</u>	<u>                    </u>	<u>56,426,018.00</u>	<u>                    </u>
Balance June 30, 2016	<u>\$102,108,621.00</u>	<u>\$9,363,812.00</u>	<u>\$6,889,982.00</u>	<u>\$104,582,451.00</u>	<u>\$8,953,748.00</u>

Debt Service Requirements:

The annual requirements to amortize all debt outstanding as of June 30, 2016, including interest payments on issued debt, are as follows:

Fiscal Year <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY2017	\$4,460,000	\$965,000	\$5,425,000
FY2018	4,695,000	742,000	5,437,000
FY2019	4,940,000	507,250	5,447,250
FY2020	<u>5,205,000</u>	<u>260,250</u>	<u>5,465,250</u>
	<u>\$19,300,000</u>	<u>\$2,474,500</u>	<u>\$21,774,500</u>



**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 5: LONG-TERM LIABILITIES (CONTINUED)**

General obligation school and refunding bonds payable with their outstanding balances are comprised of the following individual issues:

<u>Issue</u>	<u>Amount Outstanding June 30, 2016</u>	<u>Bonds Authorized But Not Issued</u>
\$42,690,000.00 in Refunding School Bonds dated November 16, 2001, due in remaining annual installments ranging between \$4,240,000.00 and \$5,205,000.00 beginning March 1, 2017 and ending March 1, 2020 with interest of 5.00%	\$ <u>19,300,000</u>	\$ <u>-0-</u>
	\$ <u>19,300,000</u>	\$ <u>-0-</u>

**Refunding School Bonds**

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (18 to 20 years). The cost associated with the issues of the various bonds amounted to \$639,077. The current year portion charged to the Statement of Activities was \$34,303 leaving a balance of \$113,718. Under the escrow agreement, the escrow is irrevocably pledged to the payment of principal and interest on the refunded bonds. As a result, the refunded obligations are considered to be defeased and the liability for those bonds has been removed from the financial statements.

**Bonds Authorized but Not Issued**

As of June 30, 2016 the District had no Bonds Authorized but not issued.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 5: LONG-TERM LIABILITIES (CONTINUED)**

**Capital Leases Payable**

The District is leasing various equipment and improvements totaling \$30,353,739 as follows:

<u>Description</u>	<u>Date</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Amount</u>
Technology Improvements and School Buses	12/31/13	5 Years	1.433%	\$1,155,792
District Wide Energy Savings Improvement Plan	12/31/13	15 Years	2.690%	\$17,498,000
Roof, Boiler and HVAC Replacement	12/31/13	5 Years	1.390%	\$2,957,597
School Buses and Technology	12/31/13	5 Years	1.334%	\$3,500,000
Roof Replacement	12/31/14	5 Years	1.570%	\$3,250,000
School Buses	12/31/14	5 Years	1.390%	\$331,100
School Buses and Maintenance Vehicles	12/31/15	5 Years	1.433%	\$1,661,250

The following is a schedule of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, 2016:

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Governmental</u> <u>Funds</u>
2017	5,070,391
2018	4,091,325
2019	3,093,780
2020	2,358,715
2020-2024	5,282,366
2025-2029	7,412,811
2030-2031	3,158,261
Total Minimum Lease Payments	\$30,467,649
Less: Amount Representing Interest	4,192,231
Present Value of Lease Payments	<u>\$26,275,418</u>

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 5: LONG-TERM LIABILITIES (CONTINUED)**

**OPERATING LEASES**

The District has a commitment to lease building space, and a parking lot under an operating lease that expires on June 30, 2021. The District also has operating leases for copiers which expire on various dates over the next three years. The total operating lease payments made during the year ended June 30, 2016 were \$323,277. Future minimum lease payments are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>
2017	\$212,554
2018	\$204,856
2019	\$202,814
2020	\$195,562
2021	<u>\$188,903</u>
Total minimum lease payments	<u>\$ 1,004,689</u>

**NOTE 6: PENSION PLANS**

**Description of Plans** All required employees of the District are covered by the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of each system will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the above systems. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on line at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: PENSION PLANS (CONTINUED)**

**Teachers' Pension and Annuity Fund (TPAF)** The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state administered retirement system or other state or local jurisdiction.

**Defined Contribution Retirement Program (DCRP)** The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: PENSION PLANS (CONTINUED)**

**Pension Plan Design Changes**

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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.

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: PENSION PLANS (CONTINUED)**

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e. the State of New Jersey makes the employer contribution on behalf of public school districts).

Three Year Trend Information for PERS

<u>Year Ended</u> <u>June 30,</u>	<u>Annual</u> <u>Pension Cost</u> <u>(APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2016	\$2,161,050	100%	\$2,161,050
2015	\$2,056,601	100%	\$2,056,601
2014	\$2,080,891	100%	\$2,080,891

Three Year Trend Information for TPAF (On-Behalf)

<u>Year Ended</u> <u>June 30,</u>	<u>Annual</u> <u>Pension Cost</u> <u>(APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2016	\$5,888,709	100%	\$5,888,709
2015	\$3,901,407	100%	\$3,901,407
2014	\$3,070,663	100%	\$3,070,663

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2016, 2015 and 2014 \$5,503,498, \$5,536,782, and \$5,462,436 respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2016, the District reported a liability of \$55,658,710 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2015, the District's proportion was 0.2513632728 percent, which was a decrease of 0.0091278202 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$3,764,503.00. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Differences between expected and actual experience		\$1,346,127.00
Changes of assumptions		6,059,704.00
Net difference between projected and actual earnings on pension plan investments	\$907,222.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	1,449,901.00	1,643,439.00
District contributions subsequent to the measurement date		<u>2,249,388.00</u>
	<u>2,357,123.00</u>	<u>11,298,658.00</u>

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(Continued)**

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

The \$2,249,388 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2016, the plan measurement date is June 30, 2015) will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
<u>June 30</u>	<u>Amount</u>
2016	\$1,249,549.00
2017	\$1,249,549.00
2018	\$1,249,549.00
2019	\$1,976,172.00
Thereafter	\$967,328.00



**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions**

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which rolled forward to June 30, 2015. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	3.04 Percent
Salary Increases	
2012-2021	2.15-4.40 Percent (based on age)
Thereafter	3.15-5.40 Percent (based on age)
Investment Rate of Return	7.90 Percent

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Mortality Rates**

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback one year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback one year for females) are used to value disabled retirees

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. . Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Markets	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Returns	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
	<u>100.00%</u>	

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 4.90% and 5.39% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the collective net pension liability to changes in the discount rate.**

The following presents the collective net pension liability of the participating employers as of June 30, 2015 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	June 30, 2015		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>4.39%</u>	<u>5.39%</u>	<u>6.39%</u>
District's proportionate share of the pension liability	\$70,130,636.00	\$56,426,018.00	\$44,936,165.00

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Pension Plan Fiduciary Net Position.**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2016 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$456,102,273</u>
	<u><u>\$456,102,273</u></u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2015, the proportion of the TPAF net pension liability associated with the District was .7216320523% which was a decrease of .0042223072 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized on-behalf pension expense and revenue of \$27,849,150 for contributions provided by the State.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2014. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.90%

**Mortality Rates**

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement. The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the table on the following page:

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
High Yield Bonds	2.00%	4.57%
US Equities Markets	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Market Equities	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmlands	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.50%
Hedge Funds - Multi Strategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%
	<u>100.00%</u>	

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 4.13% and 4.68% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability,

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Pension Plan Fiduciary Net Position.**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 7: GASB 45 – OTHER POST-RETIREMENT BENEFITS**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School Commission for the years ended June 30, 2016, 2015 and 2014 were \$7,011,825, \$6,193,485, and \$5,034,731 and respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School Commission was not determined or made available by the State of New Jersey.



**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 8: LITIGATION**

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

**NOTE 9: CONTINGENCIES**

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2015-2016 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

**NOTE 10: RISK MANAGEMENT**

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

**Property and Liability Insurance** The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 10: RISK MANAGEMENT (CONTINUED)**

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

Year Ended		<u>Employee</u>		<u>Amount</u>		<u>Ending</u>
<u>June 30,</u>	<u>Interest</u>	<u>s</u>		<u>d</u>		<u>Balance</u>
2016	\$ 670	\$ 242,539		250,132	\$	981,252
2015	537	243,246		298,709		988,175
2014	510	241,449		297,589		1,043,101

**Workers' Compensation Insurance** - The Board is self-insured for workers' compensation insurance. Claims are managed by PMA Management Corp. through a service agreement for which competitive proposals were sought. The financial statements reflect the current expenses of the program as well as an accrued liability for future claims against the current fiscal year. At June 30, 2016, the amount was \$1,845,000.

**Health Benefits** - The District provides health benefits to employees through a minimum premium insurance policy administered by Horizon Blue Cross Blue Shield of New Jersey ("Horizon"). The incurred but not reported liability ("IBNR") actuarially computed by Horizon was \$3,700,000, at June 30, 2016. It was also noted that the entire IBNR is adjusted for changes in estimate at year end and such changes are reflected in the district's budget and the entire liability is treated as a liability for budgetary purposes.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 11: COMPENSATED ABSENCES**

The District accounts for compensated absences (e.g. unused vacation and sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net assets. As of June 30, 2016, a liability existed for compensated absences for governmental fund-types in the district- wide Statement of Net Position of \$2,581,015.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

**NOTE 12: FUND BALANCE APPROPRIATED**

**General Fund** The table below reflects the District's Fund Balance at June 30, 2016 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last state aid payment which under GAAP is not recognized:

	<u>Budgetary</u> <u>Basis</u>	<u>Adjustment</u>	<u>GAAP</u> <u>Basis</u>
Restricted:			
Designated for Subsequent Year's Expenditures:			
Excess Surplus	\$ 11,647,416	\$	\$ 11,647,416
Maintenance Reserve	250,000		250,000
Capital Reserve	1,750,000		1,750,000
Excess Surplus Current Year	10,001,780	(146,319)	9,855,461
Maintenance Reserve	1,484,986		1,484,986
Capital Reserve	2,583,757		2,583,757
Emergency Reserve	252,378		252,378
Assigned:			
Encumbrances	656,285	(656,285)	
Unassigned	4,296,045	(4,296,045)	
	<u>\$ 32,922,647</u>	<u>\$ (5,098,649)</u>	<u>\$ 27,823,998</u>

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS**

**Calculation of Excess Surplus** In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the Restricted Fund Balance- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget.

General Fund Expenditures:			
Fiscal Year Ended, June 30, 2016		\$	202,005,216
Increased by:			
Transfer from Capital Outlay to Capital Projects			<u>2,000,000</u>
			204,005,216
Less:			
Capital Leases (non-budgeted)	\$	1,648,018	
Reimb. TPAF Social Security Contributions		5,503,498	
Reimb. TPAF Pension Contributions		<u>12,900,534</u>	
			<u>20,052,050</u>
Adjusted General Fund Expenditures			183,953,166
Excess Surplus Percentage			<u>2.00%</u>
			3,679,063
Increased by:			
Non-Public Transportation Aid (unbudgeted)		81,217	
Extraordinary Aid (unbudgeted)		<u>535,765</u>	
			<u>616,982</u>
Maximum Unreserved/Undesignated General Fund Balance			4,296,045
Actual Unassigned - General Fund Balance			<u>14,297,825</u>
Excess Surplus		\$	<u><u>10,001,780</u></u>
Recapitulation of Excess Surplus, June 30, 2016:			
Reserved for Excess Surplus - Designated for Subsequent Year's Expenditure		\$	11,647,416
Reserved for Excess Surplus			<u>10,001,780</u>
		\$	<u><u>21,649,196</u></u>

Based on the above calculation, as of June 30, 2016, \$11,647,416 is reported as Reserved Fund Balance Excess Surplus Designated for Subsequent Year's Expenditure and is required to be appropriated for property tax relief in the 2016-17 budget. \$10,001,780 is reported as Reserved Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2017-18 budget.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 14: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2016:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 1,053,975	\$ 2,050,170
Special Revenue Fund		463,774
Capital Projects Fund	1,161,425	
Proprietary Funds	306,860	
Fiduciary Funds		8,316
	\$ 2,522,260	\$ 2,522,260
	\$ 2,522,260	\$ 2,522,260

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

**NOTE 15: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Freehold Regional High School District Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line item appropriations, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special election dates authorized by N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)**

The activity of the capital reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Balance, July 1, 2015		\$	6,130,272
Increased by:			
Board Resolution dated 6/20/16	\$		2,000,000
Interest			<u>3,485</u>
			<u>2,003,485</u>
			8,133,757
Decreased by:			
Appropriation of Capital Reserve 9/28/15			2,000,000
FY2016 Budgeted Withdrawal			<u>1,800,000</u>
			<u>3,800,000</u>
Balance, June 30, 2016		\$	<u><u>4,333,757</u></u>
Recapitulation:			
Capital Reserve		\$	2,583,757
Capital Reserve - Designated for Subsequent Years Expenditure			<u>1,750,000</u>
Balance, June 30, 2016		\$	<u><u>4,333,757</u></u>

**NOTE 16: EMERGENCY RESERVE ACCOUNT**

In accordance with N.J.S.A. 18A:7F-41c(1), an emergency reserve account was established by the District. The emergency reserve account is maintained in the general fund.

The funds in the reserve shall be used to finance unanticipated general fund current expense costs required for T&E. For the purpose of the emergency reserve account "unanticipated" shall mean reasonably unforeseeable and shall not include additional costs caused by poor planning or error.

The account balance is not to exceed \$250,000 or one percent of the district's general fund budget up to a maximum of \$1,000,000 whichever is greater. Withdrawals require approval by the Commissioner.

At June 30, 2016, the balance of the Emergency Reserve Account was \$252,378 and is within the statutory limitations.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 16: EMERGENCY RESERVE ACCOUNT (CONTINUED)**

The activity of the emergency reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Balance, July 1, 2015	\$	252,001
Increased by:		
Interest	\$	<u>377</u>
		<u>377</u>
Balance, June 30, 2016	\$	<u><u>252,378</u></u>

**NOTE 17: MAINTENANCE RESERVE ACCOUNT**

In accordance with N.J.S.A. 18A:7G-13, a Maintenance reserve account was established by the District. The Maintenance reserve account is maintained in the general fund.

A district board of education or board of school estimate, as appropriate, may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes.

A district board of education or board of school estimate, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26A-4.

The district board of education shall ensure that the maintenance reserve account balance does not, at any time, exceed four percent of the replacement cost of the school district's school facilities for the current year. If the account exceeds this maximum amount at June 30, the district board of education shall reserve and designate such excess in the subsequent year's budget.

At June 30, 2016, the balance of the Maintenance Reserve Account was \$1,734,986 and is within the statutory limitations.

**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 17: MAINTENANCE RESERVE ACCOUNT (CONTINUED)**

The activity of the emergency reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Balance, July 1, 2015	\$	1,932,395
Increased by:		
Interest	\$	<u>2,591</u>
		<u>2,591</u>
		1,934,986
Decreased by:		
FY2016 Budgeted Withdrawal		<u>200,000</u>
Balance, June 30, 2016	\$	<u><u>1,734,986</u></u>
Recapitulation:		
Maintenance Reserve	\$	1,484,986
Maintenance Reserve - Designated for Subsequent Years Expenditure		<u>250,000</u>
Balance, June 30, 2016	\$	<u><u>1,734,986</u></u>

**NOTE 18: INVENTORY**

Inventory in the Food Service Fund at June 30, 2016 consisted of the following:

Food and Supplies                    \$26,634.00

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.



**Freehold Regional High School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2016**

**NOTE 19: SUBSEQUENT EVENTS**

The Board of Education has evaluated subsequent events occurring after the financial statement date through December 2, 2016 which is the date the financial statements were available to be issued. The District has determined that there are no material subsequent events that need to be disclosed except as noted below.

On July 15, 2016 the District entered into a lease agreement in the amount of \$3,052,000 for the purchase of fifteen school buses and security cameras, various technology items and copiers. The lease is for a term of five years with an interest rate of 1.29%.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>BUDGET</u> <u>TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE/</u> <u>(UNFAVORABLE)</u>
<b>REVENUES</b>					
Local sources:					
Local Tax Levy	\$ 125,634,974	\$	\$ 125,634,974	\$ 125,634,974	\$ 45,929
Tuition	25,000		25,000	70,929	162,217
Unrestricted Miscellaneous Revenue	613,052		613,052	775,269	(1,123)
Interest Earned on Emergency Reserve	1,500		1,500	377	(2,409)
Interest Earned on Maintenance Reserve	5,000		5,000	2,591	(1,515)
Interest Earned on Capital Reserve Funds	5,000		5,000	3,485	(1,515)
Other Restricted Miscellaneous Revenue	150,000		150,000	218,649	68,649
<b>Total - local sources</b>	<u>126,434,526</u>		<u>126,434,526</u>	<u>126,706,274</u>	<u>271,748</u>
State sources:					
Equalization Aid	40,713,982		40,713,982	40,713,982	
Categorical Transportation Aid	1,110,522		1,110,522	1,110,522	
Categorical Special Education Aid	7,030,185		7,030,185	7,030,185	
Security Aid	735,594		735,594	735,594	
Adjustment Aid	1,636,230		1,636,230	1,636,230	
PARCC Readiness Aid	113,720		113,720	113,720	
Per Pupil Growth Aid	113,720		113,720	113,720	
Other State Aids Out of Cap				81,217	81,217
Extraordinary Aid	2,000,000		2,000,000	2,535,765	535,765
On-behalf TPAF Pension (non-budgeted)				5,888,709	5,888,709
On-behalf TPAF Post Retirement Contributions (non-budgeted)				7,011,825	7,011,825
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,503,498	5,503,498
<b>Total - state sources</b>	<u>53,453,953</u>		<u>53,453,953</u>	<u>72,474,967</u>	<u>19,021,014</u>
Federal sources:					
Medicaid reimbursement	125,896		125,896	155,496	29,600
<b>Total - federal sources</b>	<u>125,896</u>		<u>125,896</u>	<u>155,496</u>	<u>29,600</u>
<b>Total revenues</b>	<u>180,014,375</u>		<u>180,014,375</u>	<u>199,336,737</u>	<u>19,322,362</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENSE:</b>					
Instruction - regular programs:					
Salaries of teachers:					
Grades 9-12	\$ 53,566,597	(2,355,857)	\$ 51,210,740	\$ 51,207,725	\$ 3,015
Total Salaries of teachers:	53,566,597	(2,355,857)	51,210,740	51,207,725	3,015
Regular Programs - Home Instruction:					
Salaries of teachers	220,000		220,000	207,404	12,596
Purchased professional educational services	114,064		114,064	63,338	50,726
Total Regular Programs - Home Instruction:	334,064		334,064	270,742	63,322
Regular programs - undistributed instruction:					
Purchased professional educational services	14,850	(922)	13,928	13,845	83
Purchased technical services	120,955	4,971	125,926	117,253	8,673
Other purchased services(400-500 series)	703,913	(4,530)	699,383	673,598	25,785
General supplies	1,468,058	83,018	1,551,076	1,527,584	23,492
Textbooks	654,591	(44,137)	610,454	607,705	2,749
Other Objects	600	1,536	2,136	2,136	
Total Regular programs - undistributed instruction	2,962,967	39,936	3,002,903	2,942,121	60,782
<b>Total Regular Programs - Instruction</b>	<b>56,863,628</b>	<b>(2,315,921)</b>	<b>54,547,707</b>	<b>54,420,588</b>	<b>127,119</b>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Special education:					
Cognitive - Mild:					
Salaries of teachers	310,483 \$	5,000 \$	315,483 \$	133,320 \$	182,163
Other salaries for instruction	241,361	80,000	321,361	262,604	58,757
General supplies	6,000		6,000	5,844	156
Textbooks	1,650	(94)	1,556	1,541	15
Other Objects	300	(296)	4	4	4
Total Cognitive - Mild	<u>559,794</u>	<u>84,610</u>	<u>644,404</u>	<u>403,309</u>	<u>241,095</u>
Cognitive - Moderate:					
Salaries of teachers	155,284	85,000	240,284	234,786	5,498
Other salaries for instruction	231,521	(25,000)	206,521	199,310	7,211
General supplies	24,278	412	24,690	24,690	
Textbooks	2,000		2,000		2,000
Total Cognitive - Moderate	<u>413,083</u>	<u>60,412</u>	<u>473,495</u>	<u>458,786</u>	<u>14,709</u>
Learning and / or Language Disabilities:					
Salaries of teachers	1,116,960	(370,865)	746,095	724,909	21,186
Other salaries for instruction	326,025	60,000	386,025	350,807	35,218
Purchased professional educational services	25,000		25,000	17,155	7,845
Other purchased services(400-500 series)	5,000		5,000		5,000
General supplies	12,000	(5,749)	6,251	5,815	436
Textbooks	7,225	(451)	6,774	5,958	816
Other Objects	550	(37)	513	263	250
Total Learning and / or Language Disabilities	<u>1,492,760</u>	<u>(317,102)</u>	<u>1,175,658</u>	<u>1,104,907</u>	<u>70,751</u>
Visual Impairments:					
Salaries of teachers	77,202	(50,000)	27,202		27,202
Purchased professional educational services	25,000		25,000		25,000
Total Visual Impairments:	<u>102,202</u>	<u>(50,000)</u>	<u>52,202</u>		<u>52,202</u>
Auditory Impairments:					
Salaries of teachers	154,405	(125,000)	29,405	9,078	20,327
Total Auditory Impairments:	<u>154,405</u>	<u>(125,000)</u>	<u>29,405</u>	<u>9,078</u>	<u>20,327</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Behavioral Disabilities:					
Salaries of teachers	\$ 174,526	\$	\$ 174,526	\$ 158,315	\$ 16,211
Other salaries for instruction	75,553	75,000	150,553	45,105	105,448
Purchased professional educational services	467,000		467,000	385,000	82,000
General supplies	3,000	(1,500)	1,500	870	630
Total Behavioral Disabilities:	720,079	73,500	793,579	589,290	204,289
Resource room/resource center:					
Salaries of teachers	8,369,359	1,760,865	10,130,224	10,130,224	
Other salaries for instruction	41,358	100,000	141,358		141,358
General supplies	26,850	(3,148)	23,702	22,743	959
Textbooks	5,225	(2,907)	2,318	2,305	13
Other Objects	300	(300)			
Total Resource room/resource center	8,443,092	1,854,510	10,297,602	10,155,272	142,330
Autism:					
Salaries of teachers	309,176	350,000	659,176	236,007	423,169
Other salaries for instruction	364,606	(90,000)	274,606	240,573	34,033
Purchased professional - educational services	1,000		1,000	850	150
Other purchased services(400-500 series)		130	130		130
General supplies	16,000	(130)	15,870	14,519	1,351
Total Autism	690,782	260,000	950,782	491,949	458,833
Home Instruction:					
Salaries of teachers	150,000		150,000	128,528	21,472
Purchased professional - educational services	186,070		186,070	104,855	81,215
Total Preschool disabilities-full -time	336,070		336,070	233,383	102,687
Total special education	12,912,267	1,840,930	14,753,197	13,445,974	1,307,223
Basic skills/remedial:					
Salaries of teachers	892,299	(60,000)	832,299	727,097	105,202
Total basic skills/remedial	892,299	(60,000)	832,299	727,097	105,202

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Bilingual education:					
Salaries of teachers	\$ 232,271	\$ 45,000	\$ 277,271	\$ 233,090	\$ 44,181
Other purchased services (400-500 series)	1,000	(350)	650	268	382
General supplies	1,000	(842)	158	158	
Textbooks	500	(200)	300		300
Other Objects		350	350		
Total bilingual education	<u>234,771</u>	<u>43,958</u>	<u>278,729</u>	<u>233,866</u>	<u>44,863</u>
School sponsored Co-curricular and Extra-Curricular activities:					
Salaries	1,130,307		1,130,307	954,523	175,784
Purchased services (300-500 series)	41,769	(6,604)	35,165	30,943	4,222
Supplies and Materials	28,027	(5,468)	22,559	19,412	3,147
Other Objects	29,627	(785)	28,842	27,734	1,108
Total school sponsored Co-curricular and Extra-curricular activities	<u>1,229,730</u>	<u>(12,857)</u>	<u>1,216,873</u>	<u>1,032,612</u>	<u>184,261</u>
School sponsored athletics:					
Salaries	3,232,607	2,357	3,234,964	3,088,035	146,929
Purchased services (300-500 series)	541,104	(2,266)	538,838	497,410	41,428
Supplies and Materials	307,241	(9,568)	297,673	292,277	5,396
Other Objects	119,547	12,499	132,046	131,830	216
Total school sponsored athletics	<u>4,200,499</u>	<u>3,022</u>	<u>4,203,521</u>	<u>4,009,552</u>	<u>193,969</u>
Other instructional programs:					
Salaries	486,126	34,700	520,826	520,781	45
Purchased services (300-500 series)	14,215	(1,879)	12,336	6,659	5,677
Supplies and Materials	8,000	3,139	11,139	10,958	181
Textbooks	500	(500)			
Other Objects	2,821		2,821	1,661	1,160
Total other instructional programs	<u>511,662</u>	<u>35,460</u>	<u>547,122</u>	<u>540,059</u>	<u>7,063</u>
Total other instructional programs	<u>7,068,961</u>	<u>9,583</u>	<u>7,078,544</u>	<u>6,543,186</u>	<u>535,358</u>
Total - instruction	<u>76,844,856</u>	<u>(465,408)</u>	<u>76,379,448</u>	<u>74,409,748</u>	<u>1,969,700</u>



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Undistributed expenditures:					
Instruction:	\$	\$	\$	\$	\$
Tuition to other LEA's within the state-regular	3,116	110,000	113,116	97,519	15,597
Tuition to other LEA's within the state-special	3,902,975	(155,000)	3,747,975	3,250,630	497,345
Tuition to county vocational school district-regular	911,175		911,175	790,745	120,430
Tuition to county vocational school district-special	1,916,505	(50,000)	1,866,505	1,557,447	309,058
Tuition to CSSD and regional day schools	9,414,706	(110,000)	9,304,706	7,951,055	1,353,651
Tuition to private schools for the handicapped within state	1,257,554		1,257,554	1,150,573	106,981
Tuition to private schools for the handicapped - special, out-state	182,388		182,388	182,388	
Tuition-state facilities					
Total undistributed expenditures - instruction	17,588,419	(205,000)	17,383,419	14,980,357	2,403,062
Attendance and social work services:					
Salaries	745,024	20,000	765,024	746,058	18,966
Other purchased services (400-500 series)	130	(75)	55	55	
Supplies and Materials	2,300	(204)	2,096	2,073	23
Total attendance and social work services	747,454	19,721	767,175	748,186	18,989
Health services:					
Salaries	1,156,444	64,700	1,221,144	1,104,580	116,564
Purchased professional and technical services	115,035	(5,000)	110,035	92,037	17,998
Other Purchased Services (400-500 series)	1,600	(350)	1,250	1,072	178
Supplies and materials	16,730	326	17,056	16,669	387
Other Objects	550	(265)	285	170	115
Total health services	1,290,359	59,411	1,349,770	1,214,528	135,242
Other support services - speech, OT, PT & related services:					
Salaries	570,736	40,000	610,736	562,135	48,601
Purchased professional - Educational services	260,035		260,035	155,792	104,243
Supplies and materials	2,200	(565)	1,635	1,308	327
Total other support services - speech, OT, PT & related services	832,971	39,435	872,406	719,235	153,171

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Other support services - Extraordinary Services					
Salaries	\$ 1,861,393	\$ 250,000	\$ 2,111,393	\$ 2,093,129	\$ 18,264
Purchased Professional - Educational Services	2,130,900		2,130,900	2,119,075	11,825
Total other support services - Extraordinary Services	3,992,293	250,000	4,242,293	4,212,204	30,089
Other support services - Guidance:					
Salaries of other professional staff	3,919,988	180,664	4,100,652	4,038,595	62,057
Salaries of secretarial and clerical assistants	736,742	(25,000)	711,742	635,624	76,118
Other Salaries	6,000		6,000	5,500	500
Other Purchased Professional and Technical Services	78,000		78,000	69,671	8,329
Other Purchased Services (400-500 series)	38,150	(4,446)	33,704	26,781	6,923
Supplies and Materials	37,615	(9,531)	28,084	26,999	1,085
Other objects	1,700	(140)	1,560	1,440	120
Total other support services - Guidance	4,818,195	141,547	4,959,742	4,804,610	155,132
Other support services - child study teams:					
Salaries of other professional staff	2,532,802	176,300	2,709,102	2,509,785	199,317
Salaries of secretarial and clerical assistants	354,659	(30,000)	324,659	306,840	17,819
Purchased Professional - Educational Services	974,989	150,000	1,124,989	623,864	501,125
Other Purchased Professional and Technical Services	4,500	60,000	64,500	16,526	47,974
Other Purchased Services (400-500 series)	1,100	(566)	534	534	
Residential Costs	211,242		211,242	209,790	1,452
Misc. Pur Serv (400-500 series o/ than resid. Costs)	8,000	10,000	18,000	4,429	13,571
Supplies and Materials	130,107	(3,087)	127,020	111,000	16,020
Total other support services - child study teams	4,217,399	362,647	4,580,046	3,782,768	797,278

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Improvement of instructional services:					
Salaries of Supervisors of Instruction	\$ 315,809	\$ 275,000	\$ 590,809	\$ 417,486	\$ 173,323
Salaries of secretarial and clerical assistants	155,414	(20,000)	135,414	131,275	4,139
Other Salaries	245,340	(39,150)	206,190	179,270	26,920
Purchased Professional - Educational Services	2,700		2,700		2,700
Other Purchased Services (400-500)	74,546	10,445	84,991	61,970	23,021
Supplies and Materials	13,500	2,000	15,500	12,395	3,105
Other objects	23,500	279	23,779	21,093	2,686
<b>Total Improvement of instructional services:</b>	<b>830,809</b>	<b>228,574</b>	<b>1,059,383</b>	<b>823,489</b>	<b>235,894</b>
Educational media services/school library:					
Salaries	478,522	(165,000)	313,522	298,975	14,547
Purchased Professional and Technical Services	64,000	10,065	74,065	73,918	147
Other Purchased Services (400-500)	11,540	(1,080)	10,460	10,453	7
Supplies and Materials	31,460	(6,288)	25,172	24,298	874
<b>Total educational media services/school library</b>	<b>585,522</b>	<b>(162,303)</b>	<b>423,219</b>	<b>407,644</b>	<b>15,575</b>
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	293,418	296,900	590,318	402,743	187,575
Salaries of secretarial and clerical assistants		120,000	120,000	102,439	17,561
Purchased Professional - Educational Services	189,543	11,835	201,378	193,503	7,875
Other Purchased Services (400-500)	175,137	(7,752)	167,385	127,817	39,568
Supplies and Materials	38,241	(196)	38,045	32,182	5,863
Other objects	3,500		3,500	2,621	879
<b>Total instructional staff training services:</b>	<b>699,839</b>	<b>420,787</b>	<b>1,120,626</b>	<b>861,305</b>	<b>259,321</b>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Support services general administration:					
Salaries	\$ 349,178	\$ 15,000	\$ 364,178	\$ 331,049	\$ 33,129
Legal services	435,000	(5,000)	430,000	297,140	132,860
Audit Fees	59,750		59,750	54,750	5,000
Architectural/Engineering Services	91,503	(51,972)	39,531	22,414	17,117
Other purchased professional services	3,000	3,200	6,200	35	6,165
Purchased technical services	22,935	(1,890)	21,045	12,850	8,195
Communications/telephone	636,000	(16,000)	620,000	587,996	32,004
BOE Other purchased services(580-585)	19,300	1,300	20,600	11,347	9,253
Misc. purchased services (400-500 Series, other than 530 & 585)	237,920	2,490	240,410	191,548	48,862
General supplies	12,247	(1,850)	10,397	7,072	3,325
BOE in-house training/meeting supplies	5,000		5,000	77	4,923
Miscellaneous expenditures	14,460	500	14,960	13,207	1,753
BOE membership dues and fees	28,000		28,000	27,013	987
<b>Total support services general administration</b>	<b>1,914,293</b>	<b>(54,222)</b>	<b>1,860,071</b>	<b>1,556,498</b>	<b>303,573</b>
Support services school administration:					
Salaries of principals/asst. principals	3,713,661	(75,000)	3,638,661	3,335,059	303,602
Salaries of other professional staff	2,199,227	(150,000)	2,049,227	1,678,124	371,103
Salaries of secretarial and clerical assistants	1,406,419	(25,000)	1,381,419	1,307,520	73,899
Other Purchased Services (400-500 series)	76,910	(18,174)	58,736	44,566	14,170
Supplies and Materials	107,899	(5,494)	102,405	97,659	4,746
Other objects	158,585	(4,298)	154,287	144,875	9,412
<b>Total support services school administration</b>	<b>7,662,701</b>	<b>(277,966)</b>	<b>7,384,735</b>	<b>6,607,803</b>	<b>776,932</b>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Central Services:					
Salaries	\$ 1,527,262	\$ (75,000)	\$ 1,452,262	\$ 1,425,608	\$ 26,654
Purchased professional services	3,750		3,750	2,133	1,617
Purchased technical services	32,450		32,450	26,942	5,508
Misc. purchased services (400-500 series)	92,050	(8,000)	84,050	57,696	26,354
Supplies and materials	49,000	(3,783)	45,217	27,992	17,225
Interest on Lease Purchase Agreement	103,400	(20,873)	82,527	51,333	31,194
Miscellaneous expenditures	8,000		8,000	6,322	1,678
Total central services	<u>1,815,912</u>	<u>(107,656)</u>	<u>1,708,256</u>	<u>1,598,026</u>	<u>110,230</u>
Administrative Information Technology:					
Salaries	626,001	145,000	771,001	694,536	76,465
Purchased technical services	417,500	36,257	453,757	438,073	15,684
Other purchased services (400-500 series)	423,720	6,800	430,520	429,960	560
Supplies and Materials	60,038	2,173	62,211	61,187	1,024
Total Administrative Information Technology	<u>1,527,259</u>	<u>190,230</u>	<u>1,717,489</u>	<u>1,623,756</u>	<u>93,733</u>
Required Maintenance for School Facilities:					
Salaries	1,056,296	(200,000)	856,296	835,342	20,954
Cleaning, Repair and Maintenance Services	1,325,207	(24,350)	1,300,857	1,181,655	119,202
Misc. purchased services (400-500 series)	5,000	350	5,350	2,738	2,612
General supplies	364,539	(32,622)	331,917	202,637	129,280
Other objects	72,000		72,000	36,309	35,691
Total Required Maintenance for School Facilities	<u>2,823,042</u>	<u>(256,622)</u>	<u>2,566,420</u>	<u>2,258,681</u>	<u>307,739</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Custodial Services :					
Salaries	\$ 4,389,028	\$ (50,000)	\$ 4,339,028	\$ 4,253,427	\$ 85,601
Purchased professional and technical services	34,500		34,500	31,138	3,362
Cleaning, repair and maintenance services	153,000	(10,000)	143,000	142,410	590
Rental of land and building - other than lease purchase agreement	246,000		246,000	226,864	19,136
Lease Purchase Payments-Energy Savings Improvement Prog.	2,206,852		2,206,852	2,203,589	3,263
Other purchased property services	426,346		426,346	265,360	160,986
Insurance	639,137	13,500	652,637	652,310	327
General supplies	359,000		359,000	350,808	8,192
Energy (Natural Gas)	836,982		836,982	603,249	233,733
Energy (Electricity)	2,036,518		2,036,518	1,568,080	468,438
Energy (Gasoline)	1,105,000	(81,533)	1,023,467	445,199	578,268
Total custodial services	12,432,363	(128,033)	12,304,330	10,742,434	1,561,896
Care & Upkeep of Grounds:					
Salaries	875,902	(150,000)	725,902	613,673	112,229
Cleaning, Repair and Maintenance Services	490,193	(59,200)	430,993	401,259	29,734
General supplies	185,000	2,330	187,330	100,327	87,003
Other objects	2,500		2,500		2,500
Total Care and Upkeep of Grounds	1,553,595	(206,870)	1,346,725	1,115,259	231,466
Security:					
Salaries	452,983	20,000	472,983	464,554	8,429
Purchased Professional & Technical Services (300-500)	4,714	(2,350)	2,364	2,360	4
Cleaning, Repair and Maintenance Services	6,500	(1,121)	5,379	379	5,000
General Supplies	9,580	7,092	16,672	10,111	6,561
Total Security	473,777	23,621	497,398	477,404	19,994
Total operation and maintenance of plant services	17,282,777	(567,904)	16,714,873	14,593,778	2,121,095

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Student transportation services:					
Salaries of Non-Instructional Aides	\$ 342,914	\$ (15,000)	\$ 327,914	\$ 313,309	\$ 14,605
Salaries for pupil transportation (between home and school)-regular	3,346,715	(85,490)	3,261,225	3,261,225	
Salaries for pupil transportation (between home and school)-Special Ed	1,009,007	(75,000)	934,007	888,683	45,324
Salaries for pupil transportation (other than between home & school)	528,000	220,000	748,000	663,377	84,623
Management Fee - ESC & CTSA transportation programs	226,250		226,250	223,263	2,987
Other Purchased professional and technical services	232,500		232,500	214,044	18,456
Cleaning, Repair and Maintenance Services	732,800	(7,300)	725,500	721,759	3,741
Lease Purchase Payments - School Buses	696,000	8,085	704,085	704,085	
Contracted Services - between home and school vendors	4,416,000	45,020	4,461,020	4,461,017	3
Contracted services (other than btw home & school)-vendors	446,500	(238,983)	207,517	206,884	633
Contract. Serv. (btw home and Sch) Joint Agreements					
Contract. Serv. (spec ed students)-vendors	2,500	513	3,013	3,013	
Contract. Serv. (spec ed students)-Joint Agreements	13,000	45,000	58,000	40,232	17,768
Contracted services (regular students) - ESCs & CTSA	650,000	50,975	700,975	700,975	
Contracted services (spec ed students) - ESCs & CTSA	3,875,000	(170,935)	3,704,065	3,541,029	163,036
Contract. Serv - Aid in Lieu Pymts-Non-Public Schools	150,000		150,000	124,049	25,951
Travel	1,000		1,000	966	34
Miscellaneous purchased services - Transportation(580-590)	175,000	(40,663)	134,337	132,607	1,730
General supplies	15,600	(400)	15,200	6,161	9,039
Transportation Supplies	613,900	18,700	632,600	603,801	28,799
Other objects	2,450		2,450	1,928	522
Total student transportation services	17,475,136	(245,478)	17,229,658	16,812,407	417,251

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 2,002,000	\$ 115,000	\$ 2,117,000	\$ 2,097,781	\$ 19,219
Other retirement contributions - PERS	2,346,000	(91,423)	2,254,577	2,161,050	93,527
Unemployment Compensation	158,000		158,000	4,921	153,079
Workers Compensation	694,000	157,500	851,500	843,924	7,576
Health Benefits	26,571,821	(318,635)	26,253,186	23,819,176	2,434,010
Tuition Reimbursements	220,000	5,000	225,000	140,148	84,852
Other Employee Benefits	220,600		220,600	166,334	54,266
<b>Total Unallocated Benefits - Employee Benefits:</b>	<u>32,212,421</u>	<u>(132,558)</u>	<u>32,079,863</u>	<u>29,233,334</u>	<u>2,846,529</u>
On-behalf TPAF Pension (non-budgeted)				5,888,709	(5,888,709)
On-behalf TPAF Post Retirement Contributions (non-budgeted)				7,011,825	(7,011,825)
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,503,498	(5,503,498)
<b>Total On-behalf contributions</b>				<u>18,404,032</u>	<u>(18,404,032)</u>
Total personal services	<u>32,212,421</u>	<u>(132,558)</u>	<u>32,079,863</u>	<u>47,637,366</u>	<u>(15,557,503)</u>
Total Undistributed Expenditures	115,493,759	(40,735)	115,453,024	122,983,960	(7,530,936)
<b>TOTAL EXPENDITURES - GENERAL CURRENT EXPENSE FUND 11</b>	<u>192,338,615</u>	<u>(506,143)</u>	<u>191,832,472</u>	<u>197,393,708</u>	<u>(5,561,236)</u>



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Regular program - Instruction	\$ 78,100	\$ 32,320	\$ 110,420	\$ 106,617	\$ 3,803
Grades 9-12					
Special education	57		57		57
Resource Center	17,900	16,544	34,444	34,444	
School sponsored and other instructional program					
Undistributed Expenditures					
Child Study Team	13,938		13,938	7,938	6,000
Central Services		5,783	5,783	5,783	
Administrative Information Technology	236,500	(297)	236,203	236,203	
Maintenance of school facility	90,000	20,622	110,622	108,018	2,604
Custodial services	25,000	10,000	35,000	34,030	970
Care & upkeep grounds	50,000	106,000	156,000	59,529	96,471
Security	67,411	(2,936)	64,475	63,822	653
Total Equipment	<u>578,906</u>	<u>188,036</u>	<u>766,942</u>	<u>656,384</u>	<u>110,558</u>
Facilities acquisition and construction services:					
Architectural/Engineering Services	5,584	163,940	169,524	139,305	30,219
Construction services	2,242,982	154,167	2,397,149	2,159,700	237,449
Assessment for Debt Service on SDA Funding	8,101		8,101	8,101	
Total facilities acquis. and const. services	<u>2,256,667</u>	<u>318,107</u>	<u>2,574,774</u>	<u>2,307,106</u>	<u>267,668</u>
Assets acquired under capital leases (non-budgeted)					
Undistributed expenditures:					
Transportation				1,648,018	(1,648,018)
Total assets acquired under capital leases (non-budgeted)				<u>1,648,018</u>	<u>(1,648,018)</u>
<b>TOTAL CAPITAL OUTLAY</b>	2,835,573	506,143	3,341,716	4,611,508	(1,269,792)

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Transfer of Funds to Charter School	\$ 30,000		\$ 30,000	\$	30,000
<b>TOTAL EXPENDITURES</b>	<b>195,204,188</b>		<b>195,204,188</b>	<b>202,005,216</b>	<b>(6,801,028)</b>
Excess (deficiency) of revenues over (under) expenditures	(15,189,813)		(15,189,813)	(2,668,479)	12,521,334
Other financing sources/(uses) Transfers		(2,000,000)	(2,000,000)	(1,998,952)	1,048
Capital leases (non-budgeted)				1,648,018	1,648,018
Total other financing sources		(2,000,000)	(2,000,000)	(350,934)	1,649,066
Excess of Revenues and other Financing Sources Over Expenditures and Other Expenditures and other Financing Sources	(15,189,813)	(2,000,000)	(17,189,813)	(3,019,413)	14,170,400
Fund balances, July 1	35,942,060		35,942,060	35,942,060	
Fund balances, June 30	<u>20,752,247</u>	<u>(2,000,000)</u>	<u>18,752,247</u>	<u>32,922,647</u>	<u>14,170,400</u>

Recapitulation:					
Restricted:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 11,647,416	
Excess Surplus - Current Year				10,001,780	
Maintenance Reserve				1,484,986	
Maintenance Reserve - Designated for Subsequent Year				250,000	
Capital Reserve				2,583,757	
Capital Reserve - Designated for Subsequent Year				1,750,000	
Emergency Reserve				252,378	
Assigned:					
Encumbrances				656,285	
Unassigned				4,296,045	
				<u>32,922,647</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: Last Two State Aid Payments not recognized on GAAP basis				5,098,649	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 27,823,998</u>	

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
<b>REVENUES:</b>					
Federal sources	\$ 2,172,239	\$ 950,455	\$ 3,122,694	\$ 3,017,186	\$ (105,508)
State sources	42,726	84,701	127,427	30,606	(96,821)
Other sources	126,758	110,932	237,690	226,681	(11,009)
<b>Total revenues</b>	<b>2,341,723</b>	<b>1,146,088</b>	<b>3,487,811</b>	<b>3,274,473</b>	<b>(213,338)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	126,572	188,103	314,675	314,675	
Other salaries	409,889	(189,350)	220,539	206,692	13,847
Other purchased professional-educational services	15,708	90,730	106,438	73,077	33,361
Other purchased services	10,000	30,007	40,007	35,720	4,287
Tuition	1,700,000	495,001	2,195,001	2,191,556	3,445
Supplies and materials	14,158	132,753	146,911	73,500	73,411
Textbooks		8,516	8,516	8,516	
Miscellaneous Expenditures		1,300	1,300	1,200	100
<b>Total instruction</b>	<b>2,276,327</b>	<b>757,060</b>	<b>3,033,387</b>	<b>2,904,936</b>	<b>128,451</b>
Support services:					
Other salaries		136,108	136,108	111,746	24,362
Personal services - employee benefits		97,687	97,687	96,758	929
Purchased professional - educational services	37,050	61,724	98,774	79,333	19,441
Purchased Technical Services		12,745	12,745	12,745	
Other purchased services		42,253	42,253	19,429	22,824
Supplies and materials	28,346	9,962	38,308	31,223	7,085
Miscellaneous Expenditures		5,049	5,049	1,803	3,246
<b>Total support services</b>	<b>65,396</b>	<b>365,528</b>	<b>430,924</b>	<b>353,037</b>	<b>77,887</b>
Facilities acquisition and construction services:					
Instructional equipment		23,500	23,500	16,500	7,000
<b>Total facilities acquisition and construction serv.</b>		<b>23,500</b>	<b>23,500</b>	<b>16,500</b>	<b>7,000</b>
<b>Total expenditures</b>	<b>2,341,723</b>	<b>1,146,088</b>	<b>3,487,811</b>	<b>3,274,473</b>	<b>213,338</b>
Excess (deficiency) of revenues over (under) expenditures	\$	\$	\$	\$	\$

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 199,336,737	\$ 3,274,473
Difference - budget to GAAP:		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(5,098,649)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	5,096,535	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>199,334,623</u>	<u>3,274,473</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	202,005,216	3,274,473
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ <u>202,005,216</u>	\$ <u>3,274,473</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)**

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

Fiscal Year Ending <u>June 30,</u>	District's Proportion Share of the Net Pension <u>Liability (Asset)</u>	District's Proportionate Share of the Net Pension <u>Liability (Asset)</u>	District's Covered-Employee <u>Payroll</u>	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- <u>Employee Payroll</u>	Plan Fiduciary Net Position as a percentage of the total <u>Pension Liability</u>
2013	0.2480186673%	\$ 47,401,295	\$ 17,091,600	277.34%	48.72%
2014	0.2604910930%	48,771,057	16,998,122	286.92%	52.08%
2015	0.2513632728%	56,426,018	17,223,313	327.61%	47.92%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

<u>Fiscal Year</u> <u>Ending</u> <u>June 30.</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contributions in</u> <u>Relation to the</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>District's</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>	<u>Contributions as</u> <u>a Percentage of</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>
2014	\$ 1,868,770	\$ 1,868,770	\$ -0-	\$ 16,998,122	10.99%
2015	2,147,451	2,147,451	-0-	17,223,313	12.47%
2016	2,161,050	2,161,050	-0-	17,291,154	12.50%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS PENSION AND ANNUITY FUND  
LAST TEN YEARS

Fiscal Year Ending <u>June 30,</u>	District's Proportion Share of the Net Pension <u>Liability (Asset)</u>	District's Proportionate Share of the Net Pension <u>Liability (Asset)</u>	District's Covered-Employee <u>Payroll</u>	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- <u>Employee Payroll</u>	Plan Fiduciary Net Position as a percentage of the total <u>Pension Liability</u>
2013	0.6964971070%	\$ -0-	\$ 71,284,377	-0-	33.76%
2014	0.7258543595%	\$ -0-	73,554,631	-0-	33.64%
2015	0.7216320523%	\$ -0-	76,215,735	-0-	28.71%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)  
NOTE TO RSI III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

**Public Employees Retirement System**

Change in benefit terms:     None

Change in assumptions:     The discount rate changed from 5.39% to 4.90% as of  
June 30, 2015.

**Teacher Pension and Annuity Fund**

Change in benefit terms:     None

Change in assumptions:     The discount rate changed from 4.68% to 4.13% as of  
June 30, 2015.

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	TITLE I	TITLE IIA	TITLE III	TITLE III IMMIGRANT	IDEA PART B	CARL D PERKINS
<b>REVENUES:</b>						
Federal sources	\$ 627,350	\$ 138,752	\$ 8,096	\$ 2,790	\$ 2,195,540	\$ 20,277
State sources						
Other sources						
<b>Total revenues</b>	<b>\$ 627,350</b>	<b>\$ 138,752</b>	<b>\$ 8,096</b>	<b>\$ 2,790</b>	<b>\$ 2,195,540</b>	<b>\$ 20,277</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of teachers	314,675					
Other salaries	40,497		4,500			1,170
Other purchased professional-educational services	71,655			252		300
Other purchased services	700					
Tuition					2,191,556	
Supplies and materials	32,552		447	2,538	3,984	18,712
Textbooks						
Miscellaneous Expenditures	1,200					
<b>Total instruction</b>	<b>461,279</b>		<b>4,947</b>	<b>2,790</b>	<b>2,195,540</b>	<b>20,182</b>
Support services:						
Other Salaries for Instruction						
Other Salaries	46,296	64,850	600			
Personal services - employee benefits	85,120	4,961	390			
Purchased professional - educational services	24,923	54,411				
Purchased Technical Services						
Other purchased services	7,929	2,413	2,159			95
Supplies and materials		12,117				
Miscellaneous expenditures	1,803					
<b>Total support services</b>	<b>166,071</b>	<b>138,752</b>	<b>3,149</b>			<b>95</b>
Facilities acquisition and construction serv:						
Instructional equipment						
<b>Total facilities acquisition and construction serv.</b>						
<b>Total expenditures</b>	<b>\$ 627,350</b>	<b>\$ 138,752</b>	<b>\$ 8,096</b>	<b>\$ 2,790</b>	<b>\$ 2,195,540</b>	<b>\$ 20,277</b>

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FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	JROTC	NON - PUBLIC TEXTBOOKS	NON - PUBLIC NURSING	NON - PUBLIC TECHNOLOGY	NON - PUBLIC SECURITY	COLLEGE FAIR
REVENUES:						
Federal sources	\$ 24,381	\$	\$	\$	\$	
State sources		8,516	12,035	4,514	4,079	14,825
Other sources						
Total revenues	\$ 24,381	\$ 8,516	\$ 12,035	\$ 4,514	\$ 4,079	\$ 14,825
EXPENDITURES:						
Instruction:						
Salaries of teachers						
Other salaries						
Other purchased professional-educational services	24,381					10,339
Other purchased services						4,486
Tuition						
Supplies and materials						
Textbooks		8,516				
Miscellaneous Expenditures						
Total instruction	24,381	8,516				14,825
Support services:						
Other Salaries for Instruction						
Other salaries						
Personal services - employee benefits					710	
Purchased professional - educational services			12,035			
Purchased Technical Services				4,514		
Other purchased services					3,369	
Supplies and materials						
Miscellaneous expenditures						
Total support services			12,035	4,514	4,079	
Facilities acquisition and construction serv:						
Instructional equipment						
Total facilities acquisition and construction serv.						
Total expenditures	\$ 24,381	\$ 8,516	\$ 12,035	\$ 4,514	\$ 4,079	\$ 14,825

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FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	SADD/DCH	WIB	WIB PY	CASE	SUMMER PROGRAMS	OTHER LOCAL	COMPARATIVE TOTALS	
							2016	2015
<b>REVENUES:</b>								
Federal sources	\$	\$	\$	\$	\$	\$	3,017,186	2,738,514
State sources		46,617	48,580	1,462	70,511	37,148	30,606	36,385
Other sources	9,000						226,681	117,132
<b>Total revenues</b>	<b>\$ 9,000</b>	<b>\$ 46,617</b>	<b>\$ 48,580</b>	<b>\$ 1,462</b>	<b>\$ 70,511</b>	<b>\$ 37,148</b>	<b>\$ 3,274,473</b>	<b>\$ 2,892,031</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers							314,675	158,314
Other salaries	9,000	43,304	38,879		70,511		206,691	125,243
Other purchased professional-educational services							73,077	62,078
Other purchased services							35,720	44,575
Tuition							2,191,556	2,096,809
Supplies and materials			950	405		9,427	73,501	120,616
Textbooks							8,516	8,406
Miscellaneous Expenditures							1,200	6,231
<b>Total instruction</b>	<b>9,000</b>	<b>43,304</b>	<b>39,829</b>	<b>405</b>	<b>70,511</b>	<b>9,427</b>	<b>2,904,936</b>	<b>2,622,272</b>
Support services:								
Other Salaries for Instruction							111,746	106,951
Other salaries							96,758	49,063
Personal services - employee benefits		3,313	2,974				79,334	47,079
Purchased professional - educational services							12,745	
Purchased Technical Services							19,430	19,754
Other purchased services			5,777	1,057		11,221	31,221	42,547
Supplies and materials							1,803	
Miscellaneous expenditures								
<b>Total support services</b>		<b>3,313</b>	<b>8,751</b>	<b>1,057</b>		<b>11,221</b>	<b>353,037</b>	<b>265,394</b>
Facilities acquisition and construction serv:								
Instructional equipment							16,500	4,365
<b>Total facilities acquisition and construction serv.</b>						<b>16,500</b>	<b>16,500</b>	<b>4,365</b>
<b>Total expenditures</b>	<b>\$ 9,000</b>	<b>\$ 46,617</b>	<b>\$ 48,580</b>	<b>\$ 1,462</b>	<b>\$ 70,511</b>	<b>\$ 37,148</b>	<b>\$ 3,274,473</b>	<b>\$ 2,892,031</b>

**CAPITAL PROJECTS FUND  
DETAIL STATEMENTS**



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS  
AS OF JUNE 30, 2016

ISSUE/PROJECT TITLE	ORIGINAL DATE	REVISED BUDGETARY APPROPRIATIONS	EXPENDITURES TO DATE		(MEMO ONLY) UNEXPENDED PROJECT BALANCE
			PRIOR YEAR	CURRENT YEAR	
Freehold Boro High School - Roof Replacement	6/20/2014	\$ 1,325,360	\$ 955,144	\$ 154,652	215,564
Marlboro High School - Roof Replacement	6/20/2014	924,454	793,065	53,084	78,305
Freehold Boro High School - Boiler & HVAC Replacement	6/20/2014	2,189,765	690,687	945,476	553,602
Districtwide Energy Savings Improvement Plan	3/10/2014	19,500,000	2,470,776	12,305,728	4,723,496
Colts Neck High School - Roof Replacement	6/26/2015	681,621	68,125	539,070	74,426
Howell High School - Roof Replacement	6/26/2015	1,739,369	406,048	1,183,934	149,387
Freehold Township High School - Roof Replacement	6/26/2015	1,035,790	111,127	752,048	172,615
Manalapan High School - Roof Replacement	6/26/2015	1,492,785	158,462	1,137,939	196,384
Totals		\$ 28,889,144	\$ 5,653,434	\$ 17,071,931	6,163,779
					Fund balance - budgetary basis 6,163,779
					Less: SDA Grant Not Recognized (187,930)
					Fund balance - GAAP basis \$ 5,975,849

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2016

Revenues and Other Financing Sources:	
State Sources - SDA Grant Adjustment	\$ (938,994)
Interest Earnings	1,048
Total revenues	<u>(937,946)</u>
Expenditures and Other Financing Uses:	
Architectural/engineering services	139,558
Other purchased professional and technical services	59,236
Construction services	16,873,138
Total expenditures	<u>17,071,932</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,009,878)</u>
Other financing sources (uses):	
Transfer from Capital Reserve	2,000,000
Transfers out	(1,048)
Total other financing sources (uses)	<u>1,998,952</u>
Net change in fund balance	(16,010,926)
Fund balance - beginning	<u>22,174,705</u>
Fund balance - ending	\$ <u><u>6,163,779</u></u>
Fund Balance - budgetary basis	\$ 6,163,779
SDA Grant not Recognized	<u>(187,930)</u>
Fund Balance - GAAP basis (B-1)	\$ <u><u>5,975,849</u></u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
FREEHOLD BORO HIGH SCHOOL - ROOF REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods*</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 620,528	\$ (143,418)	\$ 477,110	\$ 477,110
Capital Lease	930,793	(82,543)	848,250	848,250
Total revenues	<u>1,551,321</u>	<u>(225,961)</u>	<u>1,325,360</u>	<u>1,325,360</u>
<b>Expenditures and Other Financing Uses:</b>				
Legal services	5,507		5,507	5,507
Architectural/engineering services	91,933		91,933	91,933
Other purchased professional and technical services	6,643	629	7,272	7,710
Construction services	851,061	154,023	1,005,084	1,220,210
Total expenditures	<u>955,144</u>	<u>154,652</u>	<u>1,109,796</u>	<u>1,325,360</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 596,177</u>	<u>\$ (380,613)</u>	<u>\$ 215,564</u>	<u>\$</u>

\* As restated

**Additional project information:**

Project Number	1650-050-14-G2AF
Grant Date	06/20/14
Lease Authorization Date	03/10/14
Lease Authorized	\$930,793
Lease Issued	\$930,793
Original Authorized Cost	\$1,551,321
Change in Authorized Cost	(\$225,961)
Revised Authorized Cost	\$1,325,360

Percentage Increase/(decrease) over Original Authorized Cost -14.57%

Percentage completion 98.00%

Original target completion date FY15

Revised target completion date FY17

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
MARLBORO HIGH SCHOOL - ROOF REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods*</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 336,764	\$	\$ 336,764	\$ 336,764
Capital Lease	505,147	82,543	587,690	587,690
Total revenues	841,911	82,543	924,454	924,454
<b>Expenditures and Other Financing Uses:</b>				
Legal services	2,989		2,989	2,989
Architectural/engineering services	67,245		67,245	68,618
Other purchased professional and technical services	8,411	342	8,753	8,753
Construction services	714,420	52,742	767,162	844,094
Total expenditures	793,065	53,084	846,149	924,454
Excess (deficiency) of revenues over (under) expenditures	\$ 48,846	\$ 29,459	\$ 78,305	\$

\* As restated

Additional project information:

Project Number	1650-080-14-G2AJ			
Grant Date	06/20/14			
Lease Authorization Date	03/10/14			
Lease Authorized	\$505,147			
Lease Issued	\$505,147			
Original Authorized Cost	\$841,911			
Additional Authorized Cost	\$82,543			
Revised Authorized Cost	\$924,454			

Percentage Increase/(decrease) over Original Authorized Cost	9.80%
Percentage completion	99.00%
Original target completion date	FY15
Revised target completion date	FY16

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
FREEHOLD BORO HIGH SCHOOL - BOILER & HVAC REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<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	\$ 1,014,438	(346,330) \$	668,108 \$	668,108
Capital Lease	1,521,657		1,521,657	1,521,657
Total revenues	<u>2,536,095</u>	<u>(346,330)</u>	<u>2,189,765</u>	<u>2,189,765</u>
Expenditures and Other Financing Uses:				
Legal services	9,003		9,003	9,003
Architectural/engineering services	88,618	7,685	96,303	96,468
Other purchased professional and technical services	9,344	1,029	10,373	10,373
Construction services	583,722	936,762	1,520,484	2,073,921
Total expenditures	<u>690,687</u>	<u>945,476</u>	<u>1,636,163</u>	<u>2,189,765</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,845,408</u>	<u>(1,291,806) \$</u>	<u>553,602 \$</u>	

\* As restated

Additional project information:

Project Number	1650-050-14-G2AE
Grant Date	06/20/14
Lease Authorization Date	03/10/14
Lease Authorized	\$1,521,657
Lease Issued	\$1,521,657
Original Authorized Cost	\$2,536,095
Change in Authorized Cost	(\$346,330)
Revised Authorized Cost	\$2,189,765

Percentage Increase/(decrease) over Original Authorized Cost	-13.66%
Percentage completion	99.00%
Original target completion date	FY15
Revised target completion date	FY16

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
DISTRICTWIDE ENERGY SAVINGS IMPROVEMENT PLAN  
FOR THE YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Energy savings obligations (ESIP)	\$ 17,500,000	\$	\$ 17,500,000	\$ 17,500,000
Transfer from Capital Reserve		2,000,000	2,000,000	2,000,000
Total revenues	<u>17,500,000</u>	<u>2,000,000</u>	<u>19,500,000</u>	<u>19,500,000</u>
Expenditures and Other Financing Uses:				
Legal services	17,500		17,500	39,600
Architectural/engineering services	1,048,619	102,035	1,150,654	1,150,700
Other purchased professional and technical services	40,987	26,486	67,473	319,672
Construction services	1,363,670	12,177,209	13,540,879	17,990,028
Total expenditures	<u>2,470,776</u>	<u>12,305,730</u>	<u>14,776,506</u>	<u>19,500,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 15,029,224</u>	<u>\$ (10,305,730)</u>	<u>\$ 4,723,494</u>	<u>\$</u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Lease Authorization Date	03/10/14
Lease Authorized	\$17,500,000
Lease Issued	\$17,500,000
Original Authorized Cost	\$17,500,000
Additional Authorized Cost	\$2,000,000
Revised Authorized Cost	\$19,500,000

Percentage Increase/(decrease) over Original Authorized Cost

Percentage completion

Original target completion date

Revised target completion date

11.43%

60.00%

FY16

FY17

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
COLTS NECK HIGH SCHOOL - ROOF REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 345,327	\$ (95,826)	\$ 249,501	\$ 249,501
Capital Lease	522,295	(90,175)	432,120	432,120
Total revenues	<u>867,622</u>	<u>(186,001)</u>	<u>681,621</u>	<u>681,621</u>
<b>Expenditures and Other Financing Uses:</b>				
Legal services	1,987		1,987	2,000
Architectural/engineering services	53,038	5,009	58,047	58,047
Other purchased professional and technical services	3,484	6,075	9,559	9,559
Construction services	9,616	527,986	537,602	612,015
Total expenditures	<u>68,125</u>	<u>539,070</u>	<u>607,195</u>	<u>681,621</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 799,497</u>	<u>\$ (725,071)</u>	<u>\$ 74,426</u>	<u>\$ -</u>

Additional project information:

Project Number	1650-010-14-G2WA
Grant Date	06/26/15
Lease Authorization Date	02/11/15
Lease Authorized	\$517,991
Lease Issued	\$517,991
Original Authorized Cost	\$863,318
Change in Authorized Cost	(\$181,697)
Revised Authorized Cost	\$681,621
Percentage Increase/(decrease) over Original Authorized Cost	-21.05%
Percentage completion	99.00%
Original target completion date	FY16
Revised target completion date	FY16

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
HOWELL HIGH SCHOOL - ROOF REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<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	\$ 881,085	\$ (244,108)	\$ 636,977	\$ 636,977
Capital Lease	1,332,609	(230,217)	1,102,392	1,102,392
Total revenues	<u>2,213,694</u>	<u>(474,325)</u>	<u>1,739,369</u>	<u>1,739,369</u>
Expenditures and Other Financing Uses:				
Legal services	4,922		4,922	4,925
Architectural/engineering services	131,964	11,300	143,264	143,264
Other purchased professional and technical services	7,709	12,075	19,784	19,784
Construction services	261,453	1,160,559	1,422,012	1,571,396
Total expenditures	<u>406,048</u>	<u>1,183,934</u>	<u>1,589,982</u>	<u>1,739,369</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,807,646</u>	<u>\$ (1,658,259)</u>	<u>\$ 149,387</u>	<u>\$ -</u>

Additional project information:

Project Number	1650-060-14-G2AH
Grant Date	06/26/15
Lease Authorization Date	02/11/15
Lease Authorized	\$1,321,627
Lease Issued	\$1,321,627
Original Authorized Cost	\$2,202,712
Change in Authorized Cost	(\$463,343)
Revised Authorized Cost	\$1,739,369

Percentage Increase/(decrease) over Original Authorized Cost	-21.04%
Percentage completion	99.00%
Original target completion date	FY16
Revised target completion date	FY16



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
FREEHOLD TOWNSHIP HIGH SCHOOL - ROOF REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<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	\$ 513,981	\$ (109,313)	\$ 404,668	\$ 404,668
Capital Lease	777,377	(146,255)	631,122	631,122
Total revenues	<u>1,291,358</u>	<u>(255,568)</u>	<u>1,035,790</u>	<u>1,035,790</u>
Expenditures and Other Financing Uses:				
Legal services	3,080		3,080	3,080
Architectural/engineering services	65,396	5,729	71,125	71,532
Other purchased professional and technical services	4,921	7,800	12,721	12,721
Construction services	37,730	738,518	776,248	948,457
Total expenditures	<u>111,127</u>	<u>752,047</u>	<u>863,174</u>	<u>1,035,790</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,180,231</u>	<u>\$ (1,007,615)</u>	<u>\$ 172,616</u>	<u>\$ -</u>

Additional project information:

Project Number	1650-055-14-G2AG
Grant Date	06/26/15
Lease Authorization Date	02/11/15
Lease Authorized	\$770,971
Lease Issued	\$770,971
Original Authorized Cost	\$1,284,952
Change in Authorized Cost	(\$249,162)
Revised Authorized Cost	\$1,035,790

Percentage Increase/(decrease) over Original Authorized Cost	-19.39%
Percentage completion	90.00%
Original target completion date	FY16
Revised target completion date	FY17

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
MANALAPAN HIGH SCHOOL - ROOF REPLACEMENT  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	\$ 408,419	\$	408,419	\$ 408,419
Capital Lease	617,719	466,647	1,084,366	1,084,366
Total revenues	<u>1,026,138</u>	<u>466,647</u>	<u>1,492,785</u>	<u>1,492,785</u>
<b>Expenditures and Other Financing Uses:</b>				
Legal services	5,288		5,288	5,288
Architectural/engineering services	93,185	7,800	100,985	101,856
Other purchased professional and technical services	6,775	4,800	11,575	11,575
Construction services	53,214	1,125,339	1,178,553	1,374,066
Total expenditures	<u>158,462</u>	<u>1,137,939</u>	<u>1,296,401</u>	<u>1,492,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 867,676</u>	<u>\$ (671,292)</u>	<u>\$ 196,384</u>	<u>\$ -</u>

Additional project information:

Project Number	1650-070-14-G2A1
Grant Date	06/26/15
Lease Authorization Date	02/11/15
Lease Authorized	\$612,629
Lease Issued	\$612,629
Original Authorized Cost	\$1,021,048
Additional Authorized Cost	\$471,737
Revised Authorized Cost	\$1,492,785

Percentage Increase/(decrease) over Original Authorized Cost	46.20%
Percentage completion	90.00%
Original target completion date	FY16
Revised target completion date	FY17

## PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

**FOOD SERVICES FUND:** This fund provides for the operation of Food services within the school district.

**EXTRACURRICULAR FUND** This fund provides for the operation of an ice hockey program within the school district.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
JUNE 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		COMPARATIVE TOTALS	
	MAJOR FUNDS	NON-MAJOR FUNDS	JUNE 30	
	FOOD SERVICE FUND	EXTRA-CURRICULAR FUND	2016	2015
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 73,219	\$	\$ 73,219	\$ 150,059
Accounts receivable:				
State	3,199		3,199	3,486
Federal	94,740		94,740	102,526
Other	4,615		4,615	8,649
Interfund receivable	289,443	17,417	306,860	228,315
Inventories	26,634		26,634	17,306
	<u>491,850</u>	<u>17,417</u>	<u>509,267</u>	<u>510,341</u>
Total current assets				
Noncurrent assets:				
Furniture, machinery and equipment	637,981		637,981	637,981
Less accumulated depreciation	(455,666)		(455,666)	(417,234)
	<u>182,315</u>		<u>182,315</u>	<u>220,747</u>
Total noncurrent assets				
Total assets	<u>\$ 674,165</u>	<u>\$ 17,417</u>	<u>\$ 691,582</u>	<u>\$ 731,088</u>
<b>LIABILITIES:</b>				
Current liabilities:				
Accounts payable	\$ 29,390	\$	\$ 29,390	\$ 231,348
Unearned revenue	48,876	17,417	66,293	63,531
	<u>78,266</u>	<u>17,417</u>	<u>95,683</u>	<u>294,879</u>
Total current liabilities				
Total liabilities	<u>\$ 78,266</u>	<u>\$ 17,417</u>	<u>\$ 95,683</u>	<u>\$ 294,879</u>
<b>NET POSITION:</b>				
Net investment in capital assets	\$ 182,315	\$	\$ 182,315	\$ 220,747
Unrestricted	413,584		413,584	215,462
	<u>595,899</u>		<u>595,899</u>	<u>436,209</u>
Total net position				

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		COMPARATIVE TOTALS	
	MAJOR FUNDS	NON-MAJOR FUNDS	JUNE 30	
	FOOD SERVICE FUND	EXTRA-CURRICULAR FUND	2016	2015
<b>OPERATING REVENUES:</b>				
Charges for services:				
Daily sales - Reimbursable programs	\$ 1,028,892		\$ 1,028,892	\$ 2,559,607
Daily sales - Non-reimbursable programs	1,619,796		1,619,796	
Special functions	42,871		42,871	
Fees - individuals		256,688	256,688	227,246
Total operating revenues	<u>2,691,559</u>	<u>256,688</u>	<u>2,948,247</u>	<u>2,786,853</u>
<b>OPERATING EXPENSES:</b>				
Cost of sales - Reimbursable programs	838,708		838,708	1,377,340
Cost of sales - Non-reimbursable programs	580,132		580,132	
Salaries and benefits	1,319,600	85,954	1,405,554	1,459,185
Supplies and materials	148,247	2,200	150,447	117,308
Management fee	100,800		100,800	97,353
Miscellaneous	142,056	23,609	165,665	108,477
Depreciation	38,432		38,432	39,353
Facility rental		130,925	130,925	114,840
League fees		14,000	14,000	10,200
Total operating expenses	<u>3,167,975</u>	<u>256,688</u>	<u>3,424,663</u>	<u>3,324,056</u>
Operating income (loss)	<u>(476,416)</u>		<u>(476,416)</u>	<u>(537,203)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
State sources				
State school lunch program	18,389		18,389	18,517
Federal sources				
National school lunch program	465,964		465,964	465,317
School breakfast program	43,518		43,518	42,383
National food distribution commodities	108,235		108,235	79,081
Total nonoperating revenues (expenses)	<u>636,106</u>		<u>636,106</u>	<u>605,298</u>
Change in net position	159,690		159,690	68,095
Total net position - beginning	<u>436,209</u>		<u>436,209</u>	<u>368,114</u>
Total net position - ending	<u>\$ 595,899</u>	<u>\$</u>	<u>\$ 595,899</u>	<u>\$ 436,209</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	BUSINESS-TYPE ACTIVITIES		COMPARATIVE TOTALS	
	ENTERPRISE FUND			
	<u>MAJOR FUNDS</u> <u>FOOD SERVICE</u> <u>FUND</u>	<u>NON-MAJOR FUNDS</u> <u>EXTRA-CURRICULAR</u> <u>FUND</u>	<u>JUNE 30</u> <u>2016</u>	<u>2015</u>
Cash flows from operating activities:				
Receipts from customers	\$ 2,657,642	\$ 247,976	\$ 2,905,618	\$ 2,817,433
Payments to employees	(1,299,354)	(85,954)	(1,385,308)	(1,385,814)
Payments for employee benefits	(20,281)		(20,281)	(51,467)
Payments to suppliers	(1,872,246)	(170,734)	(2,042,980)	(1,783,503)
Net cash provided by (used for) operating activities	<u>(534,239)</u>	<u>(8,712)</u>	<u>(542,951)</u>	<u>(403,351)</u>
Cash flows from noncapital financing activities:				
State sources	10,568		10,568	16,722
Federal sources	297,471		297,471	473,341
Operating subsidies and transfers to other funds	149,360	8,712	158,072	(252,376)
Net cash provided by noncapital financing activities	<u>457,399</u>	<u>8,712</u>	<u>466,111</u>	<u>237,687</u>
Cash flows from capital and related financing activities:				
Purchases of capital assets				<u>(21,743)</u>
Net cash provided by (used for) capital and related financing activities				<u>(21,743)</u>
Net increase (decrease) in cash and cash equivalents	(76,840)		(76,840)	(187,407)
Cash and cash equivalents, July 1, 2015	<u>150,059</u>		<u>150,059</u>	<u>337,466</u>
Cash and cash equivalents, June 30, 2016	<u>\$ 73,219</u>	<u>\$</u>	<u>\$ 73,219</u>	<u>\$ 150,059</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (476,416)	\$	\$ (476,416)	\$ (537,203)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	38,432		38,432	39,353
Federal commodities	108,235		108,235	79,081
Change in assets and liabilities:				
(Increase) decrease in accounts receivable, net	4,034		4,034	(6,240)
Increase (decrease) in unearned revenue	2,762	(8,712)	(5,950)	36,818
Increase (decrease) in accounts payable	(201,958)		(201,958)	(15,722)
(Increase) decrease in inventories	(9,328)		(9,328)	562
	<u>(57,823)</u>	<u>(8,712)</u>	<u>(66,535)</u>	<u>133,852</u>
Net cash provided by (used for) operating activities	<u>\$ (534,239)</u>	<u>\$ (8,712)</u>	<u>\$ (542,951)</u>	<u>\$ (403,351)</u>

<b>FIDUCIARY FUNDS DETAIL STATEMENTS</b>
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**Fiduciary Funds are used to account for funds received by the district for a specific purpose:**

**Unemployment Compensation Insurance Fund**      This expendable trust fund is used to pay certain Unemployment compensation claims as they arise.

**Private Purpose Trust**      These trust funds are used to account for assets held by the district for scholarships and loans to the students where there are no restrictions regarding the use of principal and income.

**Agency Funds are used to account for assets held by the district as an agent for another party:**

**Student Activity Fund :**      This agency fund is used to account for student funds held at the schools.

**Payroll Fund:**      This agency fund is used to account for the payroll transactions of the school district.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2016

	STUDENT ACTIVITY	AGENCY FUNDS PAYROLL AGENCY	TOTAL AGENCY	UNEMPLOYMENT COMPENSATION INSURANCE TRUST	PRIVATE PURPOSE TRUST	TOTAL JUNE 30 2016
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 1,081,505	\$ 2,350,428	\$ 3,431,933	\$ 1,061,205	\$ 925,112	\$ 5,418,250
Accounts receivable						
Interfund Receivable		26,374	26,374			26,374
Intrafund receivable						
Total assets	\$ 1,081,505	\$ 2,376,802	\$ 3,458,307	\$ 1,061,205	\$ 925,112	\$ 5,444,624
<b>LIABILITIES:</b>						
Accounts payable	\$	\$	\$	\$ 53,579	\$	\$ 53,579
Intrafund payable				26,374		26,374
Interfund payable		8,316	8,316			8,316
Payable to student groups	1,081,505		1,081,505			1,081,505
Wages payable - Summer Payroll		2,363,330	2,363,330			2,363,330
Payroll deductions and withholdings		5,156	5,156			5,156
Total liabilities	\$ 1,081,505	\$ 2,376,802	\$ 3,458,307	\$ 79,953	\$	\$ 3,538,260
<b>NET POSITION:</b>						
Held in trust for State Unemployment Insurance claims and other purposes	\$	\$	\$	\$ 981,252	\$	\$ 981,252
Held in trust for scholarships and other purposes					925,112	925,112
Total net position	\$	\$	\$	\$ 981,252	\$ 925,112	\$ 1,906,364



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>UNEMPLOYMENT COMPENSATION INSURANCE TRUST</u>	<u>PRIVATE PURPOSE TRUST</u>	<u>TOTAL</u>
ADDITIONS:			
Contributions:			
Plan Members	\$ 242,539	\$	\$ 242,539
Donations		17,298	17,298
Total contributions	<u>242,539</u>	<u>17,298</u>	<u>259,837</u>
Investment earnings:			
Interest	670	672	1,342
Net investment earnings	<u>670</u>	<u>672</u>	<u>1,342</u>
Total additions	<u>243,209</u>	<u>17,970</u>	<u>261,179</u>
DEDUCTIONS:			
Quarterly Contribution Reports	101,622		101,622
Unemployment Claims	148,510		148,510
Scholarships Awarded		34,261	34,261
Total deductions	<u>250,132</u>	<u>34,261</u>	<u>284,393</u>
Change in net assets	(6,923)	(16,291)	(23,214)
Net position beginning of year	<u>988,175</u>	<u>941,403</u>	<u>1,929,578</u>
Net position end of year	<u>\$ 981,252</u>	<u>\$ 925,112</u>	<u>\$ 1,906,364</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BALANCE</u> <u>JULY 1, 2015</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSEMENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
High School:				
Colts Neck	\$ 124,727	\$ 565,800	\$ 539,341	\$ 151,186
Freehold Borough	124,118	356,607	360,749	119,976
Freehold Township	143,313	470,670	418,187	195,796
Howell	169,177	406,578	410,868	164,887
Manalapan	193,945	423,446	427,130	190,261
Marlboro	<u>240,821</u>	<u>518,407</u>	<u>499,829</u>	<u>259,399</u>
Total assets	<u>\$ 996,101</u>	<u>\$ 2,741,508</u>	<u>\$ 2,656,104</u>	<u>\$ 1,081,505</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
PAYROLL AGENCY FUNDS  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	BALANCE JULY 1, 2015	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2016
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 6,850,844	\$ 118,151,262	\$ 122,651,678	\$ 2,350,428
Intrafunds receivable		26,374		26,374
<b>Total assets</b>	<b>6,850,844</b>	<b>118,177,636</b>	<b>122,651,678</b>	<b>2,376,802</b>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	1,842	49,313,912	49,310,598	5,156
Wages payable - summer payroll	1,946,014	2,363,331	1,946,015	2,363,330
Employee pay		60,359,050	60,359,050	
Interfunds payable	4,902,988	6,141,343	11,036,015	8,316
<b>Total liabilities</b>	<b>6,850,844</b>	<b>118,177,636</b>	<b>122,651,678</b>	<b>2,376,802</b>

## **LONG-TERM DEBT SCHEDULES**

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
JUNE 30, 2016

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES		RATE OF INTEREST	BALANCE	BALANCE	
			DATE	AMOUNT		JULY 1, 2015	JUNE 30, 2016	
Refunded - Additions and renovations of Colts Neck, Freehold, Freehold Twp, Howell, Manalapan, and Marlboro High Schools	11/16/2001	42,690,000.00	3/1/2017	4,460,000	5.00%			
			3/1/2018	4,695,000	5.00%			
			3/1/2019	4,940,000	5.00%			
			3/1/2020	5,205,000	5.00%			
					\$	23,540,000	\$	19,300,000
					\$	23,540,000	\$	19,300,000

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
 AS OF JUNE 30, 2016

SERIES	TERM	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL LEASE	AMOUNT OUTSTANDING JUNE 30, 2015	INCREASE	DECREASE	AMOUNT OUTSTANDING JUNE 30, 2016
Governmental Funds: School Buses and Technology	5 Years	1.433%	1,155,792 \$	703,318 \$		231,112 \$	472,206
District Wide Energy Savings Improvement Plan (ESIP)	15 Years	2.690%	17,498,000	17,498,000		300,000	17,198,000
Roof Replacement, Boiler & HVAC Replacement	5 Years	1.390%	2,957,597	2,731,364		661,096	2,070,268
Roof Replacement	5 Years	1.570%	3,250,000	3,250,000		349,920	2,900,080
School Buses	5 Years	1.390%	331,100	263,039		64,404	198,635
School Buses and Technology	5 Years	1.334%	3,500,000	2,818,429		690,664	2,127,765
School Buses & Maintenance Vehicles	5 Years	1.433%	1,661,250		1,661,250	352,786	1,308,464
Grand Total			\$ 27,264,150 \$	\$ 1,661,250 \$		2,649,982 \$	26,275,418

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BUDGET</u>	<u>BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
		<u>TRANSFERS</u>			
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 4,099,644	\$	\$ 4,099,644	\$ 4,099,644	\$
State sources:					
Debt service aid type II	<u>1,317,356</u>		<u>1,317,356</u>	<u>1,317,356</u>	
Total revenues	<u>5,417,000</u>		<u>5,417,000</u>	<u>5,417,000</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	1,177,000		1,177,000	1,177,000	
Redemption of principal	<u>4,240,000</u>		<u>4,240,000</u>	<u>4,240,000</u>	
Total regular debt service-expenditures	<u>5,417,000</u>		<u>5,417,000</u>	<u>5,417,000</u>	
Excess (deficiency) of revenues over (under) expenditures					
Fund balance, July 1					
Fund balance, June 30	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

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**STATISTICAL SECTION - UNAUDITED**



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district 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 (CAFR) for the relevant year.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Government Activities:</b>										
Net Investment in capital assets	\$ 80,465,572	\$ 76,758,415	\$ 74,331,409	\$ 76,397,045	\$ 64,842,350	\$ 65,477,800	\$ 66,304,436	\$ 64,266,384	\$ 62,547,581	\$ 60,099,328
Restricted	28,446,908	30,394,625	31,027,126	27,308,431	21,024,274	12,809,243	6,513,220	8,567,707	7,261,951	5,619,907
Unrestricted (deficit)	(50,667,795)	(51,292,191)	(2,056,310)	(1,962,535)	(195,129)	951,687	3,468,668	(395,231)	(741,832)	1,620,498
<b>Total Government Activities Net Position</b>	<b>\$ 58,244,685</b>	<b>\$ 55,860,849</b>	<b>\$ 103,302,225</b>	<b>\$ 101,742,941</b>	<b>\$ 85,671,496</b>	<b>\$ 79,238,730</b>	<b>\$ 76,286,324</b>	<b>\$ 72,438,860</b>	<b>\$ 69,067,700</b>	<b>\$ 67,339,733</b>
<b>Business-Type Activities:</b>										
Net Investment in capital assets	\$ 182,315	\$ 220,747	\$ 238,357	\$ 271,952	\$ 89,992	\$ 105,119	\$ 126,753	\$ 118,069	\$ 136,825	\$ 116,619
Unrestricted	413,584	215,462	129,757	309,747	624,296	814,829	751,526	746,865	631,922	765,204
<b>Total Business-Type Activities Net Position</b>	<b>\$ 595,899</b>	<b>\$ 436,209</b>	<b>\$ 368,114</b>	<b>\$ 581,699</b>	<b>\$ 714,288</b>	<b>\$ 919,948</b>	<b>\$ 878,279</b>	<b>\$ 864,934</b>	<b>\$ 768,747</b>	<b>\$ 881,823</b>
<b>District-wide:</b>										
Net Investment in capital assets	\$ 80,647,887	\$ 76,979,162	\$ 74,569,766	\$ 76,668,997	\$ 64,932,342	\$ 65,582,919	\$ 66,431,189	\$ 64,384,453	\$ 62,684,406	\$ 60,215,947
Restricted	28,446,908	30,394,625	31,027,126	27,308,431	21,024,274	12,809,243	6,513,220	8,567,707	7,261,951	5,619,907
Unrestricted (deficit)	(50,254,211)	(51,076,729)	(1,926,553)	(1,652,788)	429,168	1,766,516	4,220,194	351,634	(109,910)	2,385,702
<b>Total District Net Position</b>	<b>\$ 58,840,584</b>	<b>\$ 56,297,058</b>	<b>\$ 103,670,339</b>	<b>\$ 102,324,640</b>	<b>\$ 86,385,784</b>	<b>\$ 80,158,678</b>	<b>\$ 77,164,603</b>	<b>\$ 73,303,794</b>	<b>\$ 69,836,447</b>	<b>\$ 68,221,556</b>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS  
(ACCURAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 92,343,959	\$ 87,514,868	\$ 75,200,178	\$ 80,476,846	\$ 79,320,371	\$ 77,375,649	\$ 79,855,943	\$ 72,166,199	\$ 70,640,599	\$ 65,596,742
Special Education	25,759,425	24,439,970	20,497,345	17,229,076	13,906,774	12,282,407	9,471,600	10,412,993	8,983,892	11,840,343
Other Special Education	10,604,135	9,859,065	8,306,192	8,998,877	8,916,004	8,978,180	9,136,052	9,114,401	8,612,612	8,751,303
Support Services:										
Tuition	14,980,357	14,711,492	14,104,095	13,345,824	13,994,362	13,676,378	12,197,151	13,015,812	15,013,306	10,952,382
Student & Instruction related services	27,893,131	25,721,936	21,748,966	19,652,989	18,231,436	17,684,670	18,477,174	17,399,289	15,462,451	15,742,207
General Administrative Services	1,716,518	1,701,177	1,675,898	9,446,283	9,419,268	9,211,957	9,288,344	8,678,752	8,517,200	9,288,997
School Administrative Services	11,230,302	10,673,330	9,221,080	2,151,069	2,155,127	1,754,559	2,267,175	5,477,731	5,547,284	4,932,793
Central Services/Admin. Information Technology	4,719,869	4,644,456	3,690,894	4,122,564	3,588,070	3,419,374	3,299,725	18,045,436	19,505,838	17,834,928
Plant Operations and Maintenance	17,069,282	15,943,060	15,679,073	15,303,296	15,753,689	16,427,929	17,485,039	18,485,087	16,490,332	16,617,218
Pupil Transportation Services	16,804,098	17,118,697	16,740,367	16,297,004	16,174,059	15,747,415	18,190,193	347,995	235,386	285,750
Special Schools					240		390,309		83,796	
Capital Outlay					29,312	14,656	15,292	2,364,710	3,382,765	2,874,208
Transfer to Charter Schools	1,159,719	1,353,737	1,548,571	1,699,268	1,872,820	2,033,833	2,201,017	34,303	34,303	34,303
Interest on Long-Term Debt	4,887,161	4,881,749	4,836,889	34,303	34,303	34,303	34,303			
Unallocated Depreciation and Amortization										
<b>Total Governmental Activities Expenses</b>	<b>229,167,956</b>	<b>218,563,537</b>	<b>193,249,548</b>	<b>188,597,397</b>	<b>183,985,595</b>	<b>178,643,552</b>	<b>182,289,317</b>	<b>175,542,708</b>	<b>172,509,764</b>	<b>164,753,236</b>
<b>Business-Type Activities:</b>										
Food Service	\$ 3,167,975	\$ 3,096,810	\$ 3,211,871	\$ 3,433,767	\$ 3,568,347	\$ 3,360,076	\$ 3,426,440	\$ 3,919,325	\$ 3,663,544	\$ 3,606,359
Extra Curricular Fund	256,688	227,246	236,788	213,993	238,976	227,348	222,845			
SAT Prep Program					25,538	20,963				
<b>Total Business-Type Activities Expenses</b>	<b>3,424,663</b>	<b>3,324,056</b>	<b>3,448,659</b>	<b>3,647,760</b>	<b>3,832,861</b>	<b>3,608,387</b>	<b>3,649,285</b>	<b>3,919,325</b>	<b>3,663,544</b>	<b>3,606,359</b>
<b>Total District Expenses</b>	<b>\$ 232,592,619</b>	<b>\$ 221,887,593</b>	<b>\$ 196,698,207</b>	<b>\$ 192,245,157</b>	<b>\$ 187,228,456</b>	<b>\$ 182,251,939</b>	<b>\$ 185,938,602</b>	<b>\$ 179,462,033</b>	<b>\$ 176,173,308</b>	<b>\$ 168,359,595</b>
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services:										
Instruction	\$ 289,578	\$ 319,039	\$ 257,418	\$ 159,313	\$ 254,871	\$ 75,241	\$ 352,974	\$ 107,441	\$ 214,292	\$ 174,415
Operating Grants and Contributions	43,912,263	35,821,867	16,856,815	426,007	488,018	609,714	798,443	855,928	1,471,379	1,006,820
Capital Grants and Contributions										17,060
<b>Total Governmental Activities Program Revenues</b>	<b>44,201,841</b>	<b>36,140,906</b>	<b>17,114,233</b>	<b>585,320</b>	<b>722,889</b>	<b>684,955</b>	<b>1,151,417</b>	<b>963,369</b>	<b>1,685,671</b>	<b>1,198,295</b>
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	2,691,559	2,559,607	2,527,739	2,642,037	2,909,211	2,941,180	2,944,677	3,461,930	3,128,462	3,316,227
Extra Curricular Fund	256,688	227,246	236,788	190,193	262,776	227,348	222,845			
SAT Prep Program					22,202	24,299				
Operating Grants and Contributions	636,106	605,298	470,547	486,782	433,012	457,229	495,107	553,582	422,006	375,402
<b>Total Business-Type Activities Program Revenues</b>	<b>3,584,353</b>	<b>3,392,151</b>	<b>3,235,074</b>	<b>3,319,012</b>	<b>3,627,201</b>	<b>3,650,055</b>	<b>3,662,629</b>	<b>4,015,512</b>	<b>3,550,468</b>	<b>3,691,629</b>
<b>Total District Program Revenues</b>	<b>\$ 47,786,194</b>	<b>\$ 39,533,057</b>	<b>\$ 20,349,307</b>	<b>\$ 3,904,332</b>	<b>\$ 4,350,190</b>	<b>\$ 4,335,010</b>	<b>\$ 4,814,046</b>	<b>\$ 4,978,881</b>	<b>\$ 5,236,139</b>	<b>\$ 4,889,924</b>
<b>Net (Expense)/Revenue:</b>										
Governmental Activities	\$ (184,966,115)	\$ (182,422,633)	\$ (176,135,315)	\$ (188,012,077)	\$ (182,672,605)	\$ (177,956,597)	\$ (181,137,900)	\$ (174,579,339)	\$ (170,824,093)	\$ (163,554,941)
Business-Type Activities	159,690	68,095	(213,585)	(328,748)	(205,660)	(41,669)	13,344	96,187	(113,076)	85,270
<b>Total District-wide Net (Expense)/Revenue</b>	<b>\$ (184,806,425)</b>	<b>\$ (182,354,538)</b>	<b>\$ (176,348,900)</b>	<b>\$ (188,340,825)</b>	<b>\$ (182,878,265)</b>	<b>\$ (177,916,928)</b>	<b>\$ (181,124,556)</b>	<b>\$ (174,483,152)</b>	<b>\$ (170,937,169)</b>	<b>\$ (163,469,671)</b>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

		CHANGES IN NET POSITION									
		LAST TEN FISCAL YEARS									
		(ACCRUAL BASIS OF ACCOUNTING)									
		(UNAUDITED)									
		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>General Revenues and Other Changes in Net Position:</b>											
<b>Governmental Activities:</b>											
Property Taxes Levied for General Purposes, Net	\$	125,634,974	\$ 121,473,208	\$ 119,091,381	\$ 116,756,266	\$ 115,600,253	\$ 115,600,253	\$ 112,783,657	\$ 110,882,300	\$ 106,617,596	\$ 100,847,680
Taxes Levied for Debt Service		4,099,644	4,093,210	4,086,778	4,076,750	4,071,262	4,062,938	3,462,300	3,474,886	5,025,434	5,216,532
Unrestricted Grants and Contributions		54,224,317	54,428,665	54,015,433	68,350,311	64,262,301	56,750,964	62,218,157	62,811,715	60,135,111	58,446,860
Restricted Grants and Contributions		2,651,166	2,239,175	1,088,884	3,806,529	4,250,267	3,899,599	5,835,387			
Tuition Received									194,536	603,643	856,768
Miscellaneous Income		782,770	148,292	303,863	576,640	931,185	597,250	585,862	587,052	167,276	271,500
Transfers											(28,875)
Gain/(Loss) on Sale of Equipment						(9,696)					
<b>Total Governmental Activities</b>		<b>187,349,951</b>	<b>182,382,550</b>	<b>178,586,339</b>	<b>193,568,486</b>	<b>189,105,372</b>	<b>180,911,004</b>	<b>184,985,363</b>	<b>177,950,499</b>	<b>172,552,060</b>	<b>165,610,143</b>
<b>Total District-wide</b>	\$	<b>187,349,951</b>	<b>182,382,550</b>	<b>178,586,339</b>	<b>193,568,486</b>	<b>189,105,372</b>	<b>180,911,004</b>	<b>184,985,363</b>	<b>177,950,499</b>	<b>172,552,060</b>	<b>165,610,143</b>
<b>Changes in Net Position:</b>											
Governmental Activities	\$	2,383,836	(40,081)	2,451,024	5,556,409	6,432,766	2,952,407	3,847,463	3,371,160	1,727,967	2,055,202
Business-Type Activities		159,690	68,095	(213,585)	(328,748)	(205,660)	41,669	13,344	96,187	(113,076)	85,270
<b>Total District</b>	\$	<b>2,543,526</b>	<b>28,014</b>	<b>2,237,439</b>	<b>5,227,661</b>	<b>6,227,106</b>	<b>2,994,075</b>	<b>3,860,807</b>	<b>3,467,347</b>	<b>1,614,891</b>	<b>2,140,472</b>

\* 2014 has not been restated for the impact of GASB 68

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund:										
Restricted	\$ 27,823,998	\$ 29,394,625	\$ 31,027,126	\$ 27,073,450	\$ 21,024,274	\$ 12,827,685	\$	\$	\$	\$
Assigned		1,450,900	763,915	1,000,000	2,218,598	2,587,356				
Unassigned						153,276				
Reserved							7,092,073	9,550,771	7,019,262	3,795,928
Unreserved							4,289,726	741,628	1,487,631	5,556,140
Total General Fund	\$ 27,823,998	\$ 30,845,525	\$ 31,791,041	\$ 28,073,450	\$ 23,242,872	\$ 15,568,317	\$ 11,381,799	\$ 10,292,399	\$ 8,506,893	\$ 9,352,068
All Other Governmental Funds:										
Restricted	\$ 944,577	\$ 7,799,283	\$ 20,088,887	\$	\$	\$	\$	\$	\$	\$
Unreserved, Reported In:										
Capital Projects Fund	5,031,272	11,641,370	109,584							
Total All Other Governmental Funds	\$ 5,975,849	\$ 19,440,653	\$ 20,198,471	\$	\$	\$	\$	\$	\$	\$

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Revenues:</b>										
Tax Levy	\$ 129,734,618	\$ 125,566,418	\$ 123,178,159	\$ 120,833,006	\$ 119,671,515	\$ 119,663,191	\$ 116,245,957	\$ 114,357,196	\$ 111,643,030	\$ 106,064,212
Tuition Charges	70,929	124,280	72,563	62,177	166,772	75,241	165,050	35,527	108,800	174,415
Transportation Fees	776,317	135,277	294,534	36,874	38,940	70,015	60,443	194,536	603,643	856,768
Miscellaneous	451,783	327,157	311,734	636,802	917,144	629,048	642,344	658,966	272,768	271,500
State Sources	75,427,943	72,570,063	68,952,756	69,676,088	63,785,249	58,073,019	56,905,827	60,739,212	58,666,732	56,864,580
Federal Sources	3,172,682	2,828,807	2,890,826	2,908,759	5,195,337	3,085,445	12,046,159	2,928,431	2,942,758	2,589,099
<b>Total Revenues</b>	<b>209,634,272</b>	<b>201,552,002</b>	<b>195,700,572</b>	<b>194,153,806</b>	<b>189,774,957</b>	<b>181,595,959</b>	<b>186,065,780</b>	<b>178,913,868</b>	<b>174,237,731</b>	<b>166,820,574</b>
<b>Expenditures:</b>										
Instruction:										
Regular	54,420,588	54,580,063	53,226,236	54,461,270	53,010,885	50,466,657	55,759,577	51,645,808	50,031,689	44,767,309
Special	16,350,910	16,147,479	15,292,601	12,044,633	9,709,787	8,241,644	6,768,646	7,286,673	6,965,827	8,503,189
Other	6,543,186	6,385,427	6,327,793	6,519,860	6,474,132	6,342,900	6,879,582	6,633,811	6,649,245	6,525,571
Support Services:										
Tuition	14,980,357	14,711,482	14,104,095	13,343,824	13,994,362	13,678,378	12,197,151	13,015,812	11,494,308	10,952,382
Student & instruction related services	17,927,006	17,224,746	15,900,229	14,016,576	12,952,335	12,306,294	13,609,000	12,976,196	11,952,401	11,631,945
School Administrative Services	6,607,803	6,579,123	6,507,814	6,558,728	6,550,897	6,218,510	6,641,945	6,322,266	6,516,811	6,427,288
General Administrative Services	1,556,498	1,581,794	1,535,368	1,817,374	1,985,654	1,635,170	2,108,923	4,577,957	4,353,463	3,961,467
General and Central Services	3,221,782	3,277,294	2,594,840	2,792,121	2,660,101	2,433,933	2,404,433	15,210,424	14,803,886	14,919,095
Central Services/Admin. Information Tech	14,593,778	13,821,891	13,906,423	12,570,393	12,971,617	13,434,482	14,546,194	15,526,401	14,984,584	13,890,500
Plant Operations and Maintenance	16,812,407	16,052,557	14,960,904	14,006,185	13,836,574	13,149,260	15,718,142	35,400,749	37,266,935	35,107,074
Student Transportation Services	47,637,366	43,750,109	41,368,803	43,899,725	41,829,101	43,493,500	39,128,215	251,758	235,386	202,322
Unallocated Employee Benefits						240	278,502			2,062
Special Schools					29,312	14,656	15,292			
Charter Schools										
Debt Service:										
Principal	4,240,000	4,030,000	3,830,000	3,635,000	3,455,000	3,280,000	3,100,000	2,960,000	4,985,000	4,980,000
Interest and Other Charges	1,177,000	1,378,500	1,570,000	1,751,750	1,924,500	2,088,500	2,257,275	2,418,425	2,647,345	2,945,608
Capital Outlay	21,699,940	7,313,710	1,349,981	2,673,424	716,145	625,315	3,634,504	2,902,082	2,196,026	2,298,640
<b>Total Expenditures</b>	<b>227,768,621</b>	<b>206,834,185</b>	<b>192,477,087</b>	<b>190,090,863</b>	<b>182,100,402</b>	<b>177,409,441</b>	<b>185,047,381</b>	<b>177,128,362</b>	<b>175,082,906</b>	<b>167,114,452</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(18,134,349)	(5,282,183)	3,223,485	4,062,943	7,674,555	4,186,518	1,018,399	1,785,506	(845,175)	(283,878)
Other Financing Sources/(Uses):										
Capital leases (non-budgeted)	1,648,018	3,581,100	2,957,597							
Transfers In		(2,251)								
Transfers Out			17,500,000							
Proceeds from energy savings obligations (ESIP)										
<b>Total Other Financing Sources/(Uses)</b>	<b>1,648,018</b>	<b>3,578,849</b>	<b>20,457,597</b>	<b>4,062,943</b>	<b>7,674,555</b>	<b>4,186,518</b>	<b>1,018,399</b>	<b>1,785,506</b>	<b>(845,175)</b>	<b>(283,875)</b>
<b>Net Change in Fund Balances</b>	<b>\$ (16,486,331)</b>	<b>\$ (1,703,334)</b>	<b>\$ 23,681,082</b>	<b>\$ 4,062,943</b>	<b>\$ 7,674,555</b>	<b>\$ 4,186,518</b>	<b>\$ 1,018,399</b>	<b>\$ 1,785,506</b>	<b>\$ (845,175)</b>	<b>\$ (322,753)</b>
Debt Service as a Percentage of Noncapital Expenditures	2.63%	2.71%	2.83%	2.87%	2.97%	3.04%	2.95%	3.09%	4.41%	4.81%
Source: District records										
Note: Noncapital expenditures are total expenditures less Capital Outlay.										



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

Fiscal Year Ending June 30,	Restricted		Unrestricted		Annual Totals
	Athletic Fees	Facility Rental	Refund of Prior Year Expenditures	Miscellaneous	
2016	\$ 73,319	\$ 145,330	\$ 424,495	\$ 351,822	994,966
2015	77,768	116,991	71,847	63,430	330,036
2014	69,696	115,159	72,082	222,452	479,389
2013	68,612	97,136	91,737	240,266	497,751
2012	69,310	88,199	429,465	244,140	831,114
2011	103,985	101,813	122,723	194,264	522,785
2010	97,112	116,924	197,482	134,864	546,382
2009	113,391	71,914	280,321	87,665	553,291
2008	122,378	105,492	722	6,042	234,634
2007	114,218	84,675	17,959	8,926	225,778

Source: District records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
UNAUDITED

	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
<b>Colts Neck</b>													
2016	\$ 41,748,200	\$ 2,534,198,600	\$ 244,132,600	\$ 4,203,100	\$ 163,892,200	\$ -	\$ -	\$ 2,988,174,700	\$ -	\$ 3,065,471	\$ 2,991,240,171	NA	\$ 3,017,649,789
2015	38,448,100	2,503,435,400	257,605,800	4,125,100	164,609,600	-	-	2,968,224,000	-	3,159,066	2,971,383,066	0.454	3,041,417,551
2014	39,881,800	2,540,498,000	263,017,800	4,159,900	167,385,000	-	-	3,014,942,500	-	3,079,851	3,018,022,351	0.447	3,066,222,327
2013	41,257,000	2,558,728,600	263,081,000	4,158,700	178,123,400	-	-	3,045,348,700	-	3,723,634	3,049,072,334	0.408	3,122,799,191
2012	44,509,600	2,575,313,400	253,778,700	4,145,400	184,744,300	-	-	3,064,491,400	-	3,723,975	3,068,215,375	0.390	3,117,456,897
2011	44,725,400	2,580,986,900	253,914,500	4,109,600	192,544,000	-	-	3,076,280,400	-	3,812,767	3,080,093,167	0.391	3,203,755,368
2010	47,351,200	2,590,014,000	269,599,800	4,158,600	196,701,900	-	-	3,107,825,500	-	5,087,706	3,112,913,206	0.383	3,342,807,536
2009	20,075,000	1,230,598,800	116,469,200	3,895,050	81,269,400	-	-	1,452,007,450	-	1,787,172	1,453,794,622	0.822	3,445,743,076
2008	23,323,500	1,223,359,000	112,221,650	4,585,550	78,003,100	-	-	1,441,492,800	-	1,315,836	1,442,808,636	0.831	3,388,417,905
2007	24,759,000	1,206,627,700	106,773,400	3,712,550	71,775,300	-	-	1,413,647,950	-	1,280,728	1,414,928,678	0.812	3,263,252,356
<b>Englishtown</b>													
2016	\$ 1,576,900	\$ 183,420,400	\$ -	\$ -	\$ 35,820,000	\$ 6,452,500	\$ 13,268,100	\$ 240,537,900	\$ -	\$ -	\$ 240,537,900	NA	\$ 232,973,581
2015	1,654,800	183,619,000	-	-	34,989,900	6,388,900	13,228,100	239,850,700	-	-	239,850,700	0.373	223,236,967
2014	1,867,700	200,060,300	-	-	39,188,600	7,267,200	1,262,100	249,645,900	-	-	249,645,900	0.372	221,639,386
2013	3,274,100	206,535,000	-	-	35,332,500	7,617,200	1,262,100	254,020,900	-	-	254,020,900	0.404	231,103,589
2012	2,384,300	201,896,900	-	-	35,742,000	8,583,900	1,262,100	249,869,200	-	-	249,869,200	0.393	235,241,820
2011	3,788,700	198,279,700	-	-	39,134,100	9,879,300	1,262,100	252,343,900	-	-	252,343,900	0.299	242,547,068
2010	3,892,300	198,206,200	-	-	42,019,600	9,879,300	1,262,100	255,259,500	-	4,454,063	259,713,563	0.320	250,970,511
2009	3,978,000	198,110,000	-	-	42,080,100	9,879,300	1,262,100	255,309,500	-	5,904,759	261,214,259	0.303	246,645,548
2008	3,353,400	198,838,400	-	-	42,425,900	10,229,600	1,262,100	256,109,400	-	3,772,717	259,882,117	0.268	237,664,306
2007	1,454,000	80,771,800	-	-	14,729,700	2,975,900	743,200	100,674,600	-	1,170,831	101,845,431	0.646	218,018,531
<b>Farmingdale</b>													
2016	\$ 1,898,600	\$ 105,777,400	\$ 590,000	\$ 2,700	\$ 27,171,700	\$ 3,318,200	\$ 15,315,400	\$ 154,074,000	\$ -	\$ -	\$ 154,074,000	NA	\$ 145,968,075
2015	1,905,600	106,279,000	563,600	2,700	27,115,000	3,319,800	15,314,700	154,500,400	-	-	154,500,400	0.308	138,780,348
2014	1,865,300	110,869,600	600,000	14,200	20,523,500	2,742,800	13,947,400	150,562,800	-	-	150,562,800	0.298	137,417,398
2013	1,865,300	111,706,500	721,700	14,200	20,320,000	2,742,800	13,947,400	151,317,900	-	-	151,317,900	0.397	145,089,919
2012	1,918,800	112,133,500	721,700	14,200	20,320,000	2,742,800	13,947,400	151,798,400	-	2,529,438	154,327,838	0.350	149,581,365
2011	1,918,800	111,858,800	721,700	14,200	20,480,300	2,742,800	13,947,400	151,684,000	-	2,558,005	154,242,005	0.360	147,441,135
2010	1,918,800	112,002,400	721,700	14,200	20,480,300	2,742,800	13,947,400	151,827,600	-	2,815,873	154,643,473	0.277	153,164,638
2009	2,179,300	110,849,000	721,700	14,200	19,871,300	2,742,800	13,947,400	150,325,700	-	2,462,182	152,787,882	0.316	158,529,010
2008	2,129,800	110,554,200	721,700	14,200	19,871,300	2,742,800	13,947,400	149,981,400	-	1,330,926	152,312,326	0.335	153,639,777
2007	2,192,700	110,413,000	721,700	14,200	19,617,700	2,742,800	13,507,100	149,209,200	-	1,971,969	151,181,169	0.372	150,439,213

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
UNAUDITED

	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
<b>Freehold Borough</b>													
2016	\$ 10,627,200	\$ 739,568,800	\$ -	\$ -	\$ 229,822,500	\$ 25,353,000	\$ 22,454,100	\$ 1,027,825,600	\$ 1,128,800	\$ -	\$ 1,027,825,600	NA	\$ 966,304,992
2015	\$ 10,120,100	\$ 741,225,500	\$ -	\$ -	\$ 230,456,500	\$ 25,345,900	\$ 22,065,400	\$ 1,029,213,400	\$ 1,390,000	\$ -	\$ 1,029,213,400	0.295	\$ 951,845,338
2014	\$ 10,235,100	\$ 755,357,200	\$ -	\$ -	\$ 237,225,100	\$ 25,345,900	\$ 22,388,400	\$ 1,050,551,700	\$ 1,423,600	\$ -	\$ 1,050,551,700	0.311	\$ 974,389,434
2013	\$ 10,236,400	\$ 764,565,800	\$ -	\$ -	\$ 239,840,300	\$ 25,345,900	\$ 22,388,400	\$ 1,062,376,800	\$ 2,476,800	\$ -	\$ 1,062,376,800	0.321	\$ 1,025,327,919
2012	\$ 10,244,400	\$ 767,610,400	\$ -	\$ -	\$ 241,864,600	\$ 25,345,900	\$ 22,388,400	\$ 1,066,853,700	\$ 3,408,000	\$ -	\$ 1,066,853,700	0.341	\$ 1,139,215,817
2011	\$ 10,342,700	\$ 768,700,500	\$ -	\$ -	\$ 241,539,000	\$ 25,345,900	\$ 22,374,900	\$ 1,068,316,500	\$ 4,151,700	\$ 9,917,155	\$ 1,078,233,655	0.378	\$ 1,205,130,817
2010	\$ 11,375,600	\$ 766,577,000	\$ -	\$ -	\$ 242,880,100	\$ 25,345,900	\$ 22,374,900	\$ 1,068,553,500	\$ 1,254,600	\$ 10,281,773	\$ 1,078,835,273	0.379	\$ 1,193,198,764
2009	\$ 11,552,000	\$ 765,785,300	\$ -	\$ -	\$ 236,440,200	\$ 25,345,900	\$ 23,097,700	\$ 1,062,221,100	\$ 1,180,800	\$ 11,377,335	\$ 1,073,598,435	0.382	\$ 1,275,015,424
2008	\$ 11,815,100	\$ 763,101,500	\$ -	\$ -	\$ 237,093,900	\$ 34,727,100	\$ 22,941,400	\$ 1,069,679,000	\$ 1,360,200	\$ 10,469,969	\$ 1,080,148,969	0.375	\$ 1,232,617,952
2007	\$ 13,574,000	\$ 761,011,000	\$ -	\$ -	\$ 238,891,500	\$ 34,727,100	\$ 22,941,400	\$ 1,071,145,000	\$ 1,430,600	\$ 9,846,278	\$ 1,080,991,278	0.368	\$ 1,172,895,348
<b>Freehold Township</b>													
2016	\$ 51,370,300	\$ 4,325,592,200	\$ 30,003,400	\$ 1,456,900	\$ 1,387,324,000	\$ 153,241,300	\$ 78,612,500	\$ 6,027,600,600	\$ 3,612,600	\$ -	\$ 6,027,600,600	NA	\$ 6,589,292,604
2015	\$ 55,908,800	\$ 4,266,388,600	\$ 29,970,000	\$ 1,464,900	\$ 1,320,216,200	\$ 148,905,300	\$ 71,094,300	\$ 5,893,958,100	\$ 41,400	\$ -	\$ 5,893,958,100	0.452	\$ 6,095,136,631
2014	\$ 50,881,700	\$ 3,955,292,200	\$ 27,666,200	\$ 1,440,900	\$ 1,239,936,400	\$ 146,563,700	\$ 60,794,300	\$ 5,482,575,400	\$ -	\$ -	\$ 5,482,575,400	0.480	\$ 5,837,654,006
2013	\$ 56,004,900	\$ 3,949,909,700	\$ 28,280,200	\$ 1,466,400	\$ 1,243,834,300	\$ 146,521,200	\$ 60,794,300	\$ 5,486,811,000	\$ -	\$ -	\$ 5,486,811,000	0.471	\$ 5,873,438,863
2012	\$ 67,931,000	\$ 4,548,659,400	\$ 32,524,700	\$ 1,509,700	\$ 1,245,930,300	\$ 156,782,100	\$ 61,500,000	\$ 6,114,837,200	\$ -	\$ -	\$ 6,114,837,200	0.411	\$ 6,197,354,750
2011	\$ 69,363,900	\$ 4,551,925,900	\$ 31,282,000	\$ 1,541,900	\$ 1,247,563,400	\$ 154,791,300	\$ 61,500,000	\$ 6,117,968,400	\$ -	\$ -	\$ 6,159,186,704	0.399	\$ 6,427,603,681
2010	\$ 79,832,500	\$ 4,549,534,600	\$ 30,233,300	\$ 1,654,900	\$ 1,291,205,600	\$ 154,573,100	\$ 61,500,000	\$ 6,168,534,000	\$ -	\$ 49,520,887	\$ 6,217,754,887	0.394	\$ 6,647,432,225
2009	\$ 95,225,000	\$ 4,529,646,900	\$ 30,709,200	\$ 1,670,000	\$ 1,341,345,700	\$ 154,573,100	\$ 64,320,400	\$ 6,217,490,300	\$ -	\$ 68,077,410	\$ 6,285,567,710	0.373	\$ 6,734,691,283
2008	\$ 43,886,000	\$ 2,245,621,400	\$ 14,932,600	\$ 1,700,500	\$ 644,466,200	\$ 74,628,300	\$ 30,165,900	\$ 3,055,400,900	\$ -	\$ 32,780,996	\$ 3,088,181,896	0.707	\$ 6,390,779,856
2007	\$ 49,811,400	\$ 2,205,318,600	\$ 14,730,600	\$ 1,764,500	\$ 633,230,100	\$ 71,697,200	\$ 30,948,600	\$ 3,007,501,000	\$ -	\$ 36,970,360	\$ 3,044,471,360	0.700	\$ 6,037,954,660
<b>Howell</b>													
2016	\$ 114,702,200	\$ 5,373,302,700	\$ 101,965,500	\$ 2,701,000	\$ 628,132,400	\$ 112,376,100	\$ 32,259,800	\$ 6,365,439,700	\$ -	\$ -	\$ 6,365,439,700	NA	\$ 6,591,132,558
2015	\$ 127,426,600	\$ 5,157,744,800	\$ 98,908,600	\$ 2,755,700	\$ 616,492,200	\$ 107,704,400	\$ 32,259,800	\$ 6,151,762,520	\$ -	\$ 8,470,420	\$ 6,151,762,520	0.432	\$ 6,388,597,383
2014	\$ 137,473,900	\$ 4,623,682,700	\$ 89,384,800	\$ 2,673,500	\$ 611,874,200	\$ 101,664,900	\$ -	\$ 5,666,754,000	\$ -	\$ 7,532,229	\$ 5,674,286,229	0.452	\$ 6,087,370,787
2013	\$ 155,567,400	\$ 4,579,708,000	\$ 89,858,000	\$ 2,768,800	\$ 594,385,000	\$ 101,856,600	\$ -	\$ 5,524,143,800	\$ -	\$ 8,867,486	\$ 5,533,011,286	0.483	\$ 6,199,518,124
2012	\$ 147,940,600	\$ 4,554,735,400	\$ 85,598,100	\$ 2,640,500	\$ 595,545,700	\$ 103,344,900	\$ -	\$ 5,489,805,200	\$ -	\$ 11,032,948	\$ 5,500,838,148	0.478	\$ 6,509,420,350
2011	\$ 209,120,660	\$ 5,751,615,760	\$ 107,280,600	\$ 2,607,500	\$ 660,378,520	\$ 133,162,000	\$ -	\$ 6,864,165,040	\$ -	\$ 11,110,173	\$ 6,875,275,213	0.380	\$ 6,762,336,368
2010	\$ 237,133,360	\$ 5,747,380,000	\$ 107,553,000	\$ 2,707,600	\$ 662,086,020	\$ 134,095,700	\$ -	\$ 6,890,955,680	\$ -	\$ 13,114,350	\$ 6,904,070,030	0.385	\$ 6,954,660,611
2009	\$ 253,365,700	\$ 5,735,865,900	\$ 104,001,400	\$ 2,426,100	\$ 662,057,600	\$ 109,299,300	\$ -	\$ 6,867,016,000	\$ -	\$ 10,565,151	\$ 6,877,581,151	0.370	\$ 7,070,767,733
2008	\$ 264,011,700	\$ 5,707,045,800	\$ 107,499,400	\$ 2,543,100	\$ 667,961,100	\$ 111,543,900	\$ -	\$ 6,860,605,000	\$ -	\$ 9,626,317	\$ 6,870,231,317	0.371	\$ 7,044,038,272
2007	\$ 249,995,100	\$ 5,667,270,700	\$ 106,077,700	\$ 2,510,100	\$ 703,025,300	\$ 115,926,300	\$ -	\$ 6,846,805,200	\$ -	\$ 8,875,863	\$ 6,855,681,063	0.353	\$ 6,558,866,149

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
LAST TEN FISCAL YEARS  
UNAUDITED  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
<b>Manalapan</b>													
2016	\$ 34,938,600	\$ 5,786,849,660	\$ 33,999,000	\$ 1,956,900	\$ 423,168,000	\$ 20,454,000	\$ -	\$ 6,301,366,160	\$ -	\$ -	\$ 6,301,366,160	NA	\$ 6,385,559,229
2015	38,765,800	5,657,693,750	34,267,100	2,250,500	387,171,100	20,451,600	-	6,140,599,850	-	-	6,140,599,850	0.420	6,234,359,701
2014	47,846,600	5,359,086,600	32,130,400	2,269,200	380,616,076	20,269,600	-	5,842,218,476	-	-	5,842,218,476	0.436	6,109,982,591
2013	58,673,900	5,299,331,500	31,538,900	2,316,400	378,911,200	20,269,600	-	5,791,041,500	-	-	5,791,041,500	0.425	5,978,278,610
2012	70,482,900	5,241,149,800	32,267,800	2,352,300	377,401,400	22,667,200	-	5,746,321,400	-	-	5,746,321,400	0.420	6,169,252,662
2011	84,044,500	5,183,906,700	32,780,800	2,354,500	371,293,700	22,667,200	-	5,697,047,400	-	6,951,526	5,703,998,926	0.421	6,281,820,516
2010	102,803,800	5,111,395,600	32,933,900	2,253,000	380,040,400	22,667,200	-	5,652,093,900	-	9,382,496	5,661,476,396	0.432	6,459,604,048
2009	160,219,400	5,732,755,500	36,725,800	2,314,400	425,667,300	24,603,500	-	6,382,285,900	-	7,636,903	6,389,922,803	0.364	6,480,948,402
2008	200,478,700	5,658,484,200	36,779,500	2,315,700	403,109,300	24,603,500	-	6,325,770,900	-	6,259,661	6,332,030,561	0.360	6,261,851,792
2007	200,229,100	5,485,094,000	36,588,500	2,296,200	402,831,900	24,603,500	-	6,151,643,200	-	5,707,918	6,157,351,118	0.363	5,837,550,667
<b>Marlboro</b>													
2016	\$ 64,533,000	\$ 6,503,789,000	\$ 38,438,000	\$ 1,084,200	\$ 454,550,000	\$ 79,788,500	\$ 22,287,000	\$ 7,164,469,700	\$ -	\$ -	\$ 7,164,469,700	NA	\$ 7,354,851,699
2015	69,839,100	6,439,597,624	37,757,200	1,094,700	444,223,200	82,478,300	21,756,900	7,096,747,024	-	-	7,096,747,024	0.445	7,186,558,937
2014	77,822,900	6,099,931,774	35,205,200	1,036,800	428,732,400	84,673,900	18,619,900	6,746,022,874	-	-	6,746,022,874	0.447	7,013,277,224
2013	85,204,500	6,098,106,500	36,036,300	1,036,500	424,031,300	86,543,000	18,619,900	6,749,578,000	-	-	6,749,578,000	0.433	7,085,446,679
2012	92,253,900	6,234,133,500	38,633,800	1,045,400	420,120,900	88,021,000	18,619,900	6,892,828,400	-	9,347,305	6,902,175,705	0.403	7,266,197,377
2011	94,958,900	6,231,140,500	37,886,600	1,046,500	415,286,900	88,491,100	19,584,200	6,888,394,700	-	9,144,385	6,897,539,085	0.395	7,482,621,521
2010	103,816,500	6,236,324,400	38,815,400	1,051,500	425,388,900	94,454,200	23,225,300	6,923,076,200	-	10,332,044	6,933,408,244	0.388	7,588,204,970
2009	43,870,600	2,899,810,000	16,268,600	765,050	179,521,700	40,955,700	3,343,100	3,184,534,750	-	4,173,653	3,188,708,403	0.827	7,698,068,929
2008	49,225,500	2,869,073,200	16,223,300	770,350	176,080,600	39,136,700	3,343,100	3,153,852,750	-	3,866,514	3,157,721,264	0.843	7,588,651,622
2007	53,984,300	2,839,037,100	16,367,200	786,550	173,463,400	40,301,700	3,343,100	3,127,283,350	-	4,230,659	3,131,514,009	0.851	7,209,924,440

Source: County Board of Taxation

**Note:** Real property is required to be assessed at some percentage of true value (fair or market value) established by the County board of taxation.

Reassessment occurs when ordered by the County Board of Taxation.

(1) Taxable Value of Machinery, Implements & Equipment of Telephone, Telegraph & Messenger System Companies.

(2) Tax rates are per \$100.

N/A At the time of CAFR completion, this data was not yet available

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
UNAUDITED  
(RATE PER \$100 OF ASSESSED VALUATION)

	<u>Freehold Regional</u>			<u>Overlapping Rates</u>				<u>Total Direct &amp; Overlapping Tax Rate</u>
	<u>General Obligation Basic Rate</u>	<u>Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
<b>Colts Neck</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.440	0.014	0.454	0.730	0.228	0.012	0.311	1.735
2014	0.432	0.015	0.447	0.705	0.214	0.012	0.309	1.687
2013	0.394	0.014	0.408	0.686	0.203	0.012	0.309	1.618
2012	0.377	0.013	0.390	0.680	0.194	0.012	0.294	1.570
2011	0.378	0.013	0.391	0.674	0.188	0.012	0.286	1.551
2010	0.370	0.013	0.383	0.667	0.170	0.025	0.292	1.537
2009	0.797	0.025	0.822	1.407	0.343	0.025	0.615	3.212
2008	0.805	0.026	0.831	1.392	0.334	0.025	0.610	3.192
2007	0.775	0.037	0.812	1.378	0.305	0.025	0.631	3.151
<b>Englishtown</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.355	0.018	0.373	0.873	0.591	-	0.293	2.130
2014	0.360	0.012	0.372	0.812	0.558	-	0.268	2.010
2013	0.391	0.013	0.404	0.786	0.498	-	0.281	1.969
2012	0.376	0.017	0.393	0.778	0.462	-	0.276	1.909
2011	0.289	0.010	0.299	0.860	0.405	-	0.264	1.828
2010	0.309	0.011	0.320	0.808	0.385	-	0.264	1.777
2009	0.294	0.009	0.303	0.752	0.365	-	0.249	1.669
2008	0.260	0.008	0.268	0.758	0.328	-	0.237	1.591
2007	0.616	0.030	0.646	1.912	0.785	-	0.617	3.960
<b>Farmingdale</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.298	0.010	0.308	1.078	0.217	-	0.281	1.884
2014	0.288	0.010	0.298	1.027	0.212	-	0.290	1.827
2013	0.384	0.013	0.397	1.041	0.212	-	0.293	1.943
2012	0.342	0.008	0.350	0.960	0.211	-	0.290	1.811
2011	0.348	0.012	0.360	0.926	0.208	-	0.275	1.769
2010	0.268	0.009	0.277	0.920	0.203	-	0.278	1.678
2009	0.307	0.009	0.316	0.900	0.183	-	0.275	1.674
2008	0.325	0.010	0.335	0.915	0.173	-	0.269	1.692
2007	0.355	0.017	0.372	0.928	0.140	-	0.276	1.716

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
UNAUDITED  
(RATE PER \$100 OF ASSESSED VALUATION)

	<u>Freehold Regional</u>			<u>Overlapping Rates</u>				<u>Total Direct &amp; Overlapping Tax Rate</u>
	<u>General Obligation Basic Rate</u>	<u>Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
<b>Freehold Borough</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.286	0.009	0.295	1.032	0.913	0.031	0.263	2.534
2014	0.301	0.010	0.311	0.933	0.875	0.031	0.269	2.419
2013	0.310	0.011	0.321	0.862	0.851	0.032	0.277	2.343
2012	0.329	0.012	0.341	0.842	0.814	0.036	0.293	2.326
2011	0.365	0.013	0.378	0.810	0.785	0.037	0.300	2.310
2010	0.366	0.013	0.379	0.796	0.791	-	0.283	2.249
2009	0.371	0.011	0.382	0.780	0.756	-	0.289	2.207
2008	0.363	0.012	0.375	0.756	0.718	-	0.278	2.127
2007	0.351	0.017	0.368	0.736	0.659	-	0.277	2.040
<b>Freehold Township</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.438	0.014	0.452	1.113	0.344	0.030	0.319	2.258
2014	0.464	0.016	0.480	1.151	0.358	0.030	0.330	2.349
2013	0.455	0.016	0.471	1.117	0.348	0.030	0.327	2.293
2012	0.398	0.013	0.411	0.983	0.294	0.030	0.292	2.010
2011	0.385	0.014	0.399	0.966	0.274	0.030	0.291	1.960
2010	0.381	0.013	0.394	0.936	0.250	0.030	0.286	1.896
2009	0.362	0.011	0.373	0.922	0.235	0.030	0.282	1.842
2008	0.685	0.022	0.707	1.792	0.445	0.030	0.523	3.497
2007	0.669	0.032	0.700	1.791	0.409	0.030	0.541	3.471
<b>Howell</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.418	0.014	0.432	1.198	0.398	0.020	0.326	2.374
2014	0.437	0.015	0.452	1.293	0.448	0.020	0.346	2.559
2013	0.467	0.016	0.483	1.277	0.457	0.020	0.348	2.585
2012	0.367	0.111	0.478	1.287	0.453	0.020	0.347	2.585
2011	0.367	0.013	0.380	1.037	0.354	0.020	0.279	2.070
2010	0.372	0.013	0.385	1.029	0.326	0.020	0.277	2.037
2009	0.359	0.011	0.370	1.021	0.282	0.020	0.268	1.961
2008	0.359	0.012	0.371	0.999	0.266	0.020	0.266	1.922
2007	0.337	0.016	0.353	0.977	0.266	0.020	0.267	1.883

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(RATE PER \$100 OF ASSESSED VALUATION)*

	<u>Freehold Regional</u>			<u>Overlapping Rates</u>			<u>Total Direct &amp; Overlapping Tax Rate</u>	
	<u>General Obligation Basic Rate</u>	<u>Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>		<u>Monmouth County</u>
<b>Manalapan</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.407	0.013	0.420	0.932	0.341	0.020	0.312	2.025
2014	0.422	0.014	0.436	0.945	0.352	0.020	0.327	2.080
2013	0.411	0.014	0.425	0.925	0.345	0.020	0.316	2.031
2012	0.410	0.010	0.420	0.912	0.339	0.020	0.315	2.006
2011	0.407	0.014	0.421	0.902	0.332	0.020	0.312	1.987
2010	0.418	0.015	0.432	0.889	0.332	0.020	0.313	1.986
2009	0.353	0.011	0.364	0.758	0.295	0.020	0.264	1.701
2008	0.349	0.011	0.360	0.776	0.284	0.020	0.259	1.699
2007	0.347	0.016	0.363	0.748	0.248	0.020	0.266	1.645
<b>Marlboro</b>								
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	0.431	0.014	0.445	1.014	0.356	0.010	0.317	2.142
2014	0.432	0.015	0.447	1.002	0.377	0.010	0.327	2.163
2013	0.419	0.014	0.433	0.985	0.360	0.010	0.317	2.105
2012	0.399	0.004	0.403	0.956	0.338	0.010	0.311	2.018
2011	0.382	0.013	0.395	0.981	0.310	0.010	0.308	2.004
2010	0.374	0.013	0.388	0.980	0.297	0.010	0.304	1.979
2009	0.802	0.025	0.827	2.070	0.588	0.020	0.639	4.144
2008	0.817	0.026	0.843	2.073	0.567	0.020	0.626	4.129
2007	0.813	0.038	0.851	2.043	0.544	0.020	0.641	4.099

Source: County Board of Taxation

N/A At the time of CAFR completion, this data was not yet available

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND TEN YEARS AGO  
UNAUDITED

		2016		2006	
Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation	Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
<b>Colts Neck</b>					
Trump National Golf Club	\$ 32,006,800	1.07%	Due Process Gold & Horse Stables, LLC	\$ 9,890,800	0.72%
Due Process Golf & Horse Stables, LLC	22,941,700	0.77%	Laird & Co. Inc.	4,788,100	0.35%
G & F Realty of Richmond, LLC	12,339,400	0.41%	Shadow Isle Golf Club, LLC	4,598,600	0.34%
Wellspring Stables Florida, LLC	11,535,900	0.39%	Pegasus Properties LLC	3,798,700	0.28%
Individual Taxpayer 1	9,185,500	0.31%	24 Realty, LLC	3,772,000	0.28%
Individual Taxpayer 2	7,997,500	0.27%	Assisted Living at Colts Neck, Inc.	3,700,000	0.27%
Individual Taxpayer 3	6,465,700	0.22%	Individual Taxpayer 1	3,104,000	0.23%
Pegasus Properties LLC	5,969,600	0.20%	Pebble Creek At Colts Neck	3,095,000	0.23%
Colts Neck Shopping Center Associates	5,967,500	0.20%	36 Highway 34 South Associates, LLC	2,908,400	0.21%
36 Highway 34 South Associates LLC	5,609,700	0.19%	Colts Neck Shopping Center Assoc	2,595,400	0.19%
<b>Total</b>	<b>\$ 120,019,300</b>	<b>4.02%</b>	<b>Total</b>	<b>\$ 42,251,000</b>	<b>3.10%</b>
<b>Englishtown</b>					
Stamford Square LLC	\$ 12,271,500	5.10%	Ruck, Di Rubbio, & MacCauley	\$ 5,000,000	5.25%
Three Corners Ventures LLC	4,762,200	1.98%	BTR Englishtown LLC	2,796,100	2.94%
BAL Governor's Crossing LLC	4,210,000	1.75%	Verizon New Jersey	2,151,774	2.26%
BTR Englishtown LLC	3,100,000	1.29%	Dorothy Leo, Inc.	1,219,200	1.28%
Village Center Associates, LLC	2,965,700	1.23%	Brooklawn Gardens Inc	955,100	1.00%
Wemacs LLC	2,387,000	0.99%	Wemacs LLC	628,000	0.66%
DCD LLC	1,987,000	0.83%	K&K Englishtown, Inc.	550,000	0.58%
Brooklawn Gardens Inc	1,925,100	0.80%	Degiacom Realty LLC	533,000	0.56%
Five South Main Street LLC	1,850,000	0.77%	Moskowitz, K Trust & Berger, V Trust	524,400	0.55%
Sovereign Bank	1,208,100	0.50%	Individual Taxpayer	457,000	0.48%
<b>Total</b>	<b>\$ 36,666,600</b>	<b>15.24%</b>	<b>Total</b>	<b>\$ 14,814,574</b>	<b>15.56%</b>

Source: Municipal Tax Assessors



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND TEN YEARS AGO

UNAUDITED

		2016		2006	
Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation	Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
<b>Farmingdale</b>					
Farmingdale Garden Apartments, LLC	\$ 12,799,200	8.31%	Farmingdale Garden Apartments, LLC	\$ 11,500,000	7.64%
30 Southard Ave, Farmingdale LLC	7,522,700	4.88%	30 Southard Ave, Farmingdale LLC	3,795,400	2.52%
Farmingdale Shopping Center, LLC	3,600,300	2.34%	Individual Taxpayer 1	2,876,600	1.91%
R.T. Equities LLC	2,387,200	1.55%	Farmingdale Shopping Center, LLC	2,442,200	1.62%
Farmingdale BP JFD Associates	1,496,500	0.97%	Verizon Communications	2,288,899	1.52%
Academy Apartments LLC	1,386,200	0.90%	R.T. Equities LLC	2,107,200	1.40%
Farmingdale Train Station, LLC	1,142,600	0.74%	Individual Taxpayer 2	1,070,400	0.71%
Bell Atlantic	1,011,900	0.66%	Bell Atlantic	992,800	0.66%
Roadside Holdings, LLC	829,400	0.54%	Farmingdale BP	904,100	0.60%
Bank of America	717,400	<u>0.47%</u>	Individual Taxpayer 3	896,700	<u>0.60%</u>
Total	<u>\$ 32,893,400</u>	<u>21.35%</u>	Total	<u>\$ 28,874,299</u>	<u>19.18%</u>
<b>Freehold Borough</b>					
Nestle USA	\$ 23,674,400	2.30%	Nestle USA	\$ 33,055,600	3.05%
Freehold Racing Association	21,225,300	2.07%	Freehold Racing Association	29,225,300	2.69%
AEW Brookside, LLC	15,076,000	1.47%	Millennium Assisted	14,269,000	1.31%
East Coach Post & Coach LLC	6,760,000	0.66%	Post & Coach	6,495,700	0.60%
Park Plaza Shopping Center, Inc.	5,412,400	0.53%	Park Plaza Shopping Center	5,560,900	0.51%
Freefern Associates	5,330,000	0.52%	Freefern Associates	5,344,000	0.49%
18-20 E.Main Street LLC	4,295,700	0.42%	Freehold Racing Assoc	4,282,800	0.39%
Spring Terrace Apartments LLC	3,575,000	0.35%	Bell Atlantic - NJ	4,193,700	0.39%
Chiu's Property Inc.	2,631,000	0.26%	Chiu's Property Inc.	3,774,000	0.35%
JCP&L	2,626,200	<u>0.26%</u>	Individual Taxpayer	3,722,800	<u>0.34%</u>
Total	<u>\$ 90,606,000</u>	<u>8.82%</u>	Total	<u>\$ 109,923,800</u>	<u>10.12%</u>

Source: Municipal Tax Assessors

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND TEN YEARS AGO

UNAUDITED

		2016		2006	
Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation	Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
<b>Freehold Twp.</b>					
Freemall Associates, LLC	\$ 343,160,500	5.69%	Freemall Associates	\$ 154,517,600	5.19%
Freehold Financing, LLC	60,585,800	1.01%	Verizon - New Jersey	42,025,816	1.41%
Iron Mountain, Inc.	47,490,700	0.79%	New Jersey Bell Telephone Co.	29,149,600	0.98%
Freemall Associates	33,484,200	0.56%	JDN Real Estate Freehold LP	28,351,100	0.95%
Center for Aging DBA/Applewood	30,000,000	0.50%	Avalonbay Communities Inc.	25,138,900	0.84%
Macy's East, Inc.	26,823,300	0.45%	Macy's East, Inc.	24,897,800	0.84%
Silver Shore Land Co., LLC	25,852,100	0.43%	Center for Aging DBA/Applewood	19,489,500	0.66%
Raintreetowne Center Associates, LP	24,748,700	0.41%	Iron Mountain, Inc.	17,500,000	0.59%
Freehold Shopping Associates	24,515,200	0.41%	Freemall Associates	14,823,300	0.50%
Ronardi Freehold enterprises LLC	24,039,600	0.40%	Raintreetowne Center Associates, LP	14,500,000	0.49%
<b>Total</b>	<b>\$ 640,700,100</b>	<b>10.63%</b>	<b>Total</b>	<b>\$ 370,393,616</b>	<b>12.45%</b>
<b>Howell</b>					
Buffalo-Parkton & Feuerstein & Wainco	\$ 42,633,300	0.67%	Buffalo-Parkton & Feuerstein & Wain Co.	\$ 21,090,700	0.73%
Howell Verdana LLC & Verdonna, LLC	32,259,800	0.51%	Howell Friendship Real Estate Co.	13,694,800	0.47%
Howell Friendship Real Estate Co.	20,259,600	0.32%	Lowe's Home Centers Inc.	13,268,800	0.46%
Home Depot USA Inc.	15,687,400	0.25%	Hurley Felds1, LLC	12,638,600	0.44%
DS & DJ Realty, LLC	15,128,800	0.24%	Target Corp.	9,900,800	0.34%
Lowe's Home Centers, Inc.	14,861,300	0.23%	Home Depot USA Inc.	8,873,200	0.31%
Wal Mart Stores, Inc.	13,945,700	0.22%	Wal Mart Stores, Inc.	7,509,100	0.26%
Target Corporation	13,840,700	0.22%	Fairfield Park LLC	6,828,000	0.24%
Brochin, Leona & Mur - Levin Man. Corp	13,572,500	0.21%	Lanes Mill Assoc., LLC	6,369,100	0.22%
Eagle Golf Enterprises, LLC	12,655,500	0.20%	Individual Taxpayer	6,337,200	0.22%
<b>Total</b>	<b>\$ 194,844,600</b>	<b>3.06%</b>	<b>Total</b>	<b>\$ 106,510,300</b>	<b>3.69%</b>

Source: Municipal Tax Assessors

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND TEN YEARS AGO  
UNAUDITED

		2016		2006	
Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation	Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
<b>Manalapan</b>					
Manalapan Realty	\$ 43,909,100	0.70%	Manalapan Realty	\$ 26,921,600	1.10%
Manalapan VF	29,989,700	0.48%	Manalapan VF	11,793,000	0.48%
Towne Pointe Associates	12,127,000	0.19%	Towne Pointe Associates	8,082,300	0.33%
Trans Equity Realty, LLC	10,082,400	0.16%	198 & 200 Manalapan, LLC	6,994,000	0.29%
Taylor 9 South Associates LLC	8,102,300	0.13%	Battleground Dev d/b/a Fairways	4,767,100	0.19%
Lenine, LLC	7,257,300	0.12%	Westmon Corporation	4,450,000	0.18%
Pension Road Realty Associates	6,632,000	0.11%	Trans Equity Realty, LLC	4,107,800	0.17%
Monmouth Investors LLC	6,174,000	0.10%	Knob Hill Golf Course, Inc.	4,100,000	0.17%
Benbrooke Galleria	6,020,300	0.10%	Lenine, LLC	3,850,000	0.16%
HCRI NY-NJ Properties LLC	4,309,400	0.07%	Reiss Manufacturing, Inc.	3,779,800	0.15%
<b>Total</b>	<b>\$ 134,603,500</b>	<b>2.14%</b>	<b>Total</b>	<b>\$ 78,845,600</b>	<b>3.22%</b>
<b>Marlboro</b>					
Marlboro Plaza	\$ 45,843,100	0.64%	Marlboro Plaza	\$ 20,897,800	0.69%
Union Hill Nine Associates LLC	30,549,100	0.43%	Union Hill Nine	18,268,200	0.61%
TMC Marlboro LLC	22,500,000	0.31%	TMC Marlboro	13,624,200	0.45%
American Plaza, LLC	20,927,500	0.29%	Kara Homes	10,727,800	0.36%
CRP Royal Pines LLC	15,041,100	0.21%	Marlboro Loews Retail	6,858,800	0.23%
Marlboro Commons LLC	12,713,100	0.18%	Brookes Edge	6,384,400	0.21%
Marlboro Lowe's	12,501,900	0.17%	Lucas Bros.	5,937,900	0.20%
Brookes Edge Plaza LLC	11,697,300	0.16%	Sunrise Assisted Living	5,464,700	0.18%
Triangle Business Park, LLC	11,043,800	0.15%	Verizon	4,500,660	0.15%
Samuel Associates	8,801,000	0.12%	Exclusive Plaza	4,155,800	0.14%
<b>Total</b>	<b>\$ 191,617,900</b>	<b>2.67%</b>	<b>Total</b>	<b>\$ 96,820,260</b>	<b>3.22%</b>

Source: Municipal Tax Assessors

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTION

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	<u>Collected within the Fiscal Year of the Levy</u>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 129,734,619	\$ 129,734,619	100.00%	-
2015	125,566,418	125,566,418	100.00%	-
2014	123,178,158	123,178,158	100.00%	-
2013	120,833,006	120,833,006	100.00%	-
2012	119,671,515	119,671,515	100.00%	-
2011	119,663,191	119,663,191	100.00%	-
2010	116,245,957	109,834,446	94.48%	6,411,511
2009	114,357,196	110,406,396	96.55%	3,950,800
2008	111,643,030	111,643,030	100.00%	-
2007	106,064,212	106,064,212	100.00%	-

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30,	<u>Governmental Activities</u>				Bond Anticipation Notes (BANs)	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases					
2016	\$ 19,300,000	-	-	-	19,300,000	N/A	\$ 99	
2015	23,540,000	-	-	-	23,540,000	0.18%	121	
2014	27,570,000	-	-	-	27,570,000	0.23%	143	
2013	31,400,000	-	-	-	31,400,000	0.27%	164	
2012	35,035,000	-	-	-	35,035,000	0.31%	183	
2011	38,490,000	-	-	-	38,490,000	0.50%	201	
2010	41,770,000	-	-	-	41,770,000	0.40%	219	
2009	44,870,000	-	-	-	44,870,000	0.41%	235	
2008	47,830,000	-	-	-	47,830,000	0.45%	251	
2007	52,815,000	-	-	-	52,815,000	0.53%	278	

N/A At the time of CAFR completion, this data was not yet available

Source: District CAFR Schedules I-1, I-2

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

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	<u>General Obligation Bonds</u>	<u>School District Population</u>	<u>Net Assessed Value Taxable</u>	Percentage of Actual Taxable Value of Property	<u>Per Capita</u>
2016	\$ 19,300,000	194,010	\$ 30,272,553,831	0.06%	\$ 99
2015	23,540,000	193,994	29,832,515,460	0.08%	121
2014	27,570,000	193,378	28,113,985,730	0.10%	143
2013	31,400,000	192,039	28,077,229,720	0.11%	164
2012	35,035,000	191,883	28,803,438,566	0.12%	183
2011	38,490,000	191,883	30,200,912,655	0.13%	201
2010	41,770,000	191,860	30,322,815,072	0.14%	218
2009	44,870,000	191,061	25,683,175,265	0.17%	235
2008	47,830,000	190,338	22,383,317,086	0.21%	252
2007	52,815,000	190,196	21,937,964,106	0.24%	278

**Note:** Details regarding the District's outstanding debt can be found in the Notes to the Basic Financial Statements.

- a** See J-6 for property tax data.
- b** Population data can be found in J-14.

## FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBTAS OF JUNE 30, 2016  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Colts Neck Township	\$ 9,310,135	100.000%	\$ 9,310,135
Englishtown Borough	2,043,234	100.000%	2,043,234
Borough of Farmingdale	610,250	100.000%	610,250
Borough of Freehold	14,051,386	100.000%	14,051,386
Freehold Township	52,868,792	100.000%	52,868,792
Howell Township	65,174,436	100.000%	65,174,436
Manalapan Township	16,906,142	100.000%	16,906,142
Marlboro Township	54,569,749	100.000%	54,569,749
<b>Other debt</b>			
Monmouth County	437,190,697	<u>Net Valuation</u>	
Colts Neck Township		2,991,240,171	2.659%
Englishtown Borough		240,537,900	0.214%
Borough of Farmingdale		154,074,000	0.137%
Borough of Freehold		1,027,825,600	0.914%
Freehold Township		6,027,600,600	5.359%
Howell Township		6,365,439,700	5.659%
Manalapan Township		6,301,366,160	5.602%
Marlboro Township		7,164,469,700	6.370%
Subtotal, overlapping debt			333,199,996
<b>Freehold Regional High School District Direct Debt</b>		<u>County total</u>	<u>19,300,000</u>
		112,478,483,831	
<b>Total Direct and Overlapping Debt</b>			<u>\$ 352,499,996</u>

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

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year Ended June 30,					Fiscal Year Ended June 30,					
	2016	2015	2014	2013		2012	2011	2010	2009	2008	2007
Debt Limit	\$ 890,826,085	\$ 893,432,552	\$ 897,823,311	\$ 919,819,452	\$ 948,286,347	\$ 971,666,105	\$ 978,159,048	\$ 955,264,285	\$ 895,449,731	\$ 780,200,630	
Total Net Debt Applicable to Limit	19,300,000	23,540,000	27,570,000	31,400,000	35,035,000	38,490,000	41,770,000	44,870,000	47,830,000	52,815,000	
Legal Debt Margin	\$ 871,526,085	\$ 869,892,552	\$ 870,253,311	\$ 884,784,452	\$ 913,221,347	\$ 933,176,105	\$ 936,389,048	\$ 910,394,285	\$ 847,619,731	\$ 727,385,630	
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.21%	2.71%	3.17%	3.55%	3.84%	4.12%	4.46%	4.93%	5.64%	7.26%	

Year	Equalized Valuation Basis
2013	29,448,953,153
2014	30,259,932,856
2015	31,303,722,527
[A]	\$ 91,012,608,536

Average Equalized Valuation of Taxable Property [A/3] \$ 30,337,536,179

Debt limit (3% of average)	[B] \$ 910,126,085	(a)
Net bonded school debt as of June 30, 2015	[C] 19,300,000	
Legal debt margin	[B-C] \$ 890,826,085	

Source: Abstract of Rates and District Records.

(a) Limit set by NJSA 18A:24-19 for a 9-12 district.



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30,	Community	School District Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2015	Colts Neck	10,039	N/A	N/A	4.2%
	Englishtown	1,955	N/A	N/A	5.4%
	Farmingdale	1,306	N/A	N/A	6.5%
	Freehold Borough	11,959	N/A	N/A	4.4%
	Freehold Twp.	35,807	N/A	N/A	4.4%
	Howell	52,104	N/A	N/A	5.1%
	Manalapan	40,169	N/A	N/A	4.4%
	Marlboro	40,671	N/A	N/A	4.0%
2014	Colts Neck	10,065	\$ 664,481,235	\$ 66,019	4.7%
	Englishtown	1,962	129,529,278	66,019	6.7%
	Farmingdale	1,298	85,692,662	66,019	8.4%
	Freehold Borough	11,973	790,445,487	66,019	5.2%
	Freehold Twp.	35,812	2,364,272,428	66,019	5.1%
	Howell	51,897	3,426,188,043	66,019	6.2%
	Manalapan	39,987	2,639,901,753	66,019	5.5%
	Marlboro	41,000	2,706,779,000	66,019	4.9%
2013	Colts Neck	10,099	\$ 635,237,199	\$ 62,901	3.1%
	Englishtown	1,948	122,531,148	62,901	6.4%
	Farmingdale	1,311	82,463,211	62,901	6.1%
	Freehold Borough	12,047	757,768,347	62,901	7.0%
	Freehold Twp.	36,064	2,268,461,664	62,901	6.4%
	Howell	51,732	3,253,994,532	62,901	7.6%
	Manalapan	39,851	2,506,667,751	62,901	7.0%
	Marlboro	40,326	2,536,545,726	62,901	5.9%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Community	School District Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2012	Colts Neck	10,094	\$ 620,034,044	\$ 61,426	7.6%
	Englishtown	1,909	117,262,234	61,426	7.1%
	Farmingdale	1,314	80,713,764	61,426	5.0%
	Freehold Borough	12,097	743,070,322	61,426	12.6%
	Freehold Twp.	36,086	2,216,618,636	61,426	7.4%
	Howell	51,109	3,139,421,434	61,426	8.9%
	Manalapan	39,229	2,409,680,554	61,426	8.3%
	Marlboro	40,201	2,469,386,626	61,426	6.8%
2011	Colts Neck	10,151	\$ 592,361,605	\$ 58,355	7.3%
	Englishtown	1,848	107,840,040	58,355	6.8%
	Farmingdale	1,330	77,612,150	58,355	4.8%
	Freehold Borough	12,063	703,936,365	58,355	12.1%
	Freehold Twp.	36,219	2,113,559,745	58,355	7.1%
	Howell	51,127	2,983,516,085	58,355	8.8%
	Manalapan	38,913	2,270,768,115	58,355	7.9%
	Marlboro	40,232	2,347,738,360	58,355	6.2%
2010	Colts Neck	10,152	\$ 669,209,688	\$ 65,919	7.3%
	Englishtown	1,848	56,018,424	30,313	6.8%
	Farmingdale	1,330	41,795,250	31,425	4.7%
	Freehold Borough	12,063	281,441,853	23,331	12.0%
	Freehold Twp.	36,214	1,466,811,856	40,504	7.7%
	Howell	51,119	1,811,606,241	35,439	8.9%
	Manalapan	38,908	1,597,134,492	41,049	7.8%
	Marlboro	40,226	2,030,608,480	50,480	6.6%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICTDEMOGRAPHIC AND ECONOMIC STATISTICSLAST TEN FISCAL YEARSUNAUDITED

Fiscal Year Ended June 30,	Community	School District Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2009	Colts Neck	10,065	\$ 551,270,115	\$ 54,771	7.2%
	Englishtown	1,916	104,941,236	54,771	6.7%
	Farmingdale	1,572	86,100,012	54,771	4.7%
	Freehold Borough	11,432	626,142,072	54,771	11.9%
	Freehold Twp.	34,589	1,894,474,119	54,771	7.5%
	Howell	51,551	2,823,499,821	54,771	8.8%
	Manalapan	39,390	2,157,429,690	54,771	7.8%
	Marlboro	40,546	2,220,744,966	54,771	6.6%
2008	Colts Neck	10,055	\$ 576,684,415	\$ 57,353	4.3%
	Englishtown	1,915	109,830,995	57,353	4.0%
	Farmingdale	1,569	89,986,857	57,353	2.8%
	Freehold Borough	11,413	654,569,789	57,353	7.3%
	Freehold Twp.	34,674	1,988,657,922	57,353	4.2%
	Howell	51,297	2,942,036,841	57,353	4.7%
	Manalapan	38,912	2,231,719,936	57,353	4.2%
	Marlboro	40,503	2,322,968,559	57,353	3.6%
2007	Colts Neck	10,076	\$ 562,502,776	\$ 55,826	3.4%
	Englishtown	1,892	105,622,792	55,826	3.1%
	Farmingdale	1,574	87,870,124	55,826	2.2%
	Freehold Borough	11,444	638,872,744	55,826	5.7%
	Freehold Twp.	34,828	1,944,307,928	55,826	3.2%
	Howell	51,274	2,862,422,324	55,826	3.5%
	Manalapan	38,535	2,151,254,910	55,826	3.2%
	Marlboro	40,573	2,265,028,298	55,826	2.7%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30,	Community	School District Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2006	Colts Neck	10,150	\$ 532,864,850	\$ 52,499	3.7%
	Englishtown	1,863	97,805,637	52,499	3.4%
	Farmingdale	1,581	83,000,919	52,499	2.4%
	Freehold Borough	11,515	604,525,985	52,499	6.3%
	Freehold Twp.	34,282	1,799,770,718	52,499	3.5%
	Howell	51,135	2,684,536,365	52,499	3.8%
	Manalapan	37,617	1,974,854,883	52,499	3.5%
	Marlboro	40,279	2,114,607,221	52,499	3.0%

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

N/A - At the time of CAFR completion, this data is not yet available

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND LAST YEAR  
UNAUDITED

	<u>2016</u>		<u>2015</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Meridian Health System Inc., Wall	10,684	3.22%	10,197	3.10%
Saker Shoprites Inc., Freehold	3,346	1.01%	3,186	0.97%
CentraState Healthcare Inc., Freehold	2,672	0.81%	2,669	0.81%
Monmouth Medical Center, Long Branch	2,100	0.63%	2,400	0.73%
Monmouth University, W. Long Branch	1,400	0.42%	1,375	0.42%
NJ Resources, Wall	1,020	0.31%	963	0.29%
Commvault, Tinton Falls	864	0.26%	1,973	0.60%
Renaissance Gardens - Seabrook Village	850	0.26%	-	-
Visiting Nurse Assoc of Central Jersey, Red Bank	782	0.24%	713	0.22%
Food Circus Supermarkets Inc., Middletown	750	0.23%	750	0.23%
Vonage Holdings Corp., Holmdel	-	-	1,258	0.38%
	<u>24,468</u>	<u>7.38%</u>	<u>25,484</u>	<u>7.75%</u>

Most recent available data presented.

Source: Major employers provided by the Monmouth County Division of Economic Development. Total workforce provided by the New Jersey Department of Labor and Workforce Development

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Instruction										
Regular	616.0	619.9	620.8	619.6	627.2	627.2	753.5	794.2	756.1	783.0
Special education	180.0	177.9	168.0	168.0	154.0	139.0	43.0	44.8	35.3	37.0
Other instruction	4.0	2.0	2.0	2.0	3.0	3.0	19.0	15.6	12.2	12.0
Support Services:										
Student & Instruction Rel. Svcs	207.0	208.5	223.0	223.0	205.8	202.8	177.7	185.1	187.5	176.0
School Administrative Services	44.0	44.0	44.0	44.0	61.0	61.0	59.0	65.5	61.4	65.0
General and Central Services	36.0	36.0	36.0	36.0	31.5	31.5	31.3	36.3	35.5	38.0
Plant Operations & Maintenance	118.0	119.0	118.0	117.0	128.5	128.5	137.0	158.0	149.0	150.0
Pupil Transportation	143.0	146.0	145.0	145.0	148.0	148.0	148.0	158.0	159.0	136.0
<b>Total</b>	<b>1,348.0</b>	<b>1,353.3</b>	<b>1,356.8</b>	<b>1,354.6</b>	<b>1,359.0</b>	<b>1,341.0</b>	<b>1,368.5</b>	<b>1,457.5</b>	<b>1,396.0</b>	<b>1,397.0</b>

**Source:** District Records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Teaching Staff b	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	10,966.0	\$200,651,681	18,298	11.84%	770	1:14.2	10,908.0	10,268.4	(3.07)	94.1%
2015	11,302.5	194,111,975	17,174	4.97%	771	1:14.8	11,066.5	10,412.0	(1.66)	94.1%
2014	11,352.0	185,727,106	16,361	2.87%	776	1:15.2	11,253.9	10,558.1	0.06	93.8%
2013	11,445.0	182,030,689	15,905	4.59%	768	1:15.8	11,247.1	10,573.5	1.64	94.0%
2012	11,573.0	175,985,090	15,207	4.12%	749	1:14.8	11,065.3	10,457.2	(4.56)	94.5%
2011	11,737.0	176,004,757	14,996	-0.12%	737	1:15.9	11,594.5	10,912.9	0.18	94.1%
2010	11,726.0	176,055,601	15,014	2.76%	796	1:14.7	11,573.8	10,919.7	0.19	94.3%
2009	11,556.5	168,847,855	14,611	3.47%	818	1:14.1	11,552.1	10,908.2	(1.13)	94.4%
2008	11,703.0	165,254,535	14,121	5.03%	813	1:14.4	11,684.2	11,036.7	2.21	94.5%
2007	11,669.0	156,890,204	13,445	7.90%	799	1:14.7	11,549.9	10,889.6	1.03	94.3%

**Source:** District records

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

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

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

c Average daily enrollment & average daily attendance are obtained from the School Registers.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>District Building</b>										
<b>High Schools</b>										
Colts Neck High School (1998)										
Square Feet	219,490	219,490	219,490	219,490	219,490	219,490	219,490	219,490	219,490	219,490
Capacity (students)	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748
Enrollment	1,457	1,450	1,493	1,513	1,478	1,523	1,481	1,550	1,721	1,780
Freehold Borough High School (1954)										
Square Feet	187,256	187,256	187,256	187,256	187,256	187,256	187,256	187,256	187,256	187,256
Capacity (students)	1,564	1,564	1,564	1,564	1,564	1,564	1,564	1,564	1,564	1,564
Enrollment	1,451	1,478	1,551	1,580	1,566	1,534	1,433	1,395	1,416	1,402
Freehold Township High School (1968)										
Square Feet	256,293	256,293	256,293	256,293	256,293	256,293	256,293	256,293	256,293	256,293
Capacity (students)	2,224	2,224	2,224	2,224	2,224	2,224	2,224	2,224	2,224	2,224
Enrollment	2,062	2,102	2,091	2,127	2,162	2,193	2,208	2,191	2,240	2,190
Howell High School (1962)										
Square Feet	249,497	249,497	249,497	249,497	249,497	249,497	249,497	249,497	249,497	249,497
Capacity (students)	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274
Enrollment	2,154	2,217	2,252	2,299	2,456	2,488	2,475	2,351	2,317	2,115
Manalapan High School (1968)										
Square Feet	256,293	256,293	256,293	256,293	256,293	256,293	256,293	256,293	256,293	256,293
Capacity (students)	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341
Enrollment	1,908	1,934	1,917	1,948	1,991	2,038	2,065	2,018	2,029	1,952
Marlboro High School (1966)										
Square Feet	264,142	264,142	264,142	264,142	264,142	264,142	264,142	264,142	264,142	264,142
Capacity (students)	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450
Enrollment	1,937	1,956	1,950	1,971	1,920	1,961	2,015	2,052	2,155	2,160
<b>Other</b>										
Administration Building (1982)										
Square Feet	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Transportation										
Square Feet	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600
Maintenance Offices										
Square Feet	400	400	400	400	400	400	400	400	400	400
Number of Schools at June 30, 2016										
High School = 6										
Other = 3										

Source: District records, ASSA

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF ALLOWABLE MAINTENANCE FOR SCHOOL FACILITIES  
LAST NINE FISCAL YEARS ENDING JUNE 30  
UNAUDITED

School Facilities	Project (#s)	2016	2015	2014	2013	2012	2011	2010	2009	2008	Total
Colts Neck High School	NA	\$ 584,921	\$ 553,134	\$ 513,687	\$ 491,650	\$ 394,641	\$ 494,294	\$ 455,955	\$ 510,603	\$ 370,897	\$ 4,369,782
Freehold Borough High School	NA	311,401	313,838	316,229	388,514	342,022	345,303	395,160	442,524	327,869	3,182,860
Freehold Township High School	NA	374,632	390,224	446,244	413,928	473,569	392,440	547,144	612,725	454,676	4,105,582
Howell High School	NA	325,001	375,371	380,272	356,269	473,569	344,248	547,144	612,725	454,676	3,869,275
Manalapan-Englishtown High School	NA	326,996	345,078	401,235	453,715	473,569	333,065	547,144	612,725	454,426	3,947,953
Marlboro High School	NA	335,728	335,985	357,148	508,045	473,569	356,815	547,144	612,725	454,676	3,981,835
Total School Facilities		<u>2,258,679</u>	<u>2,313,630</u>	<u>2,414,815</u>	<u>2,612,121</u>	<u>2,630,939</u>	<u>2,266,165</u>	<u>3,039,691</u>	<u>3,404,027</u>	<u>2,517,220</u>	<u>23,457,287</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 2,258,679</u>	<u>\$ 2,313,630</u>	<u>\$ 2,414,815</u>	<u>\$ 2,612,121</u>	<u>\$ 2,630,939</u>	<u>\$ 2,266,165</u>	<u>\$ 3,039,691</u>	<u>\$ 3,404,027</u>	<u>\$ 2,517,220</u>	<u>\$ 23,457,287</u>

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

Source: District records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

INSURANCE SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2016

UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Wells Fargo Insurance Services		
Property	\$ 356,841,272	\$ 5,000
Boiler/Machinery	75,000,000	1,000
Liability		
General	1,000,000	-
Excess Liability	10,000,000	1,000,000
Automobile	1,000,000	1,000
Employee Dishonesty	500,000	5,000
Board Legal	1,000,000	5,000
New Jersey School Boards Insurance Group		
Workers Compensation	Statutory	N/A
Crime:		
Board Secretary	500,000	1,000
P.E.P.L.E., Inc.		
Environmental Impairment Liability	1,000,000	15,000 or 50,000 depending on condition

Source: District Records

**SINGLE AUDIT SECTION**



**SUPLEE, CLOONEY & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable President and Members  
of the Board of Education  
Freehold Regional High School District  
County of Monmouth  
Englishtown, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Freehold Regional High School District (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 2, 2016.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Freehold 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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

# SUPLEE, CLOONEY & COMPANY

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 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*.

## ***Purpose of This Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 948

December 2, 2016



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Freehold Regional High School District  
County of Monmouth  
Englishtown, New Jersey

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

We have audited the Freehold Regional High School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Jackson School District's major federal and state programs for the year ended June 30, 2016. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

***Auditor's Responsibility***

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

## SUPLEE, CLOONEY & COMPANY

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

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

In our opinion, the Freehold 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 federal and state programs for the year ended June 30, 2016.

### ***Report on Internal Control Over Compliance***

Management of the Freehold 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 Jackson School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *the Uniform Guidance* and New Jersey OMB 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 Freehold 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 federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 948

December 2, 2016

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD FROM TO	AWARD AMOUNT	BALANCE AT JUNE 30, 2015	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF P.Y.'S BALANCE	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2016 UN-EARNED REVENUE	DUE GRANTOR
<b>General Fund:</b>												
U.S. Department of Education Passed-through State Department of Education: Medical Assistance Program (SEM)	93.778	1605NJ5MAP	N/A	7/1/15 6/30/2016	149,586	\$	149,586	\$(155,496)	\$	\$(5,910)	\$	\$
Total General Fund							149,586	\$(155,496)	\$	\$(5,910)	\$	\$
<b>Special Revenue Fund:</b>												
U.S. Department of Education Passed-through State Department of Education: Special Education Cluster	84.027	S027A151100	IDEA165016	7/1/14 6/30/16	2,132,737	(464,487)	464,487	(2,195,540)		(411,669)		
I.D.E.A. Part B Basic	84.027	S027A151100	IDEA165016	7/1/15 6/30/16	2,138,985	(464,487)	1,793,871	(2,195,540)		(411,669)		
Total Special Education Cluster							2,248,358	(4,385,540)		(823,338)		
Title I, Part A Basic	84.010	S010A150030	NCLB165015	7/1/14 6/30/16	409,519	(62,602)	62,602	(627,350)		(116,872)		
Title II, Part A Basic	84.010	S010A160030	NCLB165016	7/1/15 6/30/16	695,598	(45,675)	510,478	(627,350)		(116,872)		
Title II, Part A Teacher & Principal Training	84.281	S387A150029	NCLB165015	7/1/14 6/30/16	169,217	(45,675)	45,675	(138,752)		(13,711)		
Title II, Part A Teacher & Principal Training	84.281	S387A160029	NCLB165016	7/1/15 6/30/16	166,036	(1,155)	125,041	(138,752)		(13,711)		
Title III	84.365	S365A150030	NCLB165015	7/1/14 6/30/16	15,983	(1,155)	1,155	(8,098)		(2,550)		
Title III	84.365	S365A160030	NCLB165016	7/1/15 6/30/16	12,005	(496)	5,546	(8,098)		(2,550)		
Title III, Immigrant	84.365	S365A150030	NCLB165015	7/1/14 6/30/16	14,243	(496)	406	(2,790)				
Title III, Immigrant	84.365	S365A160030	NCLB165016	7/1/15 6/30/16	2,790	(5,960)	2,790	(2,790)				
Vocational Education - Perkins	84.046	V048A150030	N/A	7/1/14 6/30/16	20,944		5,960	(20,277)				
Vocational Education - Perkins	84.046	V048A160030	N/A	7/1/15 6/30/16	20,280		20,277	(24,381)				
JROTC	84.000	N/A	N/A	7/1/15 6/30/16	24,381	(580,375)	3,052,759	(3,017,186)		(644,802)		
Total U.S. Department of Education							3,052,759	(3,017,186)		(644,802)		
Total Special Revenue Fund							3,052,759	(3,017,186)		(644,802)		
<b>Enterprise Fund:</b>												
U.S. Department of Agriculture Passed-through State Department of Education: Child Nutrition Cluster	10.553	16161NJ304N1099	N/A	7/1/14 6/30/16	42,383	(9,719)	9,719	(43,518)		(8,987)		
School Breakfast Program	10.553	16161NJ304N1099	N/A	7/1/15 6/30/16	43,518	(88,145)	34,531	(43,518)		(8,987)		
National School Lunch Program	10.555	16161NJ304N1099	N/A	7/1/14 6/30/16	441,150	(97,864)	88,145	(441,918)		(61,457)		
National School Lunch Program	10.555	16161NJ304N1099	N/A	7/1/15 6/30/16	441,918	(4,662)	360,461	(485,438)		(61,457)		
Total Child Nutrition Cluster							492,856	(985,856)		(122,894)		
Healthy Hunger Free Kids Act	10.551	16161NJ304N1099	N/A	7/1/14 6/30/16	24,168	(4,662)	4,662	(24,046)		(4,296)		
Healthy Hunger Free Kids Act	10.551	16161NJ304N1099	N/A	7/1/15 6/30/16	24,046	120	19,750	(24,046)		(4,296)		
Commodity Supplemental Food Program	10.565	16161NJ304N1099	N/A	7/1/14 6/30/16	78,821			(120)				
Commodity Supplemental Food Program	10.565	16161NJ304N1099	N/A	7/1/15 6/30/16	108,115	(102,406)	108,115	(108,115)		(94,740)		
Total Enterprise Fund							625,383	(617,717)		(94,740)		
Total Federal Financial Assistance							3,827,728	(3,790,398)		(645,452)		

See accompanying notes to schedules of financial assistance.



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

STATE GRANTOR/PROGRAM/TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE JUNE 30, 2015		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	DUE GRANTOR	MEMO	
				DUE STATE/ JACCS/REQ	\$							BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education													
State Aid Public Cluster													
Categorical Special Education Aid	15-495-034-5120-011	7/1/14-6/30/15	7,030,185	\$	696,343	\$	(896,343)	\$	\$	\$	\$	\$	7,030,185
Equalization Aid	7/1/14-6/30/15		40,713,982		4,032,736		(4,032,736)						40,713,982
Categorical Security Aid	15-495-034-5120-084	7/1/14-6/30/15	735,594		72,881		(72,881)						735,594
Adjustment Aid	15-495-034-5120-085	7/1/14-6/30/15	1,636,230		162,069		(162,069)						1,636,230
PARCC Readiness Aid	15-495-034-5120-088	7/1/14-6/30/15	113,720		11,264		(11,264)						113,720
Per Pupil Growth Aid	15-495-034-5120-087	7/1/14-6/30/15	113,720		11,264		(11,264)						113,720
Categorical Special Education Aid	15-495-034-5120-011	7/1/15-6/30/16	7,030,185		6,333,553		(7,030,185)						7,030,185
Equalization Aid	7/1/15-6/30/16		40,713,982		36,079,573		(40,713,982)						40,713,982
Categorical Security Aid	15-495-034-5120-084	7/1/15-6/30/16	735,594		682,703		(735,594)						735,594
Adjustment Aid	15-495-034-5120-085	7/1/15-6/30/16	1,636,230		1,474,084		(1,636,230)						1,636,230
PARCC Readiness Aid	15-495-034-5120-088	7/1/15-6/30/16	113,720		11,269		(11,269)						113,720
Per Pupil Growth Aid	15-495-034-5120-087	7/1/15-6/30/16	113,720		10,461		(11,269)						113,720
Total State Aid Public Cluster			100,886,862		48,662,366		(50,343,431)						100,886,862
Categorical Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	1,110,522		109,998		(109,998)						1,110,522
Extraordinary Special Education Costs Aid	16-100-034-5120-014	7/1/15-6/30/16	1,110,522		1,000,479		(1,110,522)						1,110,522
Extraordinary Special Education Costs Aid	16-100-034-5120-473	7/1/15-6/30/16	2,535,765		2,535,765		(2,535,765)						2,535,765
Non-Public Transportation Costs Aid	15-100-034-5120-473	7/1/14-6/30/15	2,824,616		2,824,616		(2,824,616)						2,824,616
Non-Public Transportation Costs Aid	16-100-034-5120-088	7/1/14-6/30/16	81,217				(81,217)						81,217
On-Behalf TPAF non-contributory/insurance	15-100-034-5120-088	7/1/14-6/30/15	70,307				(70,307)						70,307
On-Behalf TPAF Pension	16-495-034-5094-004	7/1/15-6/30/16	5,888,709		279,419		(279,419)						5,888,709
On-Behalf TPAF post retirement medical	16-495-034-5094-001	7/1/15-6/30/16	7,011,825		5,609,200		(5,609,200)						7,011,825
Reimbursement Social Security	16-495-034-5094-051	7/1/15-6/30/16	5,530,488		7,011,825		(7,011,825)						5,530,488
Reimbursement Social Security	15-495-034-5095-051	7/1/14-6/30/15	5,530,488		5,233,410		(5,303,488)						5,530,488
Total General Funds			5,530,488		71,674,516		(72,474,967)		2,114				132,360,825
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Textbook Aid	16-100-034-5120-064	7/1/15-6/30/16	12,162		12,162		(8,516)			3,646			8,516
Textbook Aid	15-100-034-5120-064	7/1/14-6/30/15	10,963		2,556		(2,556)						8,407
Nursing Services	15-100-034-5120-070	7/1/15-6/30/16	20,340		20,340		(12,035)			8,305			12,035
Nursing Services	15-100-034-5120-070	7/1/14-6/30/15	18,590		3,897		(3,897)						14,693
Technology Aid	16-100-034-5120-373	7/1/15-6/30/16	5,538		5,538		(4,514)			1,024			4,514
Technology Aid	15-100-034-5120-373	7/1/14-6/30/15	5,888		100		(100)						5,788
Security Aid	15-100-034-5120-589	7/1/15-6/30/16	5,075		5,075		(4,079)			996			4,079
Manicapped Services	16-100-034-5120-086	7/1/15-6/30/16	743		743					743			743
Supplemental Instruction	15-100-034-5120-066	7/1/14-6/30/15	3,139				(3,139)						3,139
Exam and Classification	16-100-034-5120-066	7/1/15-6/30/16	1,534		1,534					1,534			1,534
Exam and Classification	15-100-034-5120-066	7/1/14-6/30/15	4,863		3,603		(3,603)						1,260
NJ CASE - NJ Department of Agriculture	4/1/2015-6/30/15		1,462		1,462		(1,462)						7,488
ELL Scrolling Writer			4,299										4,299
Total Special Revenue Fund			42,999		71,674,516		(72,474,967)		2,114				132,360,825
Debt Service Fund:													
Debt Service Aid Type II	16-100-034-5120-125	7/1/15-6/30/16	1,317,356		1,317,356		(1,317,356)						1,317,356
Total Debt Service Fund			1,317,356		1,317,356		(1,317,356)						1,317,356
Enterprise Fund:													
National School Lunch Program (State Share)	16-100-034-5120-122	7/1/15-6/30/16	18,517		15,190		(18,389)		(3,199)				18,517
National School Lunch Program (State Share)	15-100-034-5120-122	7/1/14-6/30/15	18,517		3,486		(18,389)						18,517
Total Enterprise Fund			37,034		18,676		(36,778)		(3,199)				37,034
New Jersey Economic Development Authority													
Capital Projects Fund:													
Freehold Boro High School - Roof	1650-080-14-G2AF	Ongoing	620,528										620,528
Marlboro High School - Roof	1650-080-14-G2AJ	Ongoing	336,764										336,764
Freehold Boro High School - Boiler/HVAC	1650-080-14-G2AE	Ongoing	1,014,438										1,014,438
Colts Neck High School - Roof	1650-010-14-G2WA	Ongoing	345,327										345,327
Freehold Township High School - Roof	1650-055-14-G2AG	Ongoing	513,981										513,981
Powell High School - Roof	1650-060-14-G2AH	Ongoing	891,085										891,085
Manalapan High School - Roof	1650-060-14-G2AI	Ongoing	403,843										403,843
Total Capital Projects Fund			4,631,419				(1,607,128)						2,993,618
Total State Financial Assistance			158,517,343		72,455,740		(76,448,446)		(11,126)		16,248		136,761,404
Less: On-Behalf amounts not utilized for determination of Major Programs:													
On-Behalf TPAF non-contributory/insurance						279,419							
On-Behalf TPAF Pension						(5,609,200)							
On-Behalf TPAF post retirement medical						(7,011,825)							
Total State Financial Assistance Subject to Single Audit						59,555,206							62,547,912

See accompanying notes to schedules of financial assistance.

**Freehold Regional High School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2016**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Freehold Regional High School District ("the District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

**Freehold Regional High School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2016**

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,114 for the general fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$155,496	\$72,472,853	\$72,628,349
Special Revenue Fund	3,017,186	30,606	3,047,792
Capital Projects Fund		1,607,128	1,607,128
Debt Service Fund		1,317,356	
Food Service Fund	617,717	18,389	636,106
	<u>3,790,399</u>	<u>75,446,332</u>	<u>77,919,375</u>
GAAP Adjustment		<u>2,114</u>	
Total Awards & Financial Assistance	<u>\$3,790,399</u>	<u>\$75,448,446</u>	<u>\$77,919,375</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: OTHER**

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2016. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2016.

**Freehold Regional High School District**  
**Monmouth County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2016**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |     |  |            |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued:   | Unmodified |
| (2) | Internal Control Over Financial Reporting:   |            |
|     | (a) Material weakness(es) identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No         |
| (3) | Noncompliance material to the basic financial statements noted during the audit?           | No         |

**Federal Program(s)**

- |     |  |            |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs:  |            |
|     | (a) Material weaknesses identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses?   | No         |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)?  | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular OMB Uniform Guidance? | No         |

(4) Identification of Major Federal Program(s):

<u>Program</u>	<u>CFDA</u>
I.D.E.A Basic Part B	84.027

- |     |   |     |
|-----|---|-----|
| (5) | Program Threshold Determination:<br>Type A Federal Program Threshold > \$750,000.00<br>Type B Federal Program Threshold <= \$750,000.00 |     |
| (6) | Auditee qualified as a low-risk auditee under OMB Circular Uniform Guidance?  | Yes |

**Freehold Regional High School District**  
**Monmouth County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2016**

**Section I – Summary of Auditor’s Results (Continued)**

**State Program(s)**

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No
- (4) Identification of Major State Program(s):
- | <u>Program Title</u>              | <u>Project Number</u> |
|-----------------------------------|-----------------------|
| Equalization Aid                  | 16-495-034-5120-078   |
| Categorical Special Education Aid | 16-495-034-5120-089   |
| Categorical Security Aid          | 16-495-034-5120-084   |
| Adjustment Aid                    | 16-495-034-5120-085   |
| Per Pupil Growth Aid              | 16-495-034-5120-097   |
| PARCC Readiness                   | 16-495-034-5120-098   |
| Extraordinary Aid                 | 16-100-034-5120-473   |
| Transportation Aid                | 16-495-034-5120-014   |
- (5) Program Threshold Determination:  
Type A State Program Threshold > \$1,876,437.35  
Type B State Program Threshold <= \$1,876,437.35
- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

**Freehold Regional High School District**  
**Monmouth County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2016**

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings** – None Reported

**Compliance Findings** – None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs – None Reported

State Programs – None Reported

**Freehold Regional High School District**  
**Monmouth County, New Jersey**

**Schedule of Prior Year Audit Findings**

**Not Applicable**





