

Comprehensive Annual Financial Report

of the

Freehold Regional High School District

County of Monmouth

Englishtown, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

FRHSD Business Office

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INTRODUCTORY SECTION



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

*Administration Building
11 Pine Street Englishtown NJ 07726*

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

January 27, 2021

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, 2020. 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 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 New Jersey State Treasury Circular Letter 15-08 OMB, "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, if any, 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.

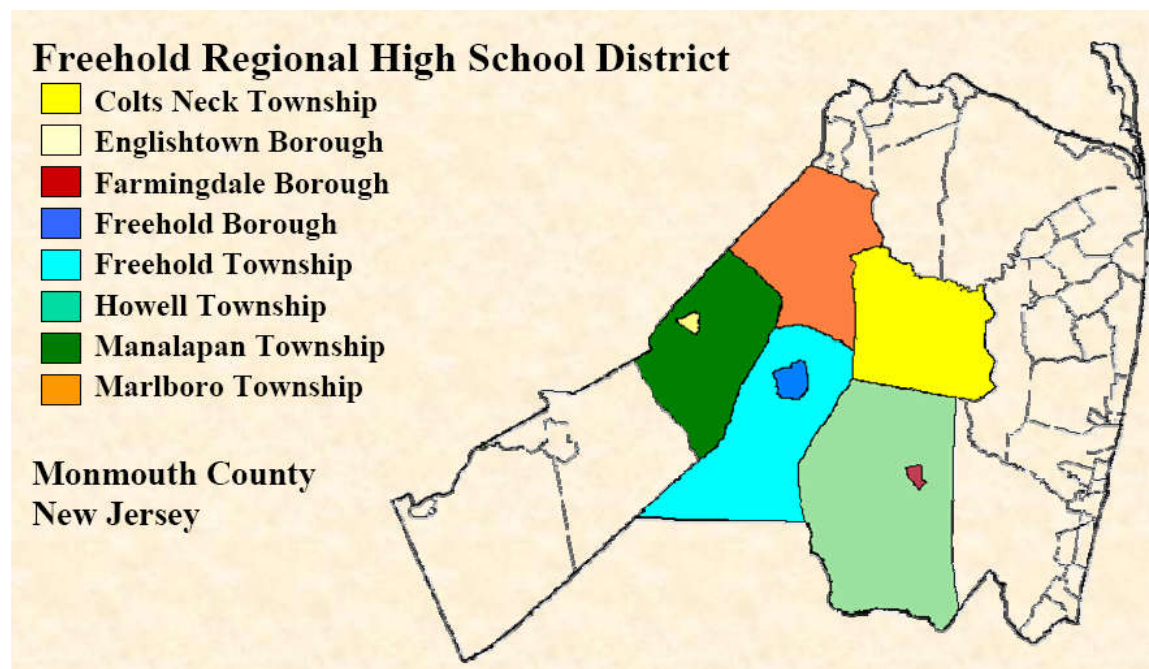
School District Organization

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. As of the October 2020 student count, there were 10,405 resident students. Of these resident students, 10,259 students are enrolled in one of the Freehold Regional High School District's six high schools. District enrollment has been steadily declining by approximately 150 students per year.



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.

The District's General Fund budget derives a material amount of its support in the form of Unrestricted State Aid. In 2018 the State of New Jersey passed legislation which reallocated this aid amongst the State's various school district's based upon a revised funding formula. As a result, the Freehold Regional High School District will see it's State Aid reduced by more than \$30 million over seven years. The District's administration continues to formulate plans to deal with the ramifications of this loss of revenue.

School and state-wide closures in the spring of 2020 due to COVID-19 resulted in modest savings to the District. The future financial impact of COVID-19 is hard to quantify at this time, as it is expected that there will be hefty costs to reopen and keep school buildings open.

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 magnet programs become full-time students at the program's home school for all four years of their high school career.

Twelve specialized Magnet Programs are located throughout the district; all 8th-grade students from a sending school in our district are eligible to apply. Admission is competitive. If selected, students attend the school where the program is housed. Colts Neck is home to the Law & Public Service program and the Naval Junior ROTC program. Freehold High School has three programs: Culinary Arts & Hospitality Management, Computer Science, and Medical Sciences. At Freehold Township High School, the Animal & Botanical Sciences program and the Global Studies program are offered. Howell High School is home to the Fine & Performing Arts, as well as the Humanities program. Manalapan High School houses the Science & Engineering program and the Law Enforcement & Public Safety program. Finally, Marlboro High School contains the Business Administration magnet. *International Baccalaureate (IB) Diploma Program* is a comprehensive and rigorous pre-university course of studies for highly motivated 11th and 12th graders. The IB Diploma Program is widely recognized in the United States and around the world.

Major Initiatives

Strategic Planning

Compass 2.0, the successor to the original *Compass* Strategic Plan, was developed and will continue to enhance the work commenced in the 2012-17 school years. Through the *Compass 2.0* project, the Freehold Regional High School District mapped priorities and projects through the 2021-22 school year. *Compass 2.0* has four core areas that support the District's mission: Whole Child; Equity and Opportunity; Student Growth and Learning; and, Community Partnerships. View our plan mission, detailed information on each of the four core areas and implementation progress via The Compass Project link on the district's website.

Maximizing Learning Opportunities – Block Schedule

Continuous improvement through thoughtful research 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, were explored and the District implemented a block schedule for the 2018-19 school year. The new schedule is aligned to the District mission that provides students with modern learning experiences and opportunities to explore and learn in greater depth.

Capital Planning

The current budget law limits opportunities to fund high dollar facility needs through the annual school budget or local reserves. The district developed a capital referendum that addressed the following four broad areas of need: Modernized Learning Environment, Expanded Utilization of Athletic Facilities, Enhanced Safety and Security, and Infrastructure Maintenance. The initial referendum, which did not receive voter support, was re-offered to the public in November of 2019 as three separate questions and was again defeated. The District is currently evaluating funding alternatives including through annual budget appropriation, drawing down on capital reserve funds, or proposing a limited scope referendum.

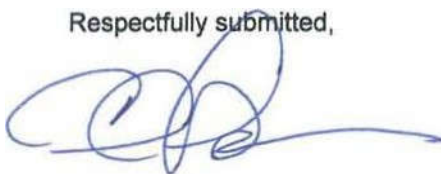
Acknowledgements and Achievements

Among the district's many achievements:

- Dr. Charles Sampson was invited to participate in a panel series, Restart & Reimagine, regarding the evolution of K-12 education after COVID-19.
- Dr. Sampson participated in the new Future Ready Schools® (FRS) podcast series, Leading Through Unprecedented Times
- The administrative team was featured in the summer edition of *Healthy Directions* published by CentraState Medical Center for the district's donation of personal protective equipment to the hospital during the COVID-19 crisis. The district donated 15,000 gloves, 150 gowns, 180 goggles, 40 N95 masks, and boxes of alcohol prep pads and disposable wipes.
- Class of 2020 acceptance 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, 2020**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Carl Accettola, President	2020
Jennifer Sutera, Vice President	2021
Peter Bruno	2021
Diana Cappiello	2022
Elizabeth Higley	2020
Kathie Lavin	2022
Michael Messinger	2020
Heshy Moses	2021
Marc Parisi	2022

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, 2020**

Audit Firm

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

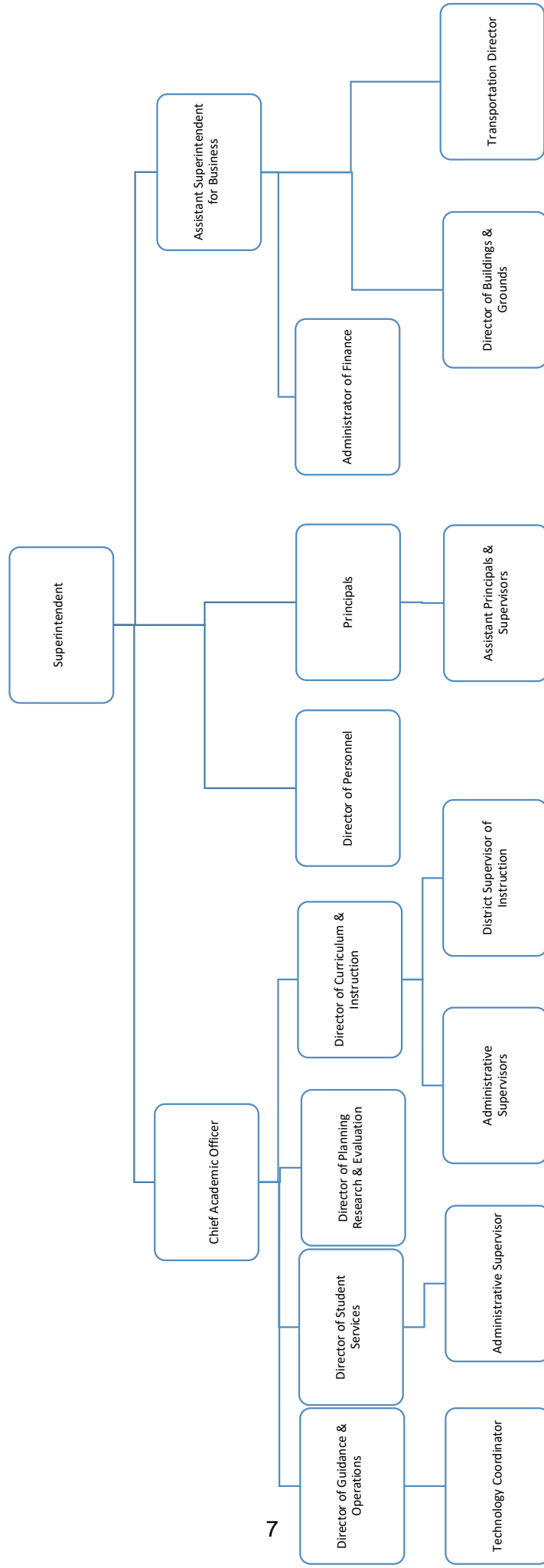
Attorney

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



FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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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, 2020, 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 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, 2020, 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 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibit M-1 and M-2 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 introductory section, combining statements and individual fund financial statements, the statistical section 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 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 combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 27, 2021 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

January 27, 2021

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, 2020
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, 2020. 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 (2019-2020) and the prior fiscal year (2018-2019) is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2020 are as follows:

- ⇒ While COVID-19 wreaked havoc on in-person education and district operations, school and state-wide closures in the spring of 2020 resulted in modest savings to the District. Despite a host of COVID-19 related uncertainties, S2 remains the most significant influence on the short and long-term success of Freehold Regional High School District. The District's administration continues to modify programs and services to adapt to the loss of revenue expected from the S2 legislation passed by the State of New Jersey in 2018.
- ⇒ Net Position of governmental activities increased \$8,957,042, which represents a 15.5 percent increase from 2019. This is largely due to the impact of GASB 68 – FY20 saw a decrease in actuarially calculated net pension liability. In addition, COVID-19 related closures decreased expenditures in several areas including Transportation, Employee Benefits and Utilities.
- ⇒ Net Position of business-type activities decreased \$77,103, which represents a 16.5 percent decrease from 2019. School closures from COVID-19 halted the food service program except for the delivery of meals to those qualifying for free and reduced lunch. Until school resumes a full-time in-person schedule, the Food Service Fund will continue to experience losses.
- ⇒ Property taxes continue to provide the majority of revenue for the Governmental Funds accounting for 62.8 percent in 2020. During the nine years the tax cap has been in place, the District has forgone more than \$30 million in available property tax. However, the District is slated to lose over \$30 million in State Aid under the S2 legislation. In 2020, the second year of S2's seven-year Adjustment Aid phase out plan, there was a cumulative reduction of \$5,048,693 with an additional \$5,782,685 reduction slated for FY21.
- ⇒ Governmental Fund expenses (exclusive of the Capital Projects Fund) decreased by \$4,303,754 which represents a 1.9 percent decrease from 2019. This decrease is mainly due to savings resulting from COVID-19 school and state-wide closures as discussed above and throughout this report.

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, 2020
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 2020?" 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, 2020
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 2020 and 2019.

**TABLE 1
Net Position**

	2019-20			2018-19		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
ASSETS						
Current & Other Assets	\$44,347,052	\$680,306	\$45,027,358	\$38,632,684	\$920,314	\$39,552,998
Capital Assets	109,378,955	384,411	109,763,366	114,880,740	435,850	115,316,590
Total Assets	153,726,007	1,064,717	154,790,724	153,513,424	1,356,164	154,869,588
DEFERRED OUTFLOWS OF RESOURCES:						
Loss on Refunding of Long Term Debt				10,807		10,807
Pension Related	8,744,318		8,744,318	13,105,953		13,105,953
Total Deferred Outflow of Resources	8,744,318		8,744,318	13,116,760		13,116,760
LIABILITIES						
Long-Term Liabilities	63,236,301	393,100	63,629,401	71,098,061	516,726	71,614,787
Other Liabilities	14,362,563	280,839	14,643,402	20,208,428	371,557	20,579,985
Total Liabilities	77,598,864	673,939	78,272,803	91,306,489	888,283	92,194,772
DEFERRED INFLOWS OF RESOURCES:						
Pension Related	18,069,630		18,069,630	17,478,906		17,478,906
Total Deferred Inflow of Resources	18,069,630		18,069,630	17,478,906		17,478,906
NET POSITION						
Net Investment in Capital Assets	93,886,105	61,045	93,947,150	90,858,048	38,228	90,896,276
Restricted	33,624,268		33,624,268	28,130,955		28,130,955
Unrestricted (Deficit)						
Pension Related	(56,896,290)		(56,896,290)	(57,288,019)		(57,288,019)
Other	(3,812,252)	329,733	(3,482,519)	(3,856,195)	429,653	(3,426,542)
Total Net Position	\$66,801,831	\$390,778	\$67,192,609	\$57,844,789	\$467,881	\$58,312,670

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Table 2 details the changes in Net Position for fiscal year 2020 and 2019.

**TABLE 2
CHANGES IN NET POSITION**

	2019-20			2018-19		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$448,194	\$1,549,213	\$1,997,407	\$345,797	\$2,199,560	\$2,545,357
Operating Grants & Contributions	42,287,847	484,773	42,772,620	50,051,482	540,016	50,591,498
General Revenues						
Property Taxes	141,762,932		141,762,932	138,392,857		138,392,857
Grants (includes State Aid) and Entitlements	51,152,887		51,152,887	54,771,661		54,771,661
Other Revenues	686,794		686,794	872,300		872,300
	<u>\$236,338,654</u>	<u>\$2,033,986</u>	<u>\$238,372,640</u>	<u>\$244,434,097</u>	<u>\$2,739,576</u>	<u>\$247,173,673</u>
Expenses:						
Instruction	128,989,730		128,989,730	134,933,146		134,933,146
Tuition, Student and Instruction Related Services	42,787,997		42,787,997	44,978,608		44,978,608
General Administration, School Administration, Central Services Information Technology & Maintenance	33,820,350		33,820,350	37,458,790		37,458,790
Transportation	15,612,449		15,612,449	17,281,025		17,281,025
Interest on Long-Term Debt	192,408		192,408	445,263		445,263
Business-Type		2,111,089	2,111,089		2,936,081	2,936,081
Other	5,978,678		5,978,678	5,884,013		5,884,013
Total Expenses	<u>\$227,381,612</u>	<u>\$2,111,089</u>	<u>\$229,492,701</u>	<u>\$240,980,845</u>	<u>\$2,936,081</u>	<u>\$243,916,926</u>
Change in Net Position	\$8,957,042	(\$77,103)	\$8,879,939	\$3,453,252	(\$196,505)	\$3,256,747
Net Position July 1,	57,844,789	467,881	58,312,670	54,391,537	664,386	55,055,923
Net Position June 30,	<u>\$66,801,831</u>	<u>\$390,778</u>	<u>\$67,192,609</u>	<u>\$57,844,789</u>	<u>\$467,881</u>	<u>\$58,312,670</u>

The presentation of net position in the District's June 30, 2020 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 (TPAF) and actuarially calculated expense for the Public Employees Retirement System (PERS). Corresponding amounts have been appropriately assigned throughout governmental expenses.

Variances in both the revenues and expenditures are significantly affected by the actuarially calculated revenue and expense for TPAF and PERS Pension under GASB 68 and Postemployment Benefits under GASB 75.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
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 the District. 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>2020</u>	Total Cost of Services <u>2019</u>	Net Cost of Services <u>2020</u>	Net Cost of Services <u>2019</u>
Instruction	\$128,989,730	\$134,933,146	\$95,433,054	\$95,979,587
Tuition, Student and Instruction Related Services	\$42,787,997	44,978,608	36,482,218	37,481,098
General Administration, School Administration, Central Services				
Information Technology & Maintenance	\$33,820,350	37,458,790	31,019,225	33,796,754
Transportation	\$15,612,449	17,281,025	15,606,443	17,116,075
Interest on Long-Term Debt	\$192,408	445,263	125,953	326,039
Business-Type	\$2,111,089	2,936,081	77,103	196,505
Other	\$5,978,678	5,884,013	5,978,678	5,884,013
Total Expenses	\$229,492,701	\$243,916,926	\$184,722,674	\$190,780,071

As noted above, the presentation of position in the District's June 30, 2020 financial statements includes 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.

- Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.
- Tuition, student and instruction related services 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, 2020
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 continued to run smoothly until schools were closed in March 2020 due to COVID-19. During the closure, meals were made available to free and reduced lunch students either by district-run delivery or via parent pick-up at Freehold Boro High School. The only revenue received from the period of March 16th through June 30th was in the form of reimbursement for free and reduced meals from the State and Federal government. The District's Food Service Fund will continue to experience losses until lunch service resumes when students return to a full-time in-person schedule. The District continues to monitor the financial impact on the Food Service Fund and is prepared to subsidize the program as necessary.

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 \$225,695,292 and expenditures were \$220,201,869. The net change in fund balance was an increase of \$5,493,423. 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.

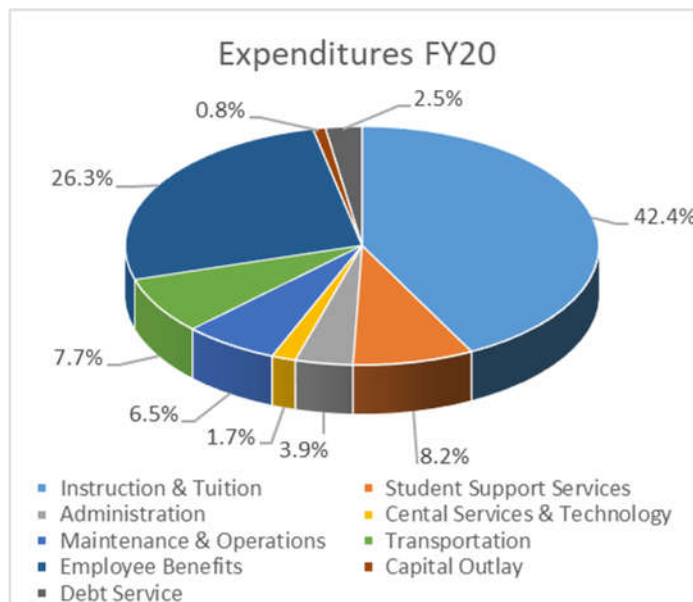
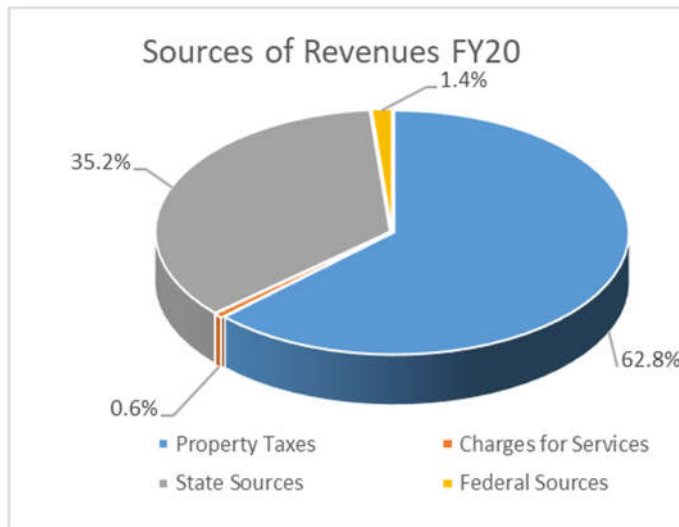
**Table 4
Governmental Funds Revenues and Expenditures
(Exclusive of Capital Projects)**

REVENUES:				
	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2019</u>	<u>Percentage Change</u>
Local Sources	\$143,059,604	63.38%	\$3,279,818	2.35%
State Sources	79,508,172	35.23%	(2,605,696)	-3.17%
Federal Sources	3,127,516	1.39%	(83,695)	-2.61%
	<u>\$225,695,292</u>	<u>100.00%</u>	<u>\$590,427</u>	<u>0.26%</u>
EXPENDITURES:				
	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2019</u>	<u>Percentage Change</u>
Current Expense:				
Instruction	\$75,519,241	34.30%	(\$69,579)	-0.09%
Undistributed	134,006,808	60.86%	(4,061,892)	-2.94%
Capital Outlay	1,835,267	0.83%	(127,316)	-6.49%
Special Revenue	3,375,303	1.53%	(62,967)	-1.83%
Debt Service:				
Principal	5,205,000	2.36%	265,000	5.36%
Interest	260,250	0.12%	(247,000)	-48.69%
Total	<u>\$220,201,869</u>	<u>100.00%</u>	<u>(\$4,303,754)</u>	<u>-1.92%</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

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



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Highlights include the following:

- The increase in local revenues was primarily due to an aggregate increase in property taxes of 2.50 percent as well as higher interest rates leading to higher interest earnings. The decrease in state revenue was due to the reduction in Adjustment Aid legislated by S2. The District is expected to lose an additional \$5.8m in FY21 and a total loss of over \$30m through FY25.
- Expenses for instruction, tuition and student support services decreased from FY19 due partly to savings realized from COVID-19 school closures as certain services could not be performed. Also, there was a budgeted reduction of six teaching positions due to declining enrollment.
- The Operations and Maintenance of Plant Services section of the budget decreased primarily due to a significantly lower energy cost. A maturing energy management program, along with the three and a half month COVID-19 closure contributed to a \$1 million (34%) reduction in energy costs.
- Transportation costs also decreased from FY19 due to the COVID-19 closure despite legislation requiring districts to make renegotiated payments to contracted service providers who, in turn, were required to use the payments to meet payroll and fixed cost obligations. Ultimately, transportation costs dropped 10% compared to FY19 due to these reduced contract costs along with reduced operations cost associated with the District's fleet.
- Excluding on-behalf payments, employee benefits decreased by \$744K or 2.4%. Budgeted savings were realized in health benefits as the state-wide closures from COVID-19 prevented employees and their families from seeking routine medical care and elective procedures.
- Capital Outlay represents the replacement of the Marlboro High School boiler and HVAC improvements in the Manalapan High School Auditorium.

Capital Projects

The current budget law limits opportunities to fund high dollar facility needs through the annual school budget or local reserves. The district developed a capital referendum that addressed the following four broad areas of need: Modernized Learning Environment, Expanded Utilization of Athletic Facilities, Enhanced Safety and Security, and Infrastructure Maintenance. The initial referendum, which did not receive voter support, was re-offered to the public in November of 2019 as three separate questions and was again defeated. The District is currently evaluating funding alternatives including through annual budget appropriation, drawing down on capital reserve funds, or proposing a limited scope referendum.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

CAPITAL ASSETS

The District focused its limited resources on HVAC projects at Manalapan and Marlboro High Schools. Construction in Progress increased as the work on the Manalapan Auditorium and for the Marlboro Boiler were well underway, but not yet completed. The District made equipment purchases including various technology infrastructure/equipment upgrades, school buses, and buildings and grounds equipment. Table 5 shows the FY20 Capital Asset activity of the District.

**Table 5
Capital Assets for the Fiscal Year Ended June 30, 2020**

	Beginning Balance	Additions	Transfers or Retirements	Ending Balance
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 446,488			\$ 446,488
Construction In Progress	187,234	\$ 1,500,500		1,687,734
Total capital assets not being depreciated	<u>633,722</u>	<u>1,500,500</u>	-	<u>2,134,222</u>
<i>Capital assets being depreciated:</i>				
Site improvements	17,860,618	31,610		17,892,228
Building and improvements	230,755,191	32,475		230,787,666
Equipment	23,709,474	297,410	(160,002)	23,846,882
Total capital assets being depreciated	<u>272,325,283</u>	<u>361,495</u>	<u>(160,002)</u>	<u>272,526,776</u>
Total Gross Assets (Memo Only)	272,959,005	1,861,995	(160,002)	274,660,998
Less accumulated depreciation for:				
Site improvements	(8,971,860)	(863,001)		(9,834,861)
Building and improvements	(131,443,219)	(5,065,015)		(136,508,234)
Equipment	(17,663,186)	(1,435,764)	160,002	(18,938,948)
Total accumulated depreciation	<u>(158,078,265)</u>	<u>(7,363,780)</u>	<u>160,002</u>	<u>(165,282,043)</u>
Total capital assets being depreciated, net	114,247,018	(7,002,285)	-	107,244,733
Government activities capital assets, net	<u>\$ 114,880,740</u>	<u>\$(5,501,785)</u>	<u>\$ -</u>	<u>\$ 109,378,955</u>
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 1,050,693			\$ 1,050,693
Less accumulated depreciation	(614,843)	\$ (51,439)		(666,282)
Enterprise fund capital assets, net	<u>\$ 435,850</u>	<u>\$ (51,439)</u>	<u>\$ -</u>	<u>\$ 384,411</u>

ENGLISHTOWN, NJ

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONCLUDED)**

DEBT ADMINISTRATION

Among the district's outstanding liabilities at June 30, 2020, \$3,109,251 is for compensated absences, and \$18,070,081 is for obligations under capital leases. The last debt service payment for serial bonds was made in March of 2020.

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

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, 2020

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, 2020

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$ 30,969,315	\$ 94,830	\$ 31,064,145
Receivables, net	4,134,134	532,683	4,666,817
Inventory		52,793	52,793
Restricted assets:			
Restricted cash and cash equivalents	9,243,603		9,243,603
Capital assets:			
Land and construction in progress	2,134,222		2,134,222
Other capital assets, net of depreciation	<u>107,244,733</u>	<u>384,411</u>	<u>107,629,144</u>
Total Assets	153,726,007	1,064,717	154,790,724
DEFERRED OUTFLOW OF RESOURCES:			
Pension related	<u>8,744,318</u>		<u>8,744,318</u>
LIABILITIES:			
Accounts payable	3,730,197	34,855	3,765,052
Interfund payable	482,839		482,839
Payable to state government	12,565		12,565
Unearned revenue	158,848	122,358	281,206
Other current liabilities	462		462
Accrued liability for insurance claims	7,620,000		7,620,000
Capital leases payable	2,357,652	123,626	2,481,278
Due beyond one year:			
Compensated absences payable	3,109,251		3,109,251
Capital leases payable	15,195,703	393,100	15,588,803
Net pension liability	<u>44,931,347</u>		<u>44,931,347</u>
Total liabilities	77,598,864	673,939	78,272,803
DEFERRED INFLOW OF RESOURCES:			
Pension related	<u>18,069,630</u>		<u>18,069,630</u>
NET POSITION:			
Net investment in capital assets	93,886,105	61,045	93,947,150
Restricted for:			
Other purposes	33,624,268		33,624,268
Unrestricted (deficit)	<u>(60,708,542)</u>	<u>329,733</u>	<u>(60,378,809)</u>
Total net position	<u>\$ 66,801,831</u>	<u>\$ 390,778</u>	<u>\$ 67,192,609</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, 2020

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
Governmental Activities:						
Instruction:						
Regular	\$ 62,781,710	\$ 31,580,126	\$ 345,265	\$ 23,284,451	\$ (70,732,120)	\$ (70,732,120)
Special	17,009,029	7,528,751		7,557,964	(16,979,816)	(16,979,816)
Other instruction	6,889,476	3,200,638	76,027	2,292,969	(7,721,118)	(7,721,118)
Support services:						
Tuition	14,887,892				(14,887,892)	(14,887,892)
Student & instruction related services	19,756,657	8,143,448		6,305,779	(21,594,326)	(21,594,326)
General administrative services	1,815,383	111,208		476	(1,926,115)	(1,926,115)
School administrative services	7,577,506	3,831,570		2,763,230	(8,645,846)	(8,645,846)
Central service	1,569,979	409,321		1,706	(1,977,594)	(1,977,594)
Admin information technology	2,007,494	570,046		1,019	(2,576,521)	(2,576,521)
Plant operations and maintenance	14,093,971	1,833,872	26,902	7,792	(15,893,149)	(15,893,149)
Pupil transportation	13,478,284	2,134,165		6,006	(15,606,443)	(15,606,443)
Unallocated benefits	57,958,043	(57,958,043)				
Interest on long-term debt	192,408			66,455	(125,953)	(125,953)
Unallocated amortization	7,363,780	(1,385,102)			(5,978,678)	(5,978,678)
Unallocated depreciation	227,381,612		448,194	42,287,847	(184,645,571)	(184,645,571)
Total governmental activities						
Business-type activities:						
Food service	1,896,771		1,334,895	484,773	(77,103)	(77,103)
Extra-curricular	214,318		214,318			
Total business-type activities	2,111,089		1,549,213	484,773	(77,103)	(77,103)
Total primary government	\$ 229,492,701		\$ 1,997,407	\$ 42,772,620	\$ (184,645,571)	\$ (184,722,674)
General Revenues:						
Taxes:						
Property taxes, levied for general purposes, net					\$ 137,626,773	\$ 137,626,773
Taxes levied for debt service					4,136,159	4,136,159
Federal and state aid not restricted					49,855,488	49,855,488
Federal and state aid restricted					1,297,399	1,297,399
Miscellaneous income					686,794	686,794
Total general revenues					193,602,613	193,602,613
Change in net position					8,957,042	8,957,939
Net Position - beginning					57,844,789	58,312,670
Net Position ending					66,801,831	67,192,609

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, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:				
Cash and cash equivalents	\$ 40,082,558	\$	\$	\$ 40,082,558
Cash with fiscal agents	130,360			130,360
Other receivables	1,130	17,172		18,302
Due from other funds	546,896		1,357,394	1,904,290
Receivables from other governments	3,443,815	672,017		4,115,832
Total assets	44,204,759	689,189	1,357,394	46,251,342
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	946,538	144,028		1,090,566
Payable to state government		12,565		12,565
Interfund payables	2,013,381	373,748		2,387,129
Unearned revenue		158,848		158,848
Other current liabilities	462			462
Accrued liability for insurance claims	7,620,000			7,620,000
Total liabilities	10,580,381	689,189		11,269,570
Fund balances:				
Restricted:				
Capital Reserve Account	7,335,861			7,335,861
Emergency Reserve Account	258,191			258,191
Maintenance Reserve Account	1,519,191			1,519,191
Excess Surplus designated for subsequent years expenditures	9,409,621			9,409,621
Excess surplus	14,109,062			14,109,062
Capital Projects fund			1,268,263	1,268,263
Assigned:				
Encumbrances	502,073		89,131	591,204
Total fund balances	33,624,378		1,357,394	34,981,772
Total liabilities and fund balances	\$ 44,204,759	\$ 689,189	\$ 1,357,394	\$ 46,251,342

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, 2020

Total Fund Balances (Brought Forward)	\$	34,981,772
<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	\$ 274,660,998	
Accumulated Depreciation	<u>(165,282,043)</u>	109,378,955
<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	(44,931,347)	
Compensated Absences	(3,109,251)	
Capital Lease Payable	<u>(17,553,355)</u>	(65,593,953)
<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	\$ 6,104,687	
Employer Contribution related to pensions	<u>2,639,631</u>	
	8,744,318	8,744,318
Deferred Inflows:		
Pension related		(18,069,630)
<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	<u>(2,639,631)</u>	<u>(2,639,631)</u>
Net Position of Governmental Activities	\$	<u><u>66,801,831</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, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local Tax Levy	\$ 137,626,773	\$	\$	\$ 4,136,159	\$ 141,762,932
Tuition From Individuals	566				566
Tuition - Other LEA's	26,286				26,286
Tuition - Other Governmental Sources	224,312				224,312
Transportation Fees Other LEA's	94,101				94,101
Unrestricted Miscellaneous Revenue	626,910				626,910
Interest Earned on Emergency Reserve	3,054				3,054
Interest Earned on Maintenance Reserve	17,968				17,968
Interest Earned on Capital Reserve Funds	38,862				38,862
Other Restricted Miscellaneous Revenue	102,929	161,684			264,613
Total - local sources	138,761,761	161,684		4,136,159	143,059,604
State sources	77,972,453	206,628	(66)	1,329,091	79,508,106
Federal sources	120,525	3,006,991			3,127,516
Total revenues	216,854,739	3,375,303	(66)	5,465,250	225,695,226
EXPENDITURES:					
Current expense:					
Regular instruction	55,869,351	751,166			56,620,517
Special instruction	13,387,371	2,140,331			15,527,702
Other instruction	6,262,519				6,262,519
Support services:					
Tuition	14,887,892				14,887,892
Student & instruction related services	17,706,267	448,977			18,155,244
General administrative services	1,825,993				1,825,993
School administrative services	6,821,962				6,821,962
Central service	1,607,486				1,607,486
Administrative information technology services	2,029,901				2,029,901
Plant operations and maintenance	14,265,710				14,265,710
Pupil transportation	16,957,590				16,957,590
Unallocated benefits	57,904,007				57,904,007
Debt Service:					
Principal				5,205,000	5,205,000
Interest				260,250	260,250
Capital outlay	1,835,267	34,829			1,870,096
Total expenditures	211,361,316	3,375,303		5,465,250	220,201,869
Excess (deficiency) of revenues over (under) expenditures	5,493,423		(66)		5,493,357
Fund balances, July 1, 2019	28,130,955		1,357,460		29,488,415
Fund balances, June 30, 2020	\$ 33,624,378	\$	\$ 1,357,394	\$	\$ 34,981,772

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, 2020

Total net change in fund balances - governmental funds (from B-2)	\$	5,493,357
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense		(7,363,780)
Capital outlays	\$ 1,870,096	
Less: Capital Outlays not capitalized	<u>(8,101)</u>	1,861,995
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.		
		5,205,000
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.		
Payment of capital lease payable		3,346,834
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.		
		86,750
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.		
		(10,807)
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.		
District pension contributions	2,425,575	
Less: Pension expense	<u>(2,033,846)</u>	391,729
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		
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 (+).		
		<u>(54,036)</u>
Change in net position of governmental activities (A-2)	\$	<u>8,957,042</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, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	
	<u>FUND</u>	<u>FUND</u>	<u>TOTAL</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 94,830	\$	\$ 94,830
Accounts receivable:			
State	3,882		3,882
Federal	8,548		8,548
Other	2,855		2,855
Interfund Receivable	482,708	34,690	517,398
Inventories	<u>52,793</u>		<u>52,793</u>
Total current assets	<u>645,616</u>	<u>34,690</u>	<u>680,306</u>
Noncurrent assets:			
Furniture, machinery and equipment	1,050,694		1,050,694
Less accumulated depreciation	<u>(666,283)</u>		<u>(666,283)</u>
Total noncurrent assets	<u>384,411</u>		<u>384,411</u>
Total assets	<u>1,030,027</u>	<u>34,690</u>	<u>1,064,717</u>
LIABILITIES:			
Current liabilities:			
Accounts Payable	165	34,690	34,855
Lease Payable	516,726		516,726
Unearned Revenue	<u>122,358</u>		<u>122,358</u>
Total current liabilities	<u>639,249</u>	<u>34,690</u>	<u>673,939</u>
NET POSITION:			
Net investment in capital assets	61,045		61,045
Unrestricted	<u>329,733</u>		<u>329,733</u>
Total net position	<u>\$ 390,778</u>	<u>\$</u>	<u>\$ 390,778</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, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	
	<u>FUND</u>	<u>FUND</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Charges for services:			
Daily sales - Reimbursable programs	\$ 471,981	\$	\$ 471,981
Daily sales - Non-reimbursable programs	833,179		833,179
Special Functions	29,735		29,735
Fees - individuals		214,318	214,318
	<hr/>	<hr/>	<hr/>
Total operating revenues	1,334,895	214,318	1,549,213
OPERATING EXPENSES:			
Cost of sales - reimbursable programs	422,653		422,653
Cost of sales - non-reimbursable programs	364,672		364,672
Salaries and benefits	788,420	93,985	882,405
Supplies and materials	50,576		50,576
Management fee	95,574		95,574
Miscellaneous	103,507	25,758	129,265
Depreciation	51,439		51,439
Lease Purchase Interest	19,930		19,930
Facility Rental		94,575	94,575
	<hr/>	<hr/>	<hr/>
Total operating expenses	1,896,771	214,318	2,111,089
Operating (loss)	<hr/> (561,876)	<hr/>	<hr/> (561,876)
NONOPERATING REVENUES (EXPENSES):			
State Sources			
State school lunch program	14,518		14,518
Federal Sources			
National school lunch program	330,468		330,468
School breakfast program	46,488		46,488
National food distribution commodities	93,299		93,299
Total nonoperating revenues (expenses)	<hr/> 484,773	<hr/>	<hr/> 484,773
Income (loss) before contributions and transfers	<hr/> (77,103)	<hr/>	<hr/> (77,103)
Change in net position	(77,103)		(77,103)
Total net position - beginning	<hr/> 467,881	<hr/>	<hr/> 467,881
Total net position - ending	<u>\$ 390,778</u>	<u>\$</u>	<u>\$ 390,778</u>

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, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>FOOD SERVICE FUND</u>	<u>EXTRA-CURRICULAR FUND</u>	
Cash flows from operating activities:			
Receipts from customers	\$ 1,360,936	\$ 394,972	\$ 1,755,908
Payments to employees	(763,692)	(93,985)	(857,677)
Payments to suppliers	(996,535)	(120,333)	(1,116,868)
	<hr/>	<hr/>	<hr/>
Net cash provided by (used for) operating activities	(424,019)	180,654	(243,365)
Cash flows from noncapital financing activities:			
State sources	11,544		11,544
Federal sources	395,504		395,504
Operating subsidies and transfers to other funds	66,750	(180,654)	(113,904)
	<hr/>	<hr/>	<hr/>
Net cash provided by noncapital financing activities	473,798	(180,654)	293,144
Cash flows from capital and related financing activities:			
Capital Lease Payment	(118,657)		(118,657)
	<hr/>	<hr/>	<hr/>
Net cash provided by (used for) capital and related financing activities	(118,657)		(118,657)
Net increase (decrease) in cash and cash equivalents	(68,878)		(68,878)
Cash and cash equivalents, July 1, 2019	163,708		163,708
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents, June 30, 2020	\$ 94,830	\$	\$ 94,830
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (561,876)	\$	\$ (561,876)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	51,439		51,439
Federal commodities	93,299		93,299
Change in assets and liabilities:			
(Increase) decrease in accounts receivable, net	6,530	145,964	152,494
Increase (decrease) in unearned revenue	15,941		15,941
Increase (decrease) in accounts payable	(354)	34,690	34,336
(Increase) decrease in inventories	(28,998)		(28,998)
	<hr/>	<hr/>	<hr/>
	137,857	180,654	318,511
	<hr/>	<hr/>	<hr/>
Net cash provided by (used for) operating activities	\$ (424,019)	\$ 180,654	\$ (243,365)
	<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
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Unemployment Compensation Insurance Trust</u>	<u>Private Purpose Trust</u>	<u>Agency Funds</u>
ASSETS:			
Cash and cash equivalents	\$ 1,138,846	\$ 832,079	\$ 4,699,236
Accounts receivable			212
	<hr/>	<hr/>	<hr/>
Total assets	<u>1,138,846</u>	<u>832,079</u>	<u>4,699,448</u>
 LIABILITIES:			
Accounts payable	66,166		
Interfund payable			34,559
Payable to student groups			1,134,471
Wage Payable - Summer Payroll			3,492,511
Payroll deductions and withholdings			37,907
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>66,166</u>	<u></u>	<u>4,699,448</u>
 NET POSITION:			
Held in trust for State Unemployment Insurance claims and other purposes	1,072,680		
Held in trust for scholarships and other purposes		832,079	
	<hr/>	<hr/>	<hr/>
Total net position	<u>\$ 1,072,680</u>	<u>\$ 832,079</u>	<u>\$</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, 2020

	<u>Unemployment Compensation Insurance Trust</u>	<u>Private Purpose Trust</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Plan member	\$ 309,879	\$	\$ 309,879
Donations		25,365	25,365
Total contributions	<u>309,879</u>	<u>25,365</u>	<u>335,244</u>
Investment earnings:			
Interest	7,620	6,236	13,856
Net investment earnings	<u>7,620</u>	<u>6,236</u>	<u>13,856</u>
Total additions	<u>317,499</u>	<u>31,601</u>	<u>349,100</u>
DEDUCTIONS:			
Quarterly Contribution Reports	164,508		164,508
Unemployment Claims	134,262		134,262
Scholarships Awarded		51,100	51,100
Total deductions	<u>298,770</u>	<u>51,100</u>	<u>349,870</u>
Change in net position	18,729	(19,499)	(770)
Net position beginning of year	1,053,951	851,578	1,905,529
Net position end of year	<u>\$ 1,072,680</u>	<u>\$ 832,079</u>	<u>\$ 1,904,759</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, 2020

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, 2020

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, 2020

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 State 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, 2020

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, 2020

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, 2020

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 (N.J.S.A. 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, 2020

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, 2020

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, 2020

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, 2020

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, 2020

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, 2020

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, 2020

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 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflect 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, 2020

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 one item that qualifies for reporting in this category, 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, 2020

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, 2020:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 43,490,319
Proprietary Funds	94,884
Fiduciary Funds	7,893,662
Total Cash in Bank	\$ <u>51,478,865</u>
Less: Reconciling Items	4,500,956
	<u>\$ 46,977,909</u>

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, 2020, 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 \$51,478,865, \$750,000 was covered by Federal Depository Insurance, and \$50,728,865 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;
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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Investments (Continued)

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
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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Investments (Continued)

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, 2020 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	\$3,419,277	\$ 3,419,277
Federal Aid	696,555	696,555
Interfunds	1,904,290	
Other	18,302	18,302
Gross Receivables	<u>6,038,424</u>	<u>4,134,134</u>
Less: Allowance for Uncollectibles		-
Total Receivables, Net	<u><u>\$6,038,424</u></u>	<u><u>\$4,134,134</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 4: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Transfers or Retirements	Ending Balance
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 446,488			\$ 446,488
Construction In Progress	187,234	\$ 1,500,500		1,687,734
Total capital assets not being depreciated	633,722	1,500,500	-	2,134,222
<i>Capital assets being depreciated:</i>				
Site improvements	17,860,618	31,610		17,892,228
Building and improvements	230,755,191	32,475		230,787,666
Equipment	23,709,474	297,410	(160,002)	23,846,882
Total capital assets being depreciated	272,325,283	361,495	(160,002)	272,526,776
Total Gross Assets (Memo Only)	272,959,005	1,861,995	(160,002)	274,660,998
Less accumulated depreciation for:				
Site improvements	(8,971,860)	(863,001)		(9,834,861)
Building and improvements	(131,443,219)	(5,065,015)		(136,508,234)
Equipment	(17,663,186)	(1,435,764)	160,002	(18,938,948)
Total accumulated depreciation	(158,078,265)	(7,363,780)	160,002	(165,282,043)
Total capital assets being depreciated, net	114,247,018	(7,002,285)	-	107,244,733
Government activities capital assets, net	\$ 114,880,740	\$(5,501,785)	\$ -	\$ 109,378,955
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 1,050,693			\$ 1,050,693
Less accumulated depreciation	(614,843)	\$ (51,439)		(666,282)
Enterprise fund capital assets, net	\$ 435,850	\$ (51,439)	\$ -	\$ 384,411

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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	\$ 113,454
Other Instruction	2,913
Student & Instruction Related Services	33,914
General Administrative Services	1,670
School Administrative Services	5,035
Central Service	4,356
Administrative Technology	329,081
Plant, Operations & Maintenance	92,830
Pupil Transportation	801,849
Unallocated	<u>5,978,678</u>
	<u>\$ 7,363,780</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, 2020

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2020:

Governmental Funds:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Amounts due Within one year
Bonds Payable	\$5,205,000		\$5,205,000		
Compensated Absences	3,055,215	\$ 54,036		\$ 3,109,251	
Capital Leases Payable	20,900,189		3,346,834	17,553,355	\$ 2,357,652
Pension Liability	50,489,491		5,558,144	44,931,347	
Total	\$79,649,895	\$54,036	\$14,109,978	\$65,593,953	\$2,357,652

Food Service Fund:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Amounts due Within one year
Capital Leases Payable	\$ 635,383	\$ -	\$ 118,657	\$ 516,726	\$ 123,626
Total	\$ 635,383	\$ -	\$ 118,657	\$ 516,726	\$ 123,626

Debt Service Requirements:

The last remaining payments of principal and interest on bonded debt outstanding were paid in full during Fiscal Year 2020. Therefore, there are no further annual requirements to report.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

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 \$10,807 leaving a balance of \$0. 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, 2020, the District had no Bonds Authorized but not issued.

Capital Leases Payable

The District is leasing various equipment and improvements totaling \$30,103,250 as follows:

<u>Description</u>	<u>Date</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Amount</u>
District Wide Energy Savings Improvement Plan	12/31/13	15 Years	2.690%	\$17,498,000
Roof Replacement	12/31/14	5 Years	1.570%	\$3,250,000
School Buses and Maintenance Vehicles	12/31/15	5 Years	1.433%	\$1,661,250
School Buses, Technology and Copiers	7/15/16	5 Years	1.290%	\$3,052,000
School Buses, Technology and Buildings and Grounds Equipment	7/15/17	5 Years	1.680%	\$2,560,000
School Buses, Technology, Cafeteria, and Buildings and Grounds Equipment	7/15/18	5 Years	2.896%	\$2,082,000

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

Capital Leases Payable (Continued)

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, 2020:

Fiscal Year Ended June 30,	Governmental Funds	Business-Type Activities Food Service Fund
2021	\$ 2,792,737	\$ 138,589
2022	2,778,054	138,589
2023	2,180,071	138,589
2024	1,678,698	138,589
2025	1,401,838	
2026-2030	7,621,080	
2031	1,548,154	
	<hr/>	<hr/>
Total Minimum Lease Payments	20,000,632	554,356
Less: Amount Representing Interest	2,447,277	37,630
	<hr/>	<hr/>
Present Value of Lease Payments	<u>\$ 17,553,355</u>	<u>\$ 516,726</u>

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 and a postage machine that expire on various dates over the next five years. The total operating lease payments made during the year ended June 30, 2020 were \$235,795.

Future minimum lease payments are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>
2021	\$241,892
2022	8,767
2023	4,189
2024	<u>2,278</u>
	<hr/>
Total minimum lease payments	<u>\$257,126</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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 online at www.state.nj.us/treasury/pensions.

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, 2020

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, 2020

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 June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2020	\$2,425,575	100%	\$2,425,575
2019	\$2,550,635	100%	\$2,550,635
2018	\$2,340,754	100%	\$2,340,754

Three Year Trend Information for TPAF (On-Behalf)

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2020	\$16,447,694	100%	-0-
2019	\$14,884,315	100%	-0-
2018	\$11,260,712	100%	-0-

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2020, 2019 and 2018 \$5,677,663, \$5,606,650, and \$5,644,204, 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, 2020

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

Public Employees Retirement System (PERS)

At June 30, 2020, the District reported a liability of \$44,931,347 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. 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, 2019, the District's proportion was 0.2493625419 percent, which was an increase of 0.0070659481 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$2,033,841 in the district-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$806,459	\$198,487
Changes of assumptions	4,486,560	15,595,528
Net difference between projected and actual earnings on pension plan investments		709,259
Changes in proportion and differences between District contributions and proportionate share of contributions	811,668	1,566,356
District contributions subsequent to the measurement date	<u>2,639,631</u>	<u> </u>
	<u>\$8,744,318</u>	<u>\$18,069,630</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Public Employees Retirement System (PERS) (Continued)

The \$2,639,631 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, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

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>
2020	(\$1,448,350)
2021	(4,359,720)
2022	(3,909,135)
2023	(1,915,605)
2024	<u>(332,133)</u>
	<u><u>(\$11,964,943)</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which rolled forward to June 30, 2019. These actuarial valuations used the following assumptions:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation	2.75%	2.25%
Salary Increases		
Through 2026	2.00-6.00%	1.65-4.15%
Thereafter	3.00-7.00%	2.65-5.15%
	Based on Years of Service	Based on Age
Investment Rate of Return	7.00%	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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 (7.00% at both June 30, 2019 and June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Market Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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 6.28% and 5.66% as of June 30, 2019 and June 30, 2018, respectively. These single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30, 2019 and June 30, 2018 and a municipal bond rate of 3.50% and 3.87% for June 30, 2019 and June 30, 2018 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 based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 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 District's proportionate share of the net pension liability as of June 30, 2019, 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:

	1% Decrease <u>5.28%</u>	At Current Discount Rate <u>6.28%</u>	1% Increase <u>7.28%</u>
District's proportionate share of the net pension liability	\$61,735,382	\$44,931,347	\$38,496,489

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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, 2020 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$454,929,037</u>
	<u>\$454,929,037</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 which was rolled forward to June 30, 2019. 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, 2019, the proportion of the TPAF net pension liability associated with the District was .7412775633% which was a decrease of .0052636103 percent from its proportion measured as of June 30, 2018.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Teachers Pensions and Annuity Fund (TPAF) (Continued)

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue of \$26,832,931 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation Rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through 2026	1.55%-4.45%	1.55%-4.55%
	Based on Years of Service	Based on Years of Service
Thereafter	2.75%-5.65%	2.00%-5.45%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2019 and June 30, 2018 respectively) 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, 2019 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Market Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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 5.60% and 4.86% as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00, and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and 2018, 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 contribution rate in the most recent fiscal year. The State contributed 50% of the 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 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, 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, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	148,051
Inactive Plan Members or Beneficiaries	
Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,943</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Total Non-Employer OPEB Liability

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2020 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	270,773,043
	<u>270,773,043</u>
	<u>\$270,773,043</u>

The total Non-Employer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

The total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2020, the District recognized on-behalf post-employment expense and revenue of \$6,359,989 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2019 measurement date.

At June 30, 2019, the District's proportion was .6488833116 percent, which was an increase of .0020107446 from its proportion measured as of June 30, 2018.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Imputes

The total Non-Employer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP</u>	<u>June 30, 2019</u> <u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases			
Through 2026	1.55-3.05%*	2.00-6.00%*	3.25-15.25%*
Thereafter	1.55-3.05%*	3.00-7.00%*	Applied to All Future Years

*Based on Years of Service

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS and PFRS, respectively.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Imputes (Continued)

Discount Rate

The discount rate for June 30, 2020 and June 30, 2019 was 3.50% and 3.87% respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total Non-Employer OPEB Liability

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2018 to June 30, 2019.

Balance at 6/30/18		\$298,278,329
Changes for the year:		
Service cost	10,681,794	
Interest	11,802,170	
Differences between expected and actual experience	(45,960,962)	
Changes in assumptions or other inputs	4,037,248	
Membership Contributions	246,389	
Benefit payments - Net	(8,311,925)	
Net changes	(27,505,286)	(27,505,286)
Balance at 6/30/19		\$270,773,043

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the total Non-Employer OPEB 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, 2019		
	<u>1.00%</u> <u>Decrease (2.50%)</u>	<u>At Discount</u> <u>Rate (3.50)</u>	<u>1.00%</u> <u>Increase (4.50%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$319,889,966	\$270,773,043	\$231,757,252

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	<u>1.00%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1.00%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$223,104,918	\$270,773,043	\$333,875,852

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability

At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$	\$ 68,035,190
Changes of assumptions		55,035,228
Changes in proportion	<u>3,170,183</u>	<u>434,606</u>
	<u>\$ 3,170,183</u>	<u>\$ 123,505,024</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2020	(\$15,976,875)
2021	(\$15,976,875)
2022	(\$15,976,875)
2023	(\$15,976,875)
2024	(\$15,976,875)
Total Thereafter	<u>(\$40,450,468)</u>
	<u><u>(\$120,334,841)</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>

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 with the exception of the following:

MON-L-002968-20 This matter involves potential claims against the District for alleged actions that occurred during the 1985-1986 school year. It should be noted that this claim was brought pursuant to the recently enacted legislation in the State of New Jersey that provides a window for certain claims that were previously time barred to now be brought. Due to the length of time since the alleged acts occurred and the fact that the Board is still investigating the allegations, the Board's position is unclear at this time. However, should this matter go to trial and the jury finds against the Board, the amount of damages that the Board could be responsible for, based on the damages requested in the Complaint, is \$10,000,000.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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 2019-2020 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.

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			Employee			Ending
<u>June 30.</u>	<u>Interest</u>		<u>Contributions</u>	<u>Amount</u>	<u>Reimbursed</u>	<u>Balance</u>
2020	\$ 7,620	\$	309,879	\$	298,770	\$ 1,072,680
2019	6220		249,508		234,375	1,053,951
2018	596		251,611		230,030	1,032,598

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 10: RISK MANAGEMENT (CONTINUED)

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, 2020, the amount was \$3,220,000.

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 \$4,400,000 at June 30, 2020. 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.

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, 2020, a liability existed for compensated absences for governmental fund-types in the district- wide Statement of Net Position in the amount of \$3,109,251.

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

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 12: FUND BALANCE APPROPRIATED

General Fund The table below reflects the District's Fund Balance at June 30, 2020 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	\$ 9,409,621	\$	9,409,621
Excess Surplus Current Year	14,505,870	(396,808)	14,109,062
Maintenance Reserve	1,519,191		1,519,191
Capital Reserve	7,335,861		7,335,861
Emergency Reserve	258,191		258,191
Assigned:			
Designated for Subsequent			
Year's Expenditures:	490,379		490,379
Encumbrances	502,073		502,073
Unassigned	4,179,439	(4,179,439)	
	\$ <u>38,200,625</u>	\$ <u>(4,576,247)</u>	<u>33,624,378</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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, 2020		\$	211,361,316
Less:			
Reimb. TPAF Social Security Contributions	\$	5,677,663	
Reimb. TPAF Pension Contributions		<u>22,559,827</u>	
			<u>28,237,490</u>
Adjusted General Fund Expenditures			183,123,826
Excess Surplus Percentage			<u>2.00%</u>
			3,662,477
Increased by:			
Extraordinary Aid (unbudgeted)		<u>516,963</u>	
			<u>516,963</u>
Maximum Unreserved/Undesignated General Fund Balance			4,179,440
Actual Unassigned - General Fund Balance			<u>18,685,310</u>
Excess Surplus		\$	<u><u>14,505,870</u></u>
Recapitulation of Excess Surplus, June 30, 2020:			
Restricted for Excess Surplus - Designated for Subsequent Year's Expenditure		\$	9,409,621
Restricted for Excess Surplus			<u>14,505,870</u>
		\$	<u><u>23,915,491</u></u>

As of June 30, 2020, \$9,409,621 is reported as Restricted Fund Balance Excess Surplus Designated for Subsequent Year’s Expenditure and is required to be appropriated for property tax relief in the 2020-21 budget. \$14,505,870 is reported as Restricted Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2021-22 budget.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2020:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$	\$ 1,466,485
Special Revenue Fund		373,748
Capital Projects Fund	1,357,394	
Proprietary Funds	517,398	
Fiduciary Funds		34,559
	\$ 1,874,792	\$ 1,874,792

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, 2020

NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Balance, July 1, 2019		\$	3,246,999
Increased by:			
Transfer Unexpended Appropriations to Capital Reserve	\$	5,000,000	
Interest		<u>38,862</u>	
			<u>5,038,862</u>
			8,285,861
Decreased by:			
Appropriation of Capital Reserve 9/16/19 - Manalapan Auditorium		<u>950,000</u>	
			<u>950,000</u>
Balance, June 30, 2020		\$	<u><u>7,335,861</u></u>
Recapitulation:			
Capital Reserve		\$	7,335,861
Balance, June 30, 2020		\$	<u><u>7,335,861</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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, 2020, the balance of the Emergency Reserve Account was \$258,191 and is within the statutory limitations.

The activity of the emergency reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Balance, July 1, 2019	\$	255,137
Increased by:		
Interest		<u>3,054</u>
Balance, June 30, 2020	\$	<u><u>258,191</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

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, 2020, the balance of the Maintenance Reserve Account was \$1,519,191 and is within the statutory limitations.

The activity of the emergency reserve for the July 1, 2019 to June 30, 2020, fiscal year is as follows:

Balance, July 1, 2019	\$	1,501,223
Increased by:		
Interest		<u>17,968</u>
Balance, June 30, 2020	\$	<u><u>1,519,191</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2020

NOTE 18: INVENTORY

Inventory in the Food Service Fund at June 30, 2020 consisted of the following:

Food and Supplies	<u>\$52,793</u>
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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.

NOTE 19: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

The District has identified tax abatement agreements that have been entered into that require disclosure under this statement. The gross dollar amount, on an accrual basis, by which the District's property tax revenues were potentially reduced during the reporting period as a result of tax abatement agreements totaled \$631,695.18. It is important to note that the District Tax Levy is guaranteed to be paid in full by the municipalities and that the District collected its full tax levy for FY2020.

NOTE 20: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through January 27, 2021 which is the date the financial statements were available to be issued. The District has determined that the following subsequent event requires disclosure:

The ongoing spread of the new COVID-19 has become a threat to the global economy and financial markets. The ultimate effect of COVID-19 on the District and its future operations cannot presently be determined.

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, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES					
Local sources:					
Local Tax Levy	\$ 137,626,773	\$	137,626,773	137,626,773	\$ 201,164
Tuition from Individuals	50,000		50,000	251,164	94,101
Transportation				626,910	326,910
Unrestricted Miscellaneous Revenue	300,000		300,000	3,054	2,554
Interest Earned on Emergency Reserve	500		500	17,968	14,968
Interest Earned on Maintenance Reserve	3,000		3,000	38,862	34,862
Interest Earned on Capital Reserve Funds	4,000		4,000	102,929	102,929
Other Restricted Miscellaneous Revenue					
Total - local sources	<u>137,984,273</u>		<u>137,984,273</u>	<u>138,761,761</u>	<u>777,488</u>
State sources:					
Equalization Aid	36,933,216		36,933,216	36,933,216	
Categorical Transportation Aid	1,816,395		1,816,395	1,816,395	
Categorical Special Education Aid	7,030,185		7,030,185	7,030,185	
Security Aid	735,594		735,594	735,594	
Extraordinary Aid	2,300,000		2,300,000	2,816,963	516,963
On-behalf TPAF Pension (non-budgeted)				16,447,694	16,447,694
On-behalf TPAF Post Retirement Contributions (non-budgeted)				6,101,794	6,101,794
On-behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				10,339	10,339
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,677,663	5,677,663
Total - state sources	<u>48,815,390</u>		<u>48,815,390</u>	<u>77,569,843</u>	<u>28,754,453</u>
Federal sources:					
Medicaid reimbursement	131,837		131,837	120,525	(11,312)
Total - federal sources	<u>131,837</u>		<u>131,837</u>	<u>120,525</u>	<u>(11,312)</u>
Total revenues	<u>186,931,500</u>		<u>186,931,500</u>	<u>216,452,129</u>	<u>29,520,629</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, 2020

EXPENDITURES	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
CURRENT EXPENSE:					
Instruction - regular programs:					
Salaries of teachers:					
Grades 9-12	\$ 53,757,550	\$ (917)	\$ 53,756,633	\$ 53,020,126	\$ 736,507
Total Salaries of teachers:	53,757,550	(917)	53,756,633	53,020,126	736,507
Regular Programs - Home Instruction:					
Salaries of teachers	220,000		220,000	111,317	108,683
Purchased professional educational services	112,887	(15,000)	97,887	45,227	52,660
Total Regular Programs - Home Instruction:	332,887	(15,000)	317,887	156,544	161,343
Regular programs - undistributed instruction:					
Purchased professional educational services	12,200	(3,670)	8,530	5,600	2,930
Purchased technical services	253,467	14,768	268,235	217,877	50,358
Other purchased services(400-500 series)	639,358	(45,887)	593,471	424,309	169,162
General supplies	1,667,258	190,008	1,857,266	1,730,781	126,485
Textbooks	234,215	77,486	311,701	308,539	3,162
Other Objects	10,700	(4,825)	5,875	5,575	300
Total Regular programs - undistributed instruction	2,817,198	227,880	3,045,078	2,692,681	352,397
Total Regular Programs - Instruction	56,907,635	211,963	57,119,598	55,869,351	1,250,247

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, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Special education:					
Cognitive - Mild:					
Salaries of teachers	\$ 146,264	\$	146,264	\$ 146,264	\$
Other salaries for instruction	225,181		225,181	225,181	
General supplies	200	(34)	166	166	
Total Cognitive - Mild	<u>371,645</u>	<u>(34)</u>	<u>371,611</u>	<u>371,611</u>	
Cognitive - Moderate:					
Salaries of teachers	256,330		256,330	217,215	39,115
Other salaries for instruction	147,037	50,679	197,716	190,114	7,602
Other purchased services(400-500 series)	3,200	2,010	5,210	2,434	2,776
General supplies	12,000	(1,111)	10,889	9,980	909
Total Cognitive - Moderate	<u>418,567</u>	<u>51,578</u>	<u>470,145</u>	<u>419,743</u>	<u>50,402</u>
Learning and / or Language Disabilities:					
Salaries of teachers	842,503		842,503	781,654	60,849
Other salaries for instruction	288,388		288,388	280,786	7,602
Other purchased services(400-500 series)	16,000	(1,000)	15,000	4,408	15,000
General supplies	2,800	1,778	4,578	1,291	170
Textbooks	1,400	(109)	1,291	1,291	
Total Learning and / or Language Disabilities	<u>1,151,091</u>	<u>669</u>	<u>1,151,760</u>	<u>1,068,139</u>	<u>83,621</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, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Behavioral Disabilities:					
Salaries of teachers	\$ 255,245	\$	255,245	255,245	\$
Other salaries for instruction	50,679		50,679	50,679	
Purchased professional educational services	493,470		493,470	493,470	
General supplies	2,500	41	2,541	2,533	8
Total Behavioral Disabilities:	801,894	41	801,935	801,927	8
Resource room/resource center:					
Salaries of teachers	10,082,107		10,082,107	9,989,717	92,390
General supplies	42,728	(1,755)	40,973	35,341	5,632
Total Resource room/resource center	10,124,835	(1,755)	10,123,080	10,025,058	98,022
Autism:					
Salaries of teachers	259,746		259,746	259,746	
Other salaries for instruction	380,780		380,780	317,988	62,792
Purchased professional - educational services	500	(500)			
Other purchased services(400-500 series)	500	(500)			
General supplies	12,000	(340)	11,660	11,166	494
Total Autism	653,526	(1,340)	652,186	588,900	63,286
Home Instruction:					
Salaries of teachers	100,000		100,000	60,749	39,251
Purchased professional - educational services	100,000		100,000	51,244	48,756
Total Home Instruction:	200,000		200,000	111,993	88,007
Total special education	13,721,558	49,159	13,770,717	13,387,371	383,346
Basic skills/remedial:					
Salaries of teachers	535,743		535,743	442,862	92,881
Total basic skills/remedial	535,743		535,743	442,862	92,881

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
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IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Bilingual education:					
Salaries of teachers	\$ 259,245	\$	259,245	259,245	\$
Other purchased services (400-500 series)	1,300	(1,300)			
General supplies		904	904	904	
Total bilingual education	<u>260,545</u>	<u>(396)</u>	<u>260,149</u>	<u>260,149</u>	
School sponsored Co-curricular and Extra-Curricular activities:					
Salaries	1,117,491		1,117,491	998,201	119,290
Purchased services (300-500 series)	39,230	(4,948)	34,282	21,836	12,446
Supplies and Materials	31,850		31,850	27,626	4,224
Other Objects	31,798	(6,503)	25,295	15,246	10,049
Total school sponsored Co-curricular and Extra-curricular activities	<u>1,220,369</u>	<u>(11,451)</u>	<u>1,208,918</u>	<u>1,062,909</u>	<u>146,009</u>
School sponsored athletics:					
Salaries	3,549,481	2,957	3,552,438	3,253,240	299,198
Purchased services (300-500 series)	545,400	(17,789)	527,611	423,815	103,796
Supplies and Materials	244,183	(4,592)	239,591	219,302	20,289
Other Objects	128,170	(5,147)	123,023	119,662	3,361
Total school sponsored athletics	<u>4,467,234</u>	<u>(24,571)</u>	<u>4,442,663</u>	<u>4,016,019</u>	<u>426,644</u>
Other instructional programs:					
Salaries	567,825		567,825	455,925	111,900
Purchased services (300-500 series)	12,500	650	13,150	12,571	579
Supplies and Materials	10,000	(650)	9,350	9,311	39
Other Objects	3,046		3,046	2,773	273
Total other instructional programs	<u>593,371</u>		<u>593,371</u>	<u>480,580</u>	<u>112,791</u>
Total other instructional programs	<u>7,077,262</u>	<u>(36,418)</u>	<u>7,040,844</u>	<u>6,262,519</u>	<u>778,325</u>
Total - instruction	<u>77,706,455</u>	<u>224,704</u>	<u>77,931,159</u>	<u>75,519,241</u>	<u>2,411,918</u>

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COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-special	\$ 328,459	\$	\$ 328,459	\$ 202,975	\$ 125,484
Tuition to county vocational school district-regular	4,133,925		4,133,925	4,118,638	15,287
Tuition to county vocational school district-special	596,125		596,125	504,734	91,391
Tuition to CSSD and regional day schools	2,443,986	160,350	2,604,336	2,478,193	126,143
Tuition to private schools for the handicapped within state	10,334,697	(480,350)	9,854,347	7,321,549	2,532,798
Tuition-state facilities	261,803		261,803	261,803	
Total undistributed expenditures - instruction	18,098,995	(320,000)	17,778,995	14,887,892	2,891,103
Attendance and social work services:					
Salaries	771,049		771,049	737,677	33,372
Other purchased services (400-500 series)	75	(20)	55	55	
Supplies and Materials	1,900	(375)	1,525	1,294	231
Total attendance and social work services	773,024	(395)	772,629	739,026	33,603
Health services:					
Salaries	1,261,550		1,261,550	1,240,964	20,586
Purchased professional and technical services	133,747	(6,295)	127,452	96,855	30,597
Other Purchased Services (400-500 series)	1,635	(60)	1,575	523	1,052
Supplies and materials	15,150	7,266	22,416	21,016	1,400
Other Objects	100	(15)	85	85	
Total health services	1,412,182	896	1,413,078	1,359,443	53,635
Other support services - speech, OT, PT & related services:					
Salaries	569,225	58,560	627,785	617,981	9,804
Purchased professional - Educational services	217,537	56,500	274,037	224,267	49,770
Supplies and materials	400		400	266	134
Total other support services - speech, OT, PT & related services	787,162	115,060	902,222	842,514	59,708

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IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Other support services- Extraordinary Services					
Salaries	\$ 2,118,227	\$	2,118,227	\$ 1,772,020	\$ 346,207
Purchased Professional - Educational Services	2,868,497		2,868,497	2,647,729	220,768
Total other support services - Extraordinary Services	4,986,724		4,986,724	4,419,749	566,975
Other support services - Guidance:					
Salaries of other professional staff	4,198,441		4,198,441	4,073,674	124,767
Salaries of secretarial and clerical assistants	653,101		653,101	650,290	2,811
Other Salaries	7,000	8,000	15,000	10,400	4,600
Other Purchased Professional and Technical Services	67,000	(1,015)	65,985	62,651	3,334
Other Purchased Services (400-500 series)	55,347	(7,471)	47,876	35,060	12,816
Supplies and Materials	23,928	(3,316)	20,612	19,996	616
Other objects	4,640	5	4,645	4,350	295
Total other support services - Guidance	5,009,457	(3,797)	5,005,660	4,856,421	149,239
Other support services - child study teams:					
Salaries of other professional staff	2,857,789	(109,253)	2,748,536	2,698,643	49,893
Salaries of secretarial and clerical assistants	343,960		343,960	343,960	
Purchased Professional - Educational Services	936,500	(56,500)	880,000	472,402	407,598
Other Purchased Services (400-500 series)	6,500	1,730	8,230	1,605	6,625
Supplies and Materials	80,492	(17,062)	63,430	14,457	48,973
Total other support services - child study teams	4,225,241	(181,085)	4,044,156	3,531,067	513,089

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
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IN FUND BALANCE - BUDGET AND ACTUAL
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	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Improvement of instructional services:					
Salaries of Supervisors of Instruction	\$ 639,646	\$	639,646	559,988	\$ 79,658
Salaries of secretarial and clerical assistants	209,277	(149)	209,128	209,128	
Other Salaries	267,980	(41,000)	226,980	171,880	55,100
Other Purchased Services (400-500)	67,400	(5,400)	62,000	17,629	44,371
Supplies and Materials	10,500	6,400	16,900	11,712	5,188
Other objects	38,000		38,000	32,477	5,523
Total Improvement of instructional services:	1,232,803	(40,149)	1,192,654	1,002,814	189,840
Educational media services/school library:					
Salaries	164,565		164,565	164,565	
Purchased Professional and Technical Services	57,129	(4,259)	52,870	52,870	
Other Purchased Services (400-500)	10,500	(500)	10,000	9,695	305
Supplies and Materials	18,569	(13,215)	5,354	5,027	327
Total educational media services/school library	250,763	(17,974)	232,789	232,157	632
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	548,031		548,031	530,112	17,919
Salaries of secretarial and clerical assistants	33,336	163	33,499	33,499	
Purchased Professional - Educational Services	145,080	(35,572)	109,508	86,474	23,034
Other Purchased Services (400-500)	101,375	15,599	116,974	68,279	48,695
Supplies and Materials	12,500	(7,628)	4,872	4,160	712
Other objects	3,800	(1,600)	2,200	552	1,648
Total instructional staff training services:	844,122	(29,038)	815,084	723,076	92,008

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	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Support services general administration:					
Salaries	\$ 382,016	\$	\$ 382,016	\$ 381,943	\$ 73
Legal services	513,146		513,146	420,813	92,333
Audit Fees	64,000		64,000	59,000	5,000
Architectural/Engineering Services	51,465		51,465	2,965	48,500
Other purchased professional services	1,400	(1,400)			
Purchased technical services	18,730	3,000	21,730	19,930	1,800
Communications/telephone	735,000	49,000	784,000	749,632	34,368
BOE Other purchased services(580-585)	5,000		5,000	3,199	1,801
Misc. purchased services (400-500 Series, other than 530 & 585)	189,735	(13,600)	176,135	143,667	32,468
General supplies	15,200	(1,025)	14,175	3,613	10,562
BOE in-house training/meeting supplies	4,000		4,000	48	3,952
Miscellaneous expenditures	14,400	1,025	15,425	14,520	905
BOE membership dues and fees	27,000		27,000	26,663	337
Total support services general administration	2,021,092	37,000	2,058,092	1,825,993	232,099
Support services school administration:					
Salaries of principals/asst. principals	3,556,364	100,000	3,656,364	3,457,443	198,921
Salaries of other professional staff	1,781,973		1,781,973	1,742,602	39,371
Salaries of secretarial and clerical assistants	1,425,237		1,425,237	1,315,411	109,826
Other Purchased Services (400-500 series)	81,601	(6,321)	75,280	59,180	16,100
Supplies and Materials	87,327	10,554	97,881	95,516	2,365
Other objects	146,875	40,740	187,615	151,810	35,805
Total support services school administration	7,079,377	144,973	7,224,350	6,821,962	402,388

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	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central Services:					
Salaries	\$ 1,375,164	\$	1,375,164	1,352,779	\$ 22,385
Purchased professional services	24,000		24,000	1,980	22,020
Purchased technical services	27,860	3,300	31,160	24,520	6,640
Misc. purchased services (400-500 series)	111,800	(3,300)	108,500	76,176	32,324
Supplies and materials	58,745		58,745	36,334	22,411
Interest on Lease Purchase Agreement	128,769		128,769	108,832	19,937
Miscellaneous expenditures	9,700		9,700	6,865	2,835
Total central services	1,736,038		1,736,038	1,607,486	128,552
Administrative Information Technology:					
Salaries	811,734	30,000	841,734	807,820	33,914
Purchased technical services	666,100	(17,000)	649,100	646,415	2,685
Other purchased services (400-500 series)	488,384		488,384	487,351	1,033
Supplies and Materials	80,500	25,000	105,500	88,315	17,185
Total Administrative Information Technology	2,046,718	38,000	2,084,718	2,029,901	54,817
Required Maintenance for School Facilities:					
Salaries	875,448		875,448	859,527	15,921
Cleaning, Repair and Maintenance Services	1,488,535	219,787	1,708,322	1,576,376	131,946
Misc. purchased services (400-500 series)	7,000		7,000	152	6,848
General supplies	349,150	(65,000)	284,150	218,442	65,708
Other objects	62,500		62,500	18,451	44,049
Total Required Maintenance for School Facilities	2,782,633	154,787	2,937,420	2,672,948	264,472

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	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Custodial Services :					
Salaries	\$ 4,577,196	\$ (34,625)	\$ 4,542,571	\$ 4,210,112	\$ 332,459
Purchased professional and technical services	327,700	13,500	341,200	327,227	13,973
Cleaning, repair and maintenance services	165,640		165,640	127,289	38,351
Rental of land and building - other than lease purchase agreement	270,000		270,000	243,220	26,780
Lease Purchase Payments-Energy Savings Improvement Prog.	2,019,774		2,019,774	2,019,773	1
Other purchased property services	258,000		258,000	206,305	51,695
Insurance	465,989	(13,500)	452,489	403,400	49,089
General supplies	390,000		390,000	376,914	13,086
Energy (Natural Gas)	700,000		700,000	440,932	259,068
Energy (Electricity)	1,875,000		1,875,000	1,172,285	702,715
Energy (Gasoline)	778,535	(48,680)	729,855	388,203	341,652
Total custodial services	11,827,834	(83,305)	11,744,529	9,915,660	1,828,869
Care & Upkeep of Grounds:					
Salaries	635,282	34,625	669,907	647,524	22,383
Cleaning, Repair and Maintenance Services	422,408	(247,000)	175,408	152,709	22,699
General supplies	161,237	(22,000)	139,237	108,171	31,066
Total Care and Upkeep of Grounds	1,218,927	(234,375)	984,552	908,404	76,148
Security:					
Salaries	487,691		487,691	476,080	11,611
Purchased Professional & Technical Services (300-500)	324,000	46,775	370,775	277,521	93,254
Cleaning, Repair and Maintenance Services	6,000	(1,000)	5,000	1,600	3,400
General Supplies	7,774	6,646	14,420	13,497	923
Total Security	825,465	52,421	877,886	768,698	109,188
Total operation and maintenance of plant services	16,654,859	(110,472)	16,544,387	14,265,710	2,278,677

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IN FUND BALANCE - BUDGET AND ACTUAL
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	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Student transportation services:					
Salaries of Non-Instructional Aides	\$ 285,259	\$ (45,026)	\$ 240,233	\$ 239,284	\$ 949
Salaries for pupil transportation (between home and school)-regular	3,206,237	311,245	3,517,482	3,516,624	858
Salaries for pupil transportation (between home and school)-Special Ed	792,143	(34,445)	757,698	757,698	
Salaries for pupil transportation (other than between home & school)	500,000	(231,774)	268,226	262,057	6,169
Management Fee - ESC & CTSA transportation programs	263,750		263,750	248,922	14,828
Other Purchased professional and technical services	282,850	14	282,864	261,133	21,731
Cleaning, Repair and Maintenance Services	854,935	(14)	854,921	717,748	137,173
Lease Purchase Payments - School Buses	1,036,095		1,036,095	1,036,093	2
Contracted Services - between home and school vendors	5,000,380	48,680	5,049,060	4,431,501	617,559
Contracted services (other than btw home & school)-vendors	276,350	(4,946)	271,404	106,747	164,657
Contract. Serv. (spec ed students)-vendors	41,286		41,286	2,211	39,075
Contract. Serv. (spec ed students)-Joint Agreements	50,446	50,446	50,446	40,480	9,966
Contracted services (regular students) - ESCs & CTSA	625,000		625,000	374,811	250,189
Contracted services (spec ed students) - ESCs & CTSA	5,030,897	(50,446)	4,980,451	4,147,272	833,179
Contract. Serv - Aid in Lieu Pymts-Non-Public Schools	180,000		180,000	117,292	62,708
Travel	2,000		2,000	192,125	2,000
Miscellaneous purchased services - Transportation(580-590)	199,543		199,543	7,418	7,418
General supplies	8,364		8,364	3,732	4,632
Transportation Supplies	638,244		638,244	500,375	137,869
Other objects	3,664		3,664	1,485	2,179
Total student transportation services	<u>19,226,997</u>	<u>43,734</u>	<u>19,270,731</u>	<u>16,957,590</u>	<u>2,313,141</u>

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IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<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>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 2,300,000	\$	2,300,000	2,059,861	240,139
Other retirement contributions - PERS	2,710,000		2,710,000	2,440,426	269,574
Unemployment Compensation	7,500	10,772	18,272	11,691	6,581
Workers Compensation	892,399	186,123	1,078,522	870,787	207,735
Health Benefits	29,935,000	(411,894)	29,523,106	23,911,966	5,611,140
Tuition Reimbursements	217,363		217,363	104,564	112,799
Other Employee Benefits	270,000		270,000	267,222	2,778
Total Unallocated Benefits - Employee Benefits:	<u>36,332,262</u>	<u>(214,999)</u>	<u>36,117,263</u>	<u>29,666,517</u>	<u>6,450,746</u>
On-behalf TPAF Pension (non-budgeted)				16,447,694	(16,447,694)
On-behalf TPAF Post Retirement Contributions (non-budgeted)				6,101,794	(6,101,794)
On-behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				10,339	(10,339)
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,677,663	(5,677,663)
Total On-behalf contributions				<u>28,237,490</u>	<u>(28,237,490)</u>
Total personal services	<u>36,332,262</u>	<u>(214,999)</u>	<u>36,117,263</u>	<u>57,904,007</u>	<u>(21,786,744)</u>
Total Undistributed Expenditures	<u>122,717,816</u>	<u>(538,246)</u>	<u>122,179,570</u>	<u>134,006,808</u>	<u>(11,827,238)</u>
TOTAL EXPENDITURES - GENERAL CURRENT EXPENSE FUND 11	<u>200,424,271</u>	<u>(313,542)</u>	<u>200,110,729</u>	<u>209,526,049</u>	<u>(9,415,320)</u>

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IN FUND BALANCE - BUDGET AND ACTUAL
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	<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>
CAPITAL OUTLAY:					
Equipment:					
Regular program - Instruction	\$ 27,752	\$ (381)	\$ 27,371	\$ 27,223	\$ 148
Grades 9-12	9,100	52,809	61,909	50,232	11,677
School sponsored and other instructional program					
Undistributed Expenditures					
Child Study Team	6,000	2,464	8,464	2,464	6,000
Administrative Information Technology	18,000	120,000	138,000	119,932	18,068
Maintenance of school facility	60,000	11,000	71,000	34,365	36,635
Custodial services	16,000	11,000	27,000	26,737	263
Care & upkeep grounds	66,000	4,650	70,650	65,714	4,936
Total Equipment	<u>202,852</u>	<u>201,542</u>	<u>404,394</u>	<u>326,667</u>	<u>77,727</u>
Facilities acquisition and construction services:					
Architectural/Engineering Services	16,940	4,000	20,940	18,539	2,401
Construction services	590,100	1,058,000	1,648,100	1,481,960	166,140
Assessment for Debt Service on SDA Funding	8,101		8,101	8,101	
Total facilities acquis. and const. services	<u>615,141</u>	<u>1,062,000</u>	<u>1,677,141</u>	<u>1,508,600</u>	<u>168,541</u>
TOTAL CAPITAL OUTLAY	<u>817,993</u>	<u>1,263,542</u>	<u>2,081,535</u>	<u>1,835,267</u>	<u>246,268</u>

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IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
TOTAL EXPENDITURES	\$ 201,242,264	\$ 950,000	\$ 202,192,264	\$ 211,361,316	\$ (9,169,052)
Excess (deficiency) of revenues over (under) expenditures	(14,310,764)	(950,000)	(15,260,764)	5,090,813	20,351,577
Excess of Revenues and other Financing Sources Over Expenditures and Other Expenditures and other Financing Sources	(950,000)		(15,260,764)	5,090,813	20,351,577
Fund balances, July 1	33,109,812		33,109,812	33,109,812	
Fund balances, June 30	\$ 33,109,812	\$ (950,000)	\$ 17,849,048	\$ 38,200,625	\$ 20,351,577
Recapitulation:					
Restricted:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 9,409,621	
Excess Surplus - Current Year				14,505,870	
Maintenance Reserve				1,519,191	
Capital Reserve				7,335,861	
Emergency Reserve				258,191	
Assigned:					
Designated for Subsequent Year's Expenditures				490,379	
Encumbrances				502,073	
Unassigned				4,179,439	
				<u>38,200,625</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: Last Two State Aid Payments not recognized on GAAP basis				4,576,247	
Fund Balance per Governmental Funds (GAAP)				\$ 33,624,378	

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Federal sources	\$ 2,673,688	\$ 486,329	\$ 3,160,017	\$ 3,006,991	\$ (153,026)
State sources	192,073	114,054	306,127	195,591	(110,536)
Other sources	175,805		175,805	161,767	(14,038)
Total revenues	3,041,566	600,383	3,641,949	3,364,349	(277,600)
EXPENDITURES:					
Instruction:					
Salaries of teachers	592,743	(223,388)	369,355	367,063	2,292
Other salaries	162,687	27,036	189,723	176,799	12,924
Other purchased professional-educational services	75,000	(816)	74,184	51,160	23,024
Other purchased services	28,000	(977)	27,023	23,594	3,429
Tuition	1,812,939	327,392	2,140,331	2,140,331	
Supplies and materials	8,721	206,324	215,045	115,448	99,597
Textbooks	12,936	4,775	17,711	16,055	1,656
Miscellaneous expenditures		2,075	2,075	1,130	945
Total instruction	2,693,026	342,421	3,035,447	2,891,580	143,867
Support services:					
Other salaries	72,805	16,693	89,498	30,295	59,203
Personal services - employee benefits	214,711	(14,325)	200,386	197,989	2,397
Purchased professional - educational services	1,188	92,440	93,628	72,567	21,061
Purchased technical services	23,498	8,318	31,816	23,983	7,833
Other purchased services		76,324	76,324	54,710	21,614
Supplies and materials	36,338	45,112	81,450	71,396	10,054
Total support services	348,540	224,562	573,102	450,940	122,162
Facilities acquisition and construction services:					
Instructional equipment		33,400	33,400	21,829	11,571
Total facilities acquisition and construction serv.		33,400	33,400	21,829	11,571
Total expenditures	3,041,566	600,383	3,641,949	3,364,349	277,600
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, 2020

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	\$ 216,452,129	\$ 3,364,349
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Current Year		(5,846)
Prior Year		16,800
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(4,576,247)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	4,978,857	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	216,854,739	3,375,303
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	211,361,316	3,364,349
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Adjust for encumbrances:		
Add prior year encumbrances		16,800
Less current year encumbrances		(5,846)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 211,361,316	\$ 3,375,303

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%
2016	0.2531994782%	74,990,423	17,291,154	433.69%	40.14%
2017	0.2526739183%	58,818,449	17,667,039	332.93%	48.10%
2018	0.2564284900%	50,489,491	17,759,374	284.30%	53.60%
2019	0.2493625419%	44,931,347	17,147,638	262.03%	56.27%

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

Fiscal Year Ending <u>June 30,</u>	Contractually Required <u>Contribution</u>	Contributions in Relation to the Contractually Required <u>Contributions</u>	Contribution Deficiency (<u>Excess</u>)	District's Covered- Employee <u>Payroll</u>	Contributions as a Percentage of Covered- Employee <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%
2017	2,249,388	2,249,388	-0-	17,667,039	12.73%
2018	2,340,754	2,340,754	-0-	17,759,374	13.18%
2019	2,550,635	2,550,635	-0-	17,147,638	14.87%
2020	2,425,563	2,425,563	-0-	17,377,580	13.96%

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 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%
2016	0.7355013065%	-0-	76,690,024	-0-	22.33%
2017	0.7487609350%	-0-	76,773,797	-0-	25.41%
2018	0.7465411736%	-0-	75,957,485	-0-	26.49%
2019	0.7412775633%	-0-	77,953,020	-0-	26.95%

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, 2020

Public Employees Retirement System

Change in benefit terms: None

Change in assumptions: The discount rate changed from 5.66% to 6.28% as of
June 30, 2019.

Teacher Pension and Annuity Fund

Change in benefit terms: None

Change in assumptions: The discount rate changed from 4.86% to 5.60% as of
June 30, 2019.

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER
THAN PENSIONS (GASB 75)**

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS

	Fiscal Year Ended June 30,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Changes for the year:			
Service cost	\$10,681,794	\$12,065,686	14,557,134.00
Interest	11,802,170	12,633,063	10,916,077.00
Differences between expected and actual experience	(45,960,962)	-	
Changes in assumptions or other inputs	4,037,248	(63,349,626)	(45,435,718.00)
Membership Contributions	246,389	275,658	293,930.00
Benefit Payments - Net	(8,311,925)	(7,975,856)	(7,972,348.00)
Net changes	<u>(27,505,286)</u>	<u>(46,351,075)</u>	<u>(27,640,925)</u>
Beginning Balance	<u>\$298,278,329</u>	<u>344,629,404</u>	<u>372,280,329</u>
Ending Balance	<u>\$270,773,043</u>	<u>\$298,278,329</u>	<u>\$344,639,404</u>
Covered Employee Payroll	95,330,600	93,105,123	94440836
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	284.04%	320.37%	364.92%

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 OPEB (GASB 75)

NOTE TO RSI IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Change in benefit terms: None

Change in assumptions: The discount rate changed from 3.87% to 3.50% as of June 30, 2020.

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, 2020

	TITLE I	TITLE IIA	TITLE III	TITLE III IMMIGRANT	TITLE IV	IDEA PART B	CARL D. PERKINS
REVENUES:							
Federal sources	\$ 653,486	\$ 116,561	\$ 10,721	\$ 4,897	\$ 36,631	\$ 2,140,331	\$ 24,733
State sources							
Other sources							
Total revenues	\$ 653,486	\$ 116,561	\$ 10,721	\$ 4,897	\$ 36,631	\$ 2,140,331	\$ 24,733
EXPENDITURES:							
Instruction:							
Salaries of teachers	367,063						
Other salaries	32,954		1,350		8,670		50
Other purchased professional-educational services	38,686		3,844		7,500		1,130
Other purchased services				250	400		169
Tuition						2,140,331	
Supplies and materials	8,173		2,586	4,647	9,913		18,980
Textbooks							
Miscellaneous Expenditures					1,130		
Total instruction	446,876		7,780	4,897	27,613	2,140,331	20,329
Support services:							
Other Salaries	8,554	15,400	600				
Personal services - employee benefits	195,362	1,178	149		663		4
Purchased professional - educational services		58,312	2,000		8,355		400
Purchased Technical Services	1,707	25,236					
Other purchased services	987	16,435	192				
Supplies and materials							
Total support services	206,610	116,561	2,941		9,018		404
Facilities acquisition and construction serv:							
Instructional equipment							4,000
Total facilities acquisition and construction serv.							4,000
Total expenditures	\$ 653,486	\$ 116,561	\$ 10,721	\$ 4,897	\$ 36,631	\$ 2,140,331	\$ 24,733

(Continued on next page)

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	JROTC	NON - PUBLIC TEXTBOOKS	NON - PUBLIC NURSING	NON - PUBLIC TECHNOLOGY	NON - PUBLIC SECURITY	COLLEGE FAIR
REVENUES:						
Federal sources	19,631					
State sources		16,055	23,983	9,397	48,113	12,145
Other sources						
Total revenues	\$ 19,631	\$ 16,055	\$ 23,983	\$ 9,397	\$ 48,113	\$ 12,145
EXPENDITURES:						
Instruction:						
Salaries of teachers						
Other salaries						
Other purchased professional-educational services	19,631					
Other purchased services				9,397		
Tuition						
Supplies and materials		16,055				
Textbooks						
Miscellaneous Expenditures						
Total instruction	19,631	16,055		9,397		
Support services:						
Other salaries						
Personal services - employee benefits						
Purchased professional - educational services			23,983			9,847
Purchased Technical Services					48,113	2,298
Other purchased services						
Supplies and materials						
Total support services			23,983		48,113	12,145
Facilities acquisition and construction serv:						
Instructional equipment						
Total facilities acquisition and construction serv.						
Total expenditures	\$ 19,631	\$ 16,055	\$ 23,983	\$ 9,397	\$ 48,113	\$ 12,145

(Continued on next page)

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	SPECIAL OLYMPICS	CAREER PATHWAYS YR 4	CAREER PATHWAYS YR 5	SUMMER PROGRAMS	OTHER LOCAL	COMPARATIVE TOTALS JUNE 30
						2020
						2019
REVENUES:						
Federal sources						
State sources	\$ 5,000	\$ 93,234	\$ 4,809	\$ 127,775	\$ 16,847	\$ 3,099,860
Other sources						149,801
Total revenues	\$ 5,000	\$ 93,234	\$ 4,809	\$ 127,775	\$ 16,847	\$ 3,364,349
EXPENDITURES:						
Instruction:						
Salaries of teachers						367,063
Other salaries	5,000	1,000		127,775		176,799
Other purchased professional-educational services						51,862
Other purchased services					3,144	37,144
Tuition						2,140,331
Supplies and materials		52,862			8,890	115,448
Textbooks						16,055
Miscellaneous Expenditures						1,130
Total instruction	5,000	53,862		127,775	12,034	2,891,580
Support services:						
Other salaries		5,850				30,404
Personal services - employee benefits		524				197,880
Purchased professional - educational services		3,500				72,567
Purchased Technical Services						23,983
Other purchased services		11,669	4,809		1,442	54,710
Supplies and materials					3,371	71,396
Total support services		21,543	4,809		4,813	450,940
Facilities acquisition and construction serv:						
Instructional equipment		17,829				21,829
Total facilities acquisition and construction serv.		17,829				21,829
Total expenditures	\$ 5,000	\$ 93,234	\$ 4,809	\$ 127,775	\$ 16,847	\$ 3,364,349
						\$ 3,418,488

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

EXHIBIT "F-1"

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
AS OF JUNE 30, 2020

<u>ISSUE/PROJECT TITLE</u>	<u>ORIGINAL DATE</u>	<u>REVISED BUDGETARY APPROPRIATIONS</u>	<u>PRIOR YEAR</u>	<u>EXPENDITURES TO DATE CURRENT YEAR</u>	<u>(MEMO ONLY) UNEXPENDED PROJECT BALANCE</u>
Freehold Boro High School - Roof Replacement	6/20/2014	\$ 1,325,506	\$ 1,194,713	\$	130,793
Marlboro High School - Roof Replacement	6/20/2014	924,454	892,963		31,491
Freehold Boro High School - Boiler & HVAC Replacement	6/20/2014	2,189,792	1,678,824		510,968
Districtwide Energy Savings Improvement Plan	3/10/2014	19,500,000	19,149,571		350,429
Colts Neck High School - Roof Replacement	6/26/2015	681,493	629,145		52,348
Howell High School - Roof Replacement	6/26/2015	1,734,211	1,590,485		143,726
Freehold Township High School - Roof Replacement	6/26/2015	1,018,247	975,254		42,993
Manalapan High School - Roof Replacement	6/26/2015	1,492,785	1,398,139		94,646
Totals		\$ 28,866,488	\$ 27,509,094	\$	1,357,394

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, 2020

Revenues and Other Financing Sources:		
State Sources - SDA Grant Adjustment	\$	<u>(66)</u>
Total revenues		(66)
 Net change in fund balance		 (66)
 Fund balance - beginning		 <u>1,357,460</u>
 Fund balance - ending	\$	 <u><u>1,357,394</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, 2020

	<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	\$ 477,256 \$	\$	477,256 \$	477,256
Capital Lease	848,250		848,250	848,250
Total revenues	<u>1,325,506</u>	<u>-</u>	<u>1,325,506</u>	<u>1,325,506</u>
Expenditures and Other Financing Uses:				
Legal services	5,507		5,507	5,507
Architectural/engineering services	92,370		92,370	92,371
Other purchased professional and technical services	8,530		8,530	8,530
Construction services	1,088,306		1,088,306	1,219,098
Total expenditures	<u>1,194,713</u>	<u>-</u>	<u>1,194,713</u>	<u>1,325,506</u>
Excess (deficiency) of revenues over (under) expenditures \$	<u>130,793 \$</u>	<u>- \$</u>	<u>130,793 \$</u>	<u>0</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	(\$225,815)
Revised Authorized Cost	\$1,325,506

Percentage Increase/(decrease) over Original Authorized Cost	-14.56%
Percentage completion	100.00%
Original target completion date	FY15
Revised target completion date	FY19

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, 2020

	<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	\$ 336,764	\$ -	\$ 336,764	\$ 336,764
Capital Lease	587,690		587,690	587,690
Total revenues	<u>924,454</u>	<u>-</u>	<u>924,454</u>	<u>924,454</u>
Expenditures and Other Financing Uses:				
Legal services	2,989		2,989	2,989
Architectural/engineering services	68,618		68,618	68,618
Other purchased professional and technical services	9,437		9,437	9,437
Construction services	811,919		811,919	843,410
Total expenditures	<u>892,963</u>	<u>-</u>	<u>892,963</u>	<u>924,454</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 31,491</u>	<u>\$ -</u>	<u>\$ 31,491</u>	<u>-</u>

* 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	100.00%
Original target completion date	FY15
Revised target completion date	FY18

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, 2020

	<u>Prior Periods*</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised</u> <u>Authorized</u> <u>Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 668,135 \$	\$	668,135 \$	668,201
Capital Lease	1,521,657		1,521,657	1,521,657
Total revenues	<u>2,189,792</u>	<u>-</u>	<u>2,189,792</u>	<u>2,189,858</u>
Expenditures and Other Financing Uses:				
Legal services	9,003		9,003	9,003
Architectural/engineering services	100,756		100,756	100,756
Other purchased professional and technical services	12,431		12,431	12,431
Construction services	1,556,634		1,556,634	2,067,668
Total expenditures	<u>1,678,824</u>	<u>-</u>	<u>1,678,824</u>	<u>2,189,858</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 510,968 \$	-	510,968 \$	

* 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	(\$346,237)
Revised Authorized Cost	\$2,189,858

Percentage Increase/(decrease) over Original Authorized Cost	-13.65%
Percentage completion	100.00%
Original target completion date	FY15
Revised target completion date	FY18

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, 2020

	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>19,500,000</u>		<u>19,500,000</u>	<u>19,500,000</u>
Expenditures and Other Financing Uses:				
Legal services	17,500		17,500	28,842
Architectural/engineering services	1,413,070		1,413,070	1,413,657
Other purchased professional and technical services	67,473		67,473	67,473
Construction services	17,651,528		17,651,528	17,990,028
Total expenditures	<u>19,149,571</u>	-	<u>19,149,571</u>	<u>19,500,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 350,429</u>	<u>\$ -</u>	<u>\$ 350,429</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	11.43%
Percentage completion	100.00%
Original target completion date	FY16
Revised target completion date	FY19*

* Project is complete, awaiting final close-out documents from one contractor

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, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 249,373	\$	249,373	\$ 249,373
Capital Lease	432,120		432,120	432,120
Total revenues	<u>681,493</u>		<u>681,493</u>	<u>681,493</u>
Expenditures and Other Financing Uses:				
Legal services	1,987		1,987	2,000
Architectural/engineering services	58,047		58,047	58,047
Other purchased professional and technical services	9,559		9,559	9,559
Construction services	559,552		559,552	611,887
Total expenditures	<u>629,145</u>		<u>629,145</u>	<u>681,493</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 52,348	\$	52,348	\$

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	(\$181,825)
Revised Authorized Cost	\$681,493

Percentage Increase/(decrease) over Original Authorized Cost	-21.06%
Percentage completion	100.00%
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
HOWELL HIGH SCHOOL - ROOF REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 631,819	\$	631,819	\$ 631,819
Capital Lease	1,102,392		1,102,392	1,102,392
Total revenues	<u>1,734,211</u>		<u>1,734,211</u>	<u>1,734,211</u>
Expenditures and Other Financing Uses:				
Legal services	4,922		4,922	4,925
Architectural/engineering services	143,767		143,767	143,767
Other purchased professional and technical services	19,784		19,784	19,784
Construction services	1,422,012		1,422,012	1,565,735
Total expenditures	<u>1,590,485</u>		<u>1,590,485</u>	<u>1,734,211</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 143,726</u>	<u>\$</u>	<u>143,726</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	(\$468,501)
Revised Authorized Cost	\$1,734,211
Percentage Increase/(decrease) over Original Authorized Cost	-21.27%
Percentage completion	100.00%
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
FREEHOLD TOWNSHIP HIGH SCHOOL - ROOF REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 387,125	\$ -	\$ 387,125	\$ 387,125
Capital Lease	631,122		631,122	631,122
Total revenues	<u>1,018,247</u>		<u>1,018,247</u>	<u>1,018,247</u>
Expenditures and Other Financing Uses:				
Legal services	3,080		3,080	3,080
Architectural/engineering services	71,532		71,532	71,532
Other purchased professional and technical services	12,721		12,721	12,721
Construction services	887,921		887,921	930,914
Total expenditures	<u>975,254</u>	<u>-</u>	<u>975,254</u>	<u>1,018,247</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 42,993</u>	<u>\$ -</u>	<u>\$ 42,993</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	(\$266,705)
Revised Authorized Cost	\$1,018,247

Percentage Increase/(decrease) over Original Authorized Cost	-20.76%
Percentage completion	100.00%
Original target completion date	FY16
Revised target completion date	FY19

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, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ 408,419	\$	\$ 408,419	\$ 408,419
Capital Lease	1,084,366		1,084,366	1,084,366
Total revenues	<u>1,492,785</u>		<u>1,492,785</u>	<u>1,492,785</u>
Expenditures and Other Financing Uses:				
Legal services	5,288		5,288	5,288
Architectural/engineering services	101,856		101,856	101,856
Other purchased professional and technical services	11,575		11,575	11,575
Construction services	1,279,420		1,279,420	1,374,066
Total expenditures	<u>1,398,139</u>	-	<u>1,398,139</u>	<u>1,492,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 94,646</u>	<u>\$</u>	<u>\$ 94,646</u>	<u>-</u>

Additional project information:

Project Number	1650-070-14-G2AI
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	100.00%
Original target completion date	FY16
Revised target completion date	FY19

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, 2020

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		COMPARATIVE TOTALS	
	FOOD SERVICE	EXTRA-CURRICULAR	JUNE 30	
	<u>FUND</u>	<u>FUND</u>	<u>2020</u>	<u>2019</u>
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 94,830	\$	\$ 94,830	\$ 163,708
Accounts receivable:				
State	3,882		3,882	907
Federal	8,548		8,548	27,096
Other	2,855		2,855	155,349
Interfund receivable	482,708	34,690	517,398	549,458
Inventories	52,793		52,793	23,796
	<u>645,616</u>	<u>34,690</u>	<u>680,306</u>	<u>920,314</u>
Total current assets				
Noncurrent assets:				
Furniture, machinery and equipment	1,050,694		1,050,694	1,050,694
Less accumulated depreciation	(666,283)		(666,283)	(614,844)
	<u>384,411</u>		<u>384,411</u>	<u>435,850</u>
Total noncurrent assets				
Total assets				
	<u>1,030,027</u>	<u>34,690</u>	<u>1,064,717</u>	<u>1,356,164</u>
LIABILITIES:				
Current liabilities:				
Accounts payable	165	34,690	34,855	519
Interfund payable				145,964
Lease payable	516,726		516,726	635,383
Unearned revenue	122,358		122,358	106,417
	<u>639,249</u>	<u>34,690</u>	<u>673,939</u>	<u>888,283</u>
Total current liabilities				
Total liabilities				
	<u>639,249</u>	<u>34,690</u>	<u>673,939</u>	<u>888,283</u>
NET POSITION:				
Net investment in capital assets	61,045		61,045	38,228
Unrestricted	329,733		329,733	429,653
	<u>390,778</u>		<u>390,778</u>	<u>467,881</u>
Total net position				
	<u>\$ 390,778</u>	<u>\$ 34,690</u>	<u>\$ 390,778</u>	<u>\$ 467,881</u>

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, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>COMPARATIVE TOTALS</u>	
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	<u>JUNE 30</u>	
	<u>FUND</u>	<u>FUND</u>	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:				
Charges for services:				
Daily sales - Reimbursable programs	\$ 471,981	\$	\$ 471,981	\$ 636,408
Daily sales - Non-reimbursable programs	833,179		833,179	1,310,820
Special functions	29,735		29,735	39,787
Fees - individuals		214,318	214,318	212,545
Total operating revenues	<u>1,334,895</u>	<u>214,318</u>	<u>1,549,213</u>	<u>2,199,560</u>
OPERATING EXPENSES:				
Cost of sales - Reimbursable programs	422,653		422,653	561,507
Cost of sales - Non-reimbursable programs	364,672		364,672	610,821
Salaries and benefits	788,420	93,985	882,405	1,266,529
Supplies and materials	50,576		50,576	126,697
Management fee	95,574		95,574	79,612
Miscellaneous	103,507	25,758	129,265	140,624
Depreciation	51,439		51,439	57,305
Lease Purchase Interest	19,930		19,930	
Facility rental		94,575	94,575	92,986
Total operating expenses	<u>1,896,771</u>	<u>214,318</u>	<u>2,111,089</u>	<u>2,936,081</u>
Operating income (loss)	<u>(561,876)</u>		<u>(561,876)</u>	<u>(736,521)</u>
NONOPERATING REVENUES (EXPENSES):				
State sources				
State school lunch program	14,518		14,518	14,066
Federal sources				
National school lunch program	330,468		330,468	378,899
School breakfast program	46,488		46,488	36,054
National food distribution commodities	93,299		93,299	110,997
Total nonoperating revenues (expenses)	<u>484,773</u>		<u>484,773</u>	<u>540,016</u>
Change in net position	(77,103)		(77,103)	(196,505)
Total net position - beginning	<u>467,881</u>		<u>467,881</u>	<u>664,386</u>
Total net position - ending	<u>\$ 390,778</u>	<u>\$</u>	<u>\$ 390,778</u>	<u>\$ 467,881</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES		COMPARATIVE TOTALS	
	ENTERPRISE FUND		JUNE 30	
	FOOD SERVICE FUND	EXTRA-CURRICULAR FUND	2020	2019
Cash flows from operating activities:				
Receipts from customers	\$ 1,360,936	\$ 394,972	\$ 1,755,908	\$ 2,078,671
Payments to employees	(763,692)	(93,985)	(857,677)	(1,234,210)
Payments for employee benefits	(24,728)		(24,728)	(32,319)
Payments to suppliers	(996,535)	(120,333)	(1,116,868)	(1,792,412)
Net cash provided by (used for) operating activities	<u>(424,019)</u>	<u>180,654</u>	<u>(243,365)</u>	<u>(980,270)</u>
Cash flows from noncapital financing activities:				
State sources	11,544		11,544	14,260
Federal sources	395,504		395,504	417,835
Operating subsidies and transfers to other funds	66,750	(180,654)	(113,904)	542,694
Net cash provided by noncapital financing activities	<u>473,798</u>	<u>(180,654)</u>	<u>293,144</u>	<u>974,789</u>
Cash flows from capital and related financing activities:				
Capital Lease Payments	(118,657)		(118,657)	
Net cash provided by (used for) capital and related financing activities	<u>(118,657)</u>		<u>(118,657)</u>	
Net increase (decrease) in cash and cash equivalents	(68,878)		(68,878)	(5,481)
Cash and cash equivalents, July 1, 2019	<u>163,708</u>		<u>163,708</u>	<u>169,189</u>
Cash and cash equivalents, June 30, 2020	<u>\$ 94,830</u>	<u>\$</u>	<u>\$ 94,830</u>	<u>\$ 163,708</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (561,876)	\$	\$ (561,876)	\$ (736,521)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	51,439		51,439	57,305
Federal commodities	93,299		93,299	110,997
Change in assets and liabilities:				
(Increase) decrease in accounts receivable, net	6,530	145,964	152,494	(142,263)
Increase (decrease) in unearned revenue	15,941		15,941	21,083
Increase (decrease) in accounts payable	(354)	34,690	34,336	(292,472)
(Increase) decrease in inventories	(28,998)		(28,998)	1,601
	<u>137,857</u>	<u>180,654</u>	<u>318,511</u>	<u>(243,749)</u>
Net cash provided by (used for) operating activities	<u>\$ (424,019)</u>	<u>\$ 180,654</u>	<u>\$ (243,365)</u>	<u>\$ (980,270)</u>

FIDUCIARY FUNDS DETAIL STATEMENTS

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, 2020

	STUDENT ACTIVITY	AGENCY FUNDS PAYROLL AGENCY	TOTAL AGENCY	UNEMPLOYMENT COMPENSATION INSURANCE TRUST	PRIVATE PURPOSE TRUST	TOTAL
ASSETS:						
Cash and cash equivalents	\$ 1,134,471	\$ 3,564,765	\$ 4,699,236	\$ 1,138,846	\$ 832,079	\$ 6,670,161
Accounts receivable		212	212			212
Total assets	\$ 1,134,471	\$ 3,564,977	\$ 4,699,448	\$ 1,138,846	\$ 832,079	\$ 6,670,373
LIABILITIES:						
Accounts payable				66,166		66,166
Interfund payable		34,559	34,559			34,559
Payable to student groups	1,134,471		1,134,471			1,134,471
Wages payable - Summer Payroll		3,492,511	3,492,511			3,492,511
Payroll deductions and withholdings		37,907	37,907			37,907
Total liabilities	1,134,471	3,564,977	4,699,448	66,166		4,765,614
NET POSITION:						
Held in trust for State Unemployment Insurance claims and other purposes				1,072,680		1,072,680
Held in trust for scholarships and other purposes					832,079	832,079
Total net position	\$	\$	\$	\$ 1,072,680	\$ 832,079	\$ 1,904,759

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>UNEMPLOYMENT COMPENSATION INSURANCE TRUST</u>	<u>PRIVATE PURPOSE TRUST</u>	<u>TOTAL</u>
ADDITIONS:			
Contributions:			
Plan Members	\$ 309,879	\$	\$ 309,879
Donations		25,365	25,365
Total contributions	<u>309,879</u>	<u>25,365</u>	<u>335,244</u>
Investment earnings:			
Interest	7,620	6,236	13,856
Net investment earnings	<u>7,620</u>	<u>6,236</u>	<u>13,856</u>
Total additions	<u>317,499</u>	<u>31,601</u>	<u>349,100</u>
DEDUCTIONS:			
Quarterly Contribution Reports	164,508		164,508
Unemployment Claims	134,262		134,262
Scholarships Awarded		51,100	51,100
Total deductions	<u>298,770</u>	<u>51,100</u>	<u>349,870</u>
Change in net assets	18,729	(19,499)	(770)
Net position beginning of year	<u>1,053,951</u>	<u>851,578</u>	<u>1,905,529</u>
Net position end of year	<u>\$ 1,072,680</u>	<u>\$ 832,079</u>	<u>\$ 1,904,759</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSEMENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
High School:				
Colts Neck	\$ 128,042	\$ 313,471	\$ 316,235	\$ 125,278
Freehold Borough	110,117	226,386	204,314	132,189
Freehold Township	219,470	324,245	285,756	257,959
Howell	148,978	274,333	171,555	251,756
Manalapan	177,247	202,923	206,107	174,063
Marlboro	175,909	501,442	484,125	193,226
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 959,763	\$ 1,842,800	\$ 1,668,092	\$ 1,134,471
	<hr/>	<hr/>	<hr/>	<hr/>

EXHIBIT "H-4"

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
ASSETS:				
Cash and cash equivalents	\$ 3,169,074	\$ 122,036,576	\$ 121,640,885	\$ 3,564,765
Accounts receivable		212		212
Total assets	<u>3,169,074</u>	<u>122,036,788</u>	<u>121,640,885</u>	<u>3,564,977</u>
LIABILITIES:				
Payroll deductions and withholdings	35,236	49,069,047	49,066,376	37,907
Wages payable - summer payroll	3,109,714	3,500,873	3,118,076	3,492,511
Employee pay		62,194,180	62,194,180	
Interfunds payable	24,124	7,272,688	7,262,253	34,559
Total liabilities	<u>\$ 3,169,074</u>	<u>\$ 122,036,788</u>	<u>\$ 121,640,885</u>	<u>\$ 3,564,977</u>

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

EXHIBIT "I-1"

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2020

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>DATE MATURED</u> <u>DATE</u>	<u>RATE OF INTEREST</u>	<u>BALANCE</u> <u>JULY 1, 2019</u>	<u>RETIRED</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
Refunded - Additions and renovations of Colts Neck, Freehold, Freehold Twp, Howell, Manalapan, and Marlboro High Schools	11/16/2001	\$ 42,690,000	3/1/2020	5.00%	\$ 5,205,000	5,205,000	\$ -
					<u>\$ 5,205,000</u>	<u>\$ 5,205,000</u>	<u>\$ -</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
AS OF JUNE 30, 2020

<u>SERIES</u>	<u>TERM</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2019</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2020</u>
<u>Governmental Funds:</u>							
District Wide Energy Savings Improvement Plan (ESIP)	15 Years	2.690%	17,498,000	\$ 14,454,781	\$	885,984	\$ 13,568,797
Roof Replacement	5 Years	1.570%	3,250,000	742,115		742,115	-
School Buses & Maintenance Vehicles	5 Years	1.433%	1,661,250	334,153		334,153	-
School Buses, Technology & Copiers	5 Years	1.290%	3,052,000	1,854,619		610,300	1,244,319
School Buses, Technology & Buildings and Grounds Equipment	5 Years	1.680%	2,560,000	2,067,904		504,129	1,563,775
School Buses, Technology, Cafeteria, and Buildings & Grounds Equipment	5 Years	2.896%	1,446,617	1,446,617		270,153	1,176,464
<u>Total Governmental Funds</u>				20,900,189	-	3,346,834	17,553,355
<u>Proprietary Fund - Food Service:</u>							
Cafeteria Equipment	5 Years	2.896%	635,383	635,383		118,657	516,726
<u>Grand Total</u>				\$ 21,535,572	\$ -	\$ 3,465,491	\$ 18,070,081

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 4,136,159	\$	\$ 4,136,159	\$ 4,136,159	\$
State sources:					
Debt service aid type II	<u>1,329,091</u>		<u>1,329,091</u>	<u>1,329,091</u>	
Total revenues	<u>5,465,250</u>		<u>5,465,250</u>	<u>5,465,250</u>	
EXPENDITURES:					
Regular debt service:					
Interest	260,250		260,250	260,250	
Redemption of principal	<u>5,205,000</u>		<u>5,205,000</u>	<u>5,205,000</u>	
Total regular debt service-expenditures	<u>5,465,250</u>		<u>5,465,250</u>	<u>5,465,250</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

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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)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Government Activities:							*			
Net Investment in capital assets	\$ 93,886,105	\$ 90,858,048	\$ 89,024,727	\$ 87,207,182	\$ 80,465,572	\$ 76,758,415	\$ 74,331,409	\$ 76,397,045	\$ 64,842,350	\$ 65,477,800
Restricted	33,624,268	28,130,955	26,112,090	27,648,406	28,446,908	30,394,625	31,027,126	27,308,431	21,024,274	12,809,243
Unrestricted (deficit)	(60,708,542)	(61,144,214)	(60,745,280)	(58,575,627)	(50,667,795)	(51,292,191)	(2,056,310)	(1,962,535)	(195,128)	951,687
Total Government Activities Net Position	\$ 66,801,831	\$ 57,844,789	\$ 54,391,537	\$ 56,279,961	\$ 58,244,685	\$ 55,860,849	\$ 103,302,225	\$ 101,742,941	\$ 85,671,496	\$ 79,238,730
Business-Type Activities:										
Net Investment in capital assets	\$ 61,045	\$ 38,228	\$ 493,155	\$ 154,865	\$ 182,315	\$ 220,747	\$ 238,357	\$ 271,952	\$ 89,992	\$ 105,119
Unrestricted	329,733	429,653	171,231	667,148	413,584	215,462	129,757	309,747	624,296	814,829
Total Business-Type Activities Net Position	\$ 390,778	\$ 467,881	\$ 664,386	\$ 822,013	\$ 595,899	\$ 436,209	\$ 368,114	\$ 581,699	\$ 714,288	\$ 919,948
District-wide:										
Net Investment in capital assets	\$ 93,947,150	\$ 90,896,276	\$ 89,517,882	\$ 87,362,047	\$ 80,647,887	\$ 76,979,162	\$ 74,569,766	\$ 76,668,997	\$ 64,932,342	\$ 65,582,919
Restricted	33,624,268	22,928,142	26,112,090	27,648,406	28,446,908	30,394,625	31,027,126	27,308,431	21,024,274	12,809,243
Unrestricted (deficit)	(60,378,809)	(55,511,748)	(60,574,049)	(57,908,479)	(50,254,211)	(51,076,729)	(1,926,553)	(1,652,788)	429,168	1,766,516
Total District Net Position	\$ 67,192,609	\$ 58,312,670	\$ 55,055,923	\$ 57,101,974	\$ 58,840,584	\$ 56,297,058	\$ 103,670,339	\$ 102,324,640	\$ 86,365,764	\$ 80,158,678

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Instruction:										
Regular	\$ 94,361,836	\$ 96,763,606	\$ 106,525,172	\$ 102,658,266	\$ 92,343,959	\$ 87,514,868	\$ 75,200,178	\$ 80,476,846	\$ 79,320,371	\$ 77,375,649
Special Education	24,537,780	24,953,884	27,318,294	27,929,556	25,759,425	24,439,970	20,497,345	17,229,076	13,906,774	12,282,407
Other Special Education	10,090,114	11,215,656	12,400,211	11,747,407	10,604,135	9,859,065	8,306,192	8,998,877	8,916,004	8,978,180
Support Services:										
Tuition	14,887,892	15,448,397	15,600,095	15,076,681	14,980,357	14,711,492	14,104,095	13,343,824	13,994,362	13,678,378
Student & instruction related services	27,900,105	29,530,211	32,227,254	30,730,390	27,893,131	25,721,936	21,748,966	19,632,989	18,231,436	17,684,670
General Administrative Services	1,926,591	2,278,719	1,835,507	1,893,992	1,716,518	1,701,177	1,675,898	9,448,283	9,419,268	9,211,957
School Administrative Services	11,409,076	12,261,778	12,800,205	12,330,132	11,230,302	10,673,330	9,221,080	2,011,069	2,155,127	1,754,559
Central Services/Admin. Information Technology	4,556,840	5,074,147	5,681,925	6,268,366	4,719,889	4,644,456	3,690,894	4,122,564	3,588,070	3,419,374
Plant Operations and Maintenance	15,927,843	17,844,146	19,473,749	20,976,707	17,069,282	15,943,060	15,679,073	15,303,296	15,753,689	16,427,929
Pupil Transportation Services	15,612,449	17,281,025	17,235,383	16,630,574	16,804,098	17,118,697	16,740,367	16,297,004	16,174,059	15,747,415
Special Schools										240
Transfer to Charter Schools	192,408	445,263	741,084	936,851	1,159,719	1,353,737	1,548,571	1,699,266	1,872,820	2,033,833
Interest on Long-Term Debt	5,978,678	5,884,013	5,324,671	4,917,067	4,887,161	4,881,749	4,836,889	34,303	34,303	34,303
Unallocated Depreciation and Amortization										
	<u>227,381,612</u>	<u>240,980,845</u>	<u>257,163,550</u>	<u>252,095,989</u>	<u>229,167,956</u>	<u>218,563,537</u>	<u>193,249,548</u>	<u>188,597,397</u>	<u>183,395,595</u>	<u>178,643,562</u>
Food Service	1,896,771	2,723,536	3,583,671	3,201,580	3,167,975	3,096,810	3,211,871	3,433,767	3,568,347	3,360,076
Extra Curricular Fund	214,318	212,545	233,962	240,311	286,688	227,246	236,788	213,993	238,976	227,348
SAT Prep Program									25,538	20,963
	<u>2,111,089</u>	<u>2,936,081</u>	<u>3,817,633</u>	<u>3,441,891</u>	<u>3,424,663</u>	<u>3,324,056</u>	<u>3,448,659</u>	<u>3,647,760</u>	<u>3,832,861</u>	<u>3,609,387</u>
	<u>229,492,701</u>	<u>243,916,926</u>	<u>260,981,183</u>	<u>255,537,880</u>	<u>232,592,619</u>	<u>221,887,593</u>	<u>196,699,207</u>	<u>192,245,157</u>	<u>187,228,456</u>	<u>182,251,939</u>
Governmental Activities:										
Charges for Services:										
Instruction	\$ 448,194	\$ 345,797	\$ 212,475	\$ 230,377	\$ 289,578	\$ 319,039	\$ 257,418	\$ 159,313	\$ 254,971	\$ 75,241
Operating Grants and Contributions	42,287,847	50,051,482	64,954,154	59,693,390	43,912,263	35,821,867	16,856,815	426,007	468,018	609,714
	<u>42,736,041</u>	<u>50,397,279</u>	<u>65,166,629</u>	<u>59,923,767</u>	<u>44,201,841</u>	<u>36,140,906</u>	<u>17,114,233</u>	<u>585,320</u>	<u>722,989</u>	<u>684,955</u>
Business-Type Activities:										
Charges for Services:										
Food Service	1,334,895	1,987,015	2,760,504	2,761,404	2,691,559	2,559,607	2,527,739	2,642,037	2,909,211	2,941,180
Extra Curricular Fund	214,318	212,545	233,962	240,311	286,688	227,246	236,788	190,193	262,776	227,348
SAT Prep Program									22,202	24,299
Operating Grants and Contributions	484,773	540,016	665,540	666,290	636,106	605,298	470,547	486,782	433,012	457,229
	<u>2,033,986</u>	<u>2,739,576</u>	<u>3,660,006</u>	<u>3,668,005</u>	<u>3,584,353</u>	<u>3,392,151</u>	<u>3,235,074</u>	<u>3,319,012</u>	<u>3,627,201</u>	<u>3,650,055</u>
	<u>44,770,027</u>	<u>53,136,855</u>	<u>68,826,635</u>	<u>63,591,772</u>	<u>47,786,194</u>	<u>39,533,057</u>	<u>20,349,307</u>	<u>3,904,332</u>	<u>4,350,190</u>	<u>4,335,010</u>
Governmental Activities	<u>\$ (184,645,571)</u>	<u>\$ (190,583,566)</u>	<u>\$ (191,996,921)</u>	<u>\$ (192,172,222)</u>	<u>\$ (184,966,115)</u>	<u>\$ (182,422,631)</u>	<u>\$ (176,135,315)</u>	<u>\$ (188,012,077)</u>	<u>\$ (182,672,605)</u>	<u>\$ (177,958,597)</u>
Business-Type Activities	<u>(77,103)</u>	<u>(196,505)</u>	<u>(157,627)</u>	<u>226,114</u>	<u>159,690</u>	<u>68,095</u>	<u>(213,585)</u>	<u>(328,748)</u>	<u>(205,660)</u>	<u>41,669</u>
	<u>\$ (184,722,674)</u>	<u>\$ (190,780,071)</u>	<u>\$ (192,154,548)</u>	<u>\$ (191,946,108)</u>	<u>\$ (184,806,425)</u>	<u>\$ (182,354,536)</u>	<u>\$ (176,348,900)</u>	<u>\$ (188,340,825)</u>	<u>\$ (182,878,265)</u>	<u>\$ (177,916,928)</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 137,626,773	\$ 134,270,320	\$ 131,637,569	\$ 128,147,673	\$ 125,634,974	\$ 121,473,208	\$ 119,091,381	\$ 116,756,256	\$ 115,600,253	\$ 115,600,253
Taxes Levied for Debt Service	4,136,159	4,122,537	4,114,779	4,105,698	4,099,644	4,093,210	4,086,778	4,076,750	4,071,262	4,062,938
Unrestricted Grants and Contributions	49,855,488	53,480,921	54,362,826	54,709,469	54,224,317	54,428,665	54,015,433	68,350,311	64,262,301	56,750,964
Restricted Grants and Contributions	1,297,399	1,290,740	1,221,659	1,161,898	2,651,166	2,239,175	1,088,884	3,808,529	4,250,267	3,899,599
Miscellaneous Income	686,794	872,300	459,661	2,082,760	782,770	148,292	303,863	576,640	931,185	597,250
Gain/(Loss) on Sale of Equipment			(42,920)						(9,896)	
	<u>193,602,613</u>	<u>194,036,818</u>	<u>191,796,494</u>	<u>190,207,498</u>	<u>187,349,951</u>	<u>182,382,550</u>	<u>178,586,339</u>	<u>193,568,486</u>	<u>189,105,372</u>	<u>180,911,004</u>
	\$ <u>193,602,613</u>	\$ <u>194,036,818</u>	\$ <u>191,796,494</u>	\$ <u>190,207,498</u>	\$ <u>187,349,951</u>	\$ <u>182,382,550</u>	\$ <u>178,586,339</u>	\$ <u>193,568,486</u>	\$ <u>189,105,372</u>	\$ <u>180,911,004</u>
Governmental Activities	\$ 8,957,042	\$ 3,453,252	\$ (200,427)	\$ (1,964,724)	\$ 2,383,836	\$ (40,081)	\$ 2,451,024	\$ 5,556,409	\$ 6,432,766	\$ 2,952,407
Business-Type Activities	(77,103)	(196,505)	(157,627)	226,114	159,690	68,095	(213,585)	(328,748)	(205,660)	41,669
	\$ <u>8,879,939</u>	\$ <u>3,256,747</u>	\$ <u>(358,054)</u>	\$ <u>(1,738,610)</u>	\$ <u>2,543,526</u>	\$ <u>28,014</u>	\$ <u>2,237,439</u>	\$ <u>5,227,661</u>	\$ <u>6,227,106</u>	\$ <u>2,994,075</u>

* 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)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Restricted	\$ 32,631,926	\$ 27,299,540	\$ 25,235,695	\$ 26,892,872	\$ 27,823,998	\$ 29,394,625	\$ 31,027,126	\$ 27,073,450	\$ 21,024,274	\$ 12,827,685
Assigned	992,452	824,245	592,262	755,534		1,450,900	763,915	1,000,000	2,218,598	2,587,356
Unassigned		7,170	284,133							153,276
Total General Fund	\$ 33,624,378	\$ 28,130,955	\$ 26,112,090	\$ 27,648,406	\$ 27,823,998	\$ 30,845,525	\$ 31,791,041	\$ 28,073,450	\$ 23,242,872	\$ 15,568,317
All Other Governmental Funds:										
Restricted	\$ 1,268,263	\$ 1,268,329	\$ 1,190,797	\$ 1,164,358	\$ 944,577	\$ 7,799,283	\$ 20,088,887	\$	\$	
Unreserved, Reported In:										
Capital Projects Fund	89,131	89,131	486,442	1,054,420	5,031,272	11,641,370	109,584			
Total All Other Governmental Funds:	\$ 1,357,394	\$ 1,357,460	\$ 1,677,239	\$ 2,218,778	\$ 5,975,849	\$ 19,440,653	\$ 20,198,471	\$	\$	

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Tax Levy	\$ 141,762,932	\$ 138,392,857	\$ 135,752,348	\$ 132,253,371	\$ 129,734,618	\$ 125,566,418	\$ 123,178,159	\$ 120,833,006	\$ 119,671,515	\$ 119,663,191
Tuition Charges	251,164	197,903	50,275	66,286	70,929	124,280	72,563	62,177	166,772	75,241
Transportation Fees	94,101	844,978	450,268	2,074,962	776,317	35,277	294,534	38,940	38,940	70,015
Miscellaneous	951,407	347,725	422,844	385,828	451,783	327,157	311,734	636,802	917,144	629,048
State Sources	79,508,106	82,174,400	79,967,728	77,088,133	75,427,943	72,570,063	68,952,756	69,676,088	63,785,249	58,073,019
Federal Sources	3,127,516	3,211,211	3,243,764	3,211,622	3,172,682	2,828,807	2,890,826	2,908,759	5,195,337	3,085,445
Total Revenues	225,695,226	225,169,074	219,887,227	215,080,202	209,634,272	201,562,002	195,700,572	194,153,806	189,774,957	181,595,959
Expenditures:										
Instruction:										
Regular	56,620,517	56,726,361	56,202,993	55,138,134	54,420,588	54,580,063	53,226,236	54,461,270	53,010,885	50,466,657
Special	15,527,702	15,042,122	15,266,006	16,290,116	16,350,910	16,147,479	15,292,601	12,044,633	9,709,787	8,241,644
Other	6,262,519	6,711,149	6,863,471	6,646,105	6,543,186	6,385,427	6,327,793	6,519,860	6,474,132	6,342,900
Support Services:										
Tuition	14,887,892	15,448,397	15,600,095	15,076,681	14,980,357	14,711,492	14,104,095	13,343,824	13,994,362	13,678,378
Student & instruction related services	18,155,244	18,506,187	18,587,291	18,249,119	17,927,006	17,224,746	15,900,229	14,016,576	12,952,335	12,306,294
School Administrative Services	6,821,962	6,877,808	6,713,480	6,800,419	6,607,803	6,579,123	6,507,814	6,558,728	6,550,897	6,218,510
General Administrative Services	1,825,993	2,151,455	1,635,198	1,642,388	1,556,498	1,581,794	1,535,368	1,817,374	1,985,654	1,635,170
General and Central Services	3,637,387	3,917,286	3,742,376	3,463,722	3,221,782	3,277,294	2,594,840	2,792,121	2,660,101	2,433,933
Central Services/Admin. Information Tech	14,265,710	15,518,081	16,221,433	16,848,948	14,593,778	13,821,891	13,908,423	12,570,393	12,971,617	13,434,482
Plant Operations and Maintenance	16,957,590	18,508,314	18,147,561	17,144,259	16,812,407	16,062,557	14,960,904	14,006,185	13,836,574	13,149,260
Student Transportation Services	57,904,007	57,663,911	55,407,404	51,122,265	47,637,366	43,750,109	41,368,803	43,899,725	41,829,101	43,493,500
Unallocated Employee Benefits										240
Special Schools										14,656
Charter Schools										
Debt Service:										
Principal	5,205,000	4,940,000	4,695,000	4,460,000	4,240,000	4,030,000	3,830,000	3,635,000	3,455,000	3,280,000
Interest and Other Charges	260,250	507,250	742,000	965,000	1,177,000	1,378,500	1,570,000	1,751,750	1,924,500	2,088,500
Capital Outlay	1,870,096	2,367,613	4,219,752	7,876,851	21,699,940	7,313,710	1,349,981	2,673,424	716,145	625,315
Total Expenditures	220,201,869	224,885,934	224,044,070	221,524,007	227,768,621	206,834,185	192,477,087	190,090,863	182,100,402	177,409,441
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	5,493,357	283,140	(4,156,843)	(6,443,805)	(18,134,349)	(5,282,183)	3,223,485	4,062,943	7,674,555	4,186,518
Other Financing Sources/(Uses):										
Capital leases (non-budgeted)		1,415,946	2,078,988	2,511,142	1,648,018	3,581,100	2,957,597			
Transfers Out						(2,251)	17,500,000			
Proceeds from energy savings obligations (ESIP)										
Total Other Financing Sources/(Uses)		1,415,946	2,078,988	2,511,142	1,648,018	3,578,849	20,457,597			
Net Change in Fund Balances	\$ 5,493,357	\$ 1,699,086	\$ (2,077,855)	\$ (3,932,663)	\$ (16,486,331)	\$ (1,703,334)	\$ 23,681,082	\$ 4,062,943	\$ 7,674,555	\$ 4,186,518
Debt Service as a Percentage of Noncapital Expenditures	2.50%	2.45%	2.47%	2.54%	2.63%	2.71%	2.83%	2.87%	2.97%	3.04%
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	
2020	\$ 76,027	\$ 26,902	\$ 35,050	\$ 591,860	729,839
2019	77,756	70,138	196,905	644,396	989,195
2018	81,545	80,655	53,236	393,043	608,479
2017	77,378	86,713	1,498	2,072,765	2,238,354
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

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.	Q/farm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property (3)	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
Colts Neck													
2020	\$ 34,048,800	\$ 2,575,335,800	\$ 219,344,800	\$ 3,913,700	\$ 167,485,400	-	-	\$ 3,000,128,500	-	\$ 4,241,007	\$ 3,004,369,507	0.394	\$ 3,048,816,984
2019	35,878,300	2,583,155,800	235,671,000	4,032,700	162,699,400	-	-	3,021,437,200	-	4,241,007	3,025,678,207	0.423	3,079,828,708
2018	39,970,600	2,574,100,700	241,579,500	4,069,600	161,479,600	-	-	3,021,200,000	-	3,876,763	3,025,076,763	0.446	3,048,057,282
2017	41,407,700	2,552,994,800	232,105,700	4,045,100	164,887,600	-	-	2,995,440,900	-	3,077,794	2,998,518,694	0.439	3,015,171,174
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	0.439	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	255,778,700	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
Englishtown													
2020	\$ 1,272,700	\$ 201,065,800	-	-	\$ 37,958,100	\$ 7,282,900	\$ 16,065,200	\$ 263,644,700	-	-	\$ 263,644,700	0.403	\$ 262,789,835
2019	1,583,000	195,430,000	-	-	36,887,300	6,865,300	15,771,000	256,456,600	-	-	256,456,600	0.422	257,909,176
2018	1,320,400	190,588,800	-	-	35,421,300	6,396,800	14,458,700	248,186,000	-	-	248,186,000	0.402	253,041,801
2017	1,348,800	185,500,700	-	-	36,071,000	6,393,900	13,302,100	242,616,500	-	-	242,616,500	0.414	238,958,085
2016	1,576,900	183,420,400	-	-	35,820,000	6,452,500	13,268,100	240,537,900	-	-	240,537,900	0.380	232,973,581
2015	1,654,800	183,619,000	-	-	34,989,900	6,358,900	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	242,547,058
Farmingdale													
2020	\$ 1,281,500	\$ 121,197,400	\$ 25,900	\$ 16,300	\$ 26,712,900	\$ 4,208,500	\$ 19,109,100	\$ 172,551,600	-	-	\$ 172,551,600	0.352	\$ 171,914,944
2019	973,500	119,715,300	-	17,500	26,880,000	3,273,400	15,485,200	166,344,900	-	-	166,344,900	0.354	159,094,861
2018	984,800	120,283,900	-	17,500	26,918,700	3,311,800	15,357,900	166,874,600	-	-	166,874,600	0.339	149,658,560
2017	3,226,700	106,525,800	584,700	2,700	26,700,800	3,311,800	15,321,400	155,673,900	-	-	155,673,900	0.345	146,043,388
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	0.326	145,958,075
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

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	Tax-Exempt Property (3)	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
Freehold Boro													
2020	\$ 8,676,000	\$ 790,539,300	-	-	\$ 239,787,500	\$ 25,327,700	\$ 41,548,500	\$ 1,105,879,000	\$ 2,265,900	-	\$ 1,105,879,000	0.374	\$ 1,110,626,704
2019	10,783,800	771,996,400	-	-	234,733,200	25,450,200	40,897,000	1,083,860,600	2,254,600	-	1,083,860,600	0.364	1,091,828,385
2018	9,600,100	754,455,600	-	-	233,786,500	25,411,800	32,216,500	1,055,470,500	2,369,500	-	1,055,470,500	0.342	1,049,932,001
2017	9,632,800	746,201,020	-	-	231,066,700	25,373,900	32,137,100	1,044,411,520	1,181,800	-	1,044,411,520	0.343	1,032,101,092
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	0.320	986,304,992
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	2,478,800	-	1,062,376,800	0.321	1,025,327,919
2012	10,244,400	787,610,400	-	-	241,264,600	25,345,900	22,388,400	1,066,853,700	3,408,000	-	1,066,853,700	0.341	1,139,215,781
2011	10,342,700	768,700,500	-	-	241,539,000	25,345,900	22,388,400	1,068,316,500	4,151,700	9,917,155	1,078,233,655	0.378	1,205,130,817
Freehold Township													
2020	\$ 54,964,900	\$ 4,883,717,000	\$ 32,314,100	\$ 1,508,500	\$ 1,492,227,500	\$ 154,144,100	\$ 98,555,800	\$ 6,717,431,900	\$ 3,969,600	-	\$ 6,717,431,900	0.408	\$ 6,710,556,698
2019	50,698,700	4,799,653,300	33,768,900	1,538,100	1,457,447,400	154,697,800	94,626,700	6,592,450,900	3,969,600	-	6,592,450,900	0.417	6,615,462,721
2018	48,609,600	4,588,492,600	31,227,800	1,535,200	1,417,161,400	154,713,700	84,626,700	6,326,367,000	3,612,600	-	6,326,367,000	0.441	6,510,731,901
2017	52,922,000	4,425,631,400	29,682,700	1,444,500	1,396,897,600	154,513,500	84,791,800	6,145,883,500	3,612,600	-	6,145,883,500	0.455	6,456,448,298
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	0.482	6,589,292,604
2015	55,908,800	4,266,398,600	29,970,000	1,464,900	1,320,216,200	148,905,300	71,094,300	5,893,958,100	3,612,600	-	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	41,400	-	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	-	41,218,304	6,159,186,704	0.399	6,427,603,681
Howell													
2020	\$ 101,852,000	\$ 6,318,620,400	\$ 102,076,600	\$ 2,432,200	\$ 710,135,200	\$ 113,613,300	\$ 39,900,900	\$ 7,388,630,600	-	-	\$ 7,388,630,600	0.432	\$ 7,644,393,392
2019	112,105,800	6,149,486,400	98,207,200	2,669,500	682,217,500	111,137,700	39,843,400	7,195,667,500	-	-	7,195,667,500	0.448	7,493,685,010
2018	114,774,900	5,875,284,700	98,123,400	2,624,600	668,590,600	105,862,100	38,671,700	6,903,932,000	-	-	6,903,932,000	0.449	7,130,335,655
2017	118,523,800	5,654,440,800	98,312,200	2,397,100	626,784,300	104,535,300	37,293,500	6,642,287,000	-	-	6,642,287,000	0.436	6,760,028,111
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	0.433	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	6,143,292,100	-	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	-	7,632,229	5,574,386,229	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

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	Tax-Exempt Property (3)	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
Manalapan													
2020	\$ 34,613,800	\$ 6,436,526,600	\$ 40,985,400	1,838,300	\$ 518,889,000	25,197,400	\$ -	\$ 7,058,050,500	\$ -	\$ -	\$ 7,058,050,500	0.416	\$ 7,324,554,794
2019	39,292,500	6,382,922,900	37,983,500	1,822,700	478,389,800	23,999,000	-	6,944,410,400	-	-	6,944,410,400	0.420	7,316,476,259
2018	38,604,600	6,071,386,900	37,918,200	1,895,900	467,772,800	23,587,100	-	6,641,165,500	-	-	6,641,165,500	0.415	6,892,366,754
2017	35,776,600	5,872,797,400	35,508,500	1,944,000	432,624,800	20,863,100	-	6,399,514,400	-	-	6,399,514,400	0.418	6,463,681,306
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	0.414	6,385,559,229
2015	38,765,800	5,657,693,750	34,287,100	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
Marlboro													
2020	\$ 55,280,200	\$ 6,556,863,800	\$ 32,671,400	914,800	\$ 490,911,300	80,779,900	\$ 27,880,900	\$ 7,245,302,300	\$ 48,000	-	\$ 7,245,302,300	0.466	\$ 8,125,904,617
2019	73,126,400	6,527,605,100	37,138,400	976,900	465,858,300	80,779,900	13,253,900	7,198,738,900	48,000	-	7,198,738,900	0.474	7,999,685,880
2018	75,738,300	6,514,545,800	37,119,700	993,300	457,853,700	80,779,900	22,287,000	7,189,317,700	-	-	7,189,317,700	0.415	7,637,736,943
2017	62,232,800	6,511,414,300	38,867,800	1,079,700	457,480,800	79,030,300	22,287,000	7,172,392,700	-	-	7,172,392,700	0.456	7,460,307,716
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	0.440	7,354,851,699
2015	69,839,100	6,439,597,624	37,572,200	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

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.

(3) Tax exempt property already excluded from assessed value by property class

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 & Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
Colts Neck								
2020	0.381	0.013	0.394	0.812	0.260	0.012	0.286	1.764
2019	0.410	0.013	0.423	0.776	0.260	0.012	0.290	1.761
2018	0.432	0.014	0.446	0.761	0.258	0.012	0.298	1.775
2017	0.452	0.014	0.466	0.749	0.250	0.012	0.292	1.769
2016	0.425	0.014	0.439	0.739	0.241	0.012	0.300	1.731
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
Englishtown								
2020	0.391	0.012	0.403	0.906	0.631	-	0.286	2.226
2019	0.410	0.012	0.422	0.881	0.631	-	0.289	2.223
2018	0.389	0.013	0.402	0.998	0.632	-	0.308	2.340
2017	0.402	0.012	0.414	0.933	0.621	-	0.290	2.258
2016	0.368	0.012	0.380	0.913	0.621	-	0.283	2.197
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
Farmingdale								
2020	0.342	0.010	0.352	1.320	0.311	-	0.286	2.269
2019	0.343	0.011	0.354	1.352	0.293	-	0.278	2.277
2018	0.328	0.011	0.339	1.228	0.261	-	0.287	2.115
2017	0.335	0.010	0.345	1.218	0.244	-	0.278	2.085
2016	0.316	0.010	0.326	1.192	0.241	-	0.288	2.047
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

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 & Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
Freehold Borough								
2020	0.363	0.011	0.374	0.967	1.020	0.034	0.267	2.662
2019	0.354	0.010	0.364	0.990	0.992	0.034	0.270	2.650
2018	0.332	0.011	0.342	1.057	0.993	0.033	0.276	2.701
2017	0.333	0.010	0.343	1.093	0.974	0.033	0.269	2.712
2016	0.311	0.009	0.320	1.098	0.944	0.032	0.261	2.655
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
Freehold Township								
2020	0.396	0.012	0.408	1.074	0.336	0.030	0.282	2.130
2019	0.403	0.014	0.417	1.074	0.332	0.030	0.286	2.139
2018	0.427	0.014	0.441	1.097	0.340	0.030	0.303	2.211
2017	0.440	0.015	0.455	1.107	0.346	0.030	0.305	2.243
2016	0.468	0.014	0.482	1.105	0.347	0.030	0.322	2.286
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
Howell								
2020	0.419	0.013	0.432	1.095	0.395	0.020	0.298	2.240
2019	0.434	0.014	0.448	1.119	0.395	0.020	0.302	2.284
2018	0.436	0.013	0.449	1.127	0.388	0.020	0.311	2.295
2017	0.423	0.013	0.436	1.165	0.397	0.020	0.302	2.320
2016	0.419	0.014	0.433	1.185	0.399	0.020	0.313	2.350
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

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 & Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
Manalapan								
2020	0.404	0.012	0.416	0.945	0.334	0.020	0.293	2.008
2019	0.407	0.013	0.420	0.941	0.331	0.020	0.299	2.011
2018	0.402	0.013	0.415	0.954	0.337	0.020	0.297	2.023
2017	0.405	0.013	0.418	0.950	0.341	0.020	0.292	2.021
2016	0.401	0.013	0.414	0.933	0.338	0.020	0.299	2.004
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
Marlboro								
2020	0.452	0.014	0.466	1.072	0.393	0.010	0.322	2.263
2019	0.460	0.014	0.474	1.082	0.378	0.010	0.321	2.265
2018	0.444	0.014	0.458	1.063	0.379	0.010	0.317	2.227
2017	0.442	0.014	0.456	1.045	0.366	0.010	0.306	2.183
2016	0.426	0.014	0.440	1.049	0.367	0.010	0.309	2.175
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

Source: County Board of Taxation

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

		2020		2011	
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
Colts Neck					
Trump National Golf Club	\$ 32,006,800	1.07%	Trump National Golf Club	\$ 32,006,800	1.04%
Due Process Golf & Horse Stables, LLC	19,941,700	0.66%	Due Process Gold & Horse Stables, LLC	21,000,000	0.68%
Wellspring Stables Florida, LLC	11,524,500	0.38%	Individual Taxpayer 1	12,263,800	0.40%
G & F Realty of Richmond, LLC	10,889,400	0.36%	Wellspring Stables Florida, LLC	10,934,700	0.36%
Individual Taxpayer 1	9,489,900	0.32%	Individual Taxpayer 2	9,017,400	0.29%
Individual Taxpayer 2	7,803,400	0.26%	24 Realty, LLC	8,507,400	0.28%
Pegasus Properties LLC	7,542,200	0.25%	Bal Colts Neck LLC	8,006,100	0.26%
Individual Taxpayer 3	6,060,600	0.20%	Laird & Co. Inc.	8,000,000	0.26%
36 Highway 34 South Associates LLC	5,609,700	0.19%	Pegasus Properties LLC	7,542,200	0.25%
Colts Neck Shopping Center Associates	5,566,800	0.19%	Colts Neck Shopping Center Associates	6,820,600	0.22%
Total	\$ 116,435,000	3.88%	Total	\$ 124,099,000	4.03%
Englishtown					
Stamford Square LLC	\$ 14,641,900	5.55%	BAL Governor's Crossing LLC	\$ 7,425,200	2.94%
BAL Governor's Crossing LLC	5,096,000	1.93%	BTR Englishtown LLC	7,229,300	2.86%
Three Corners Ventures LLC	4,243,500	1.61%	Dorothy Leo, Inc.	3,495,400	1.39%
Village Center Associates, LLC	3,753,200	1.42%	Wemacs, LLC	3,366,700	1.33%
Ambe Holding, LLC	3,293,900	1.25%	Village Center Associates LLC	3,312,700	1.31%
Wemacs LLC	3,025,000	1.15%	DCD LLC	2,150,300	0.85%
DCD LLC	2,194,600	0.83%	Brooklawn Gardens Inc	2,021,800	0.80%
Brooklawn Gardens	2,134,300	0.81%	K&K Englishtown, Inc.	1,782,800	0.71%
Five South Main Street LLC	2,076,900	0.79%	Moskowitz, K Trust & Berger, V Trust	1,374,700	0.54%
Dejiacomo Realty LLC	1,665,000	0.63%	Individual Taxpayer	1,293,800	0.51%
Total	\$ 42,124,300	15.98%	Total	\$ 33,452,700	13.26%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2020		2011	
Community/Taxpayer	Taxable Assessed Value	Community/Taxpayer	Taxable Assessed Value
		As a % of Community's Net Assessed Valuation	As a % of Community's Net Assessed Valuation
Farmingdale			
Farmingdale Garden Apartments, LLC	\$ 16,176,100	9.37%	\$ 11,500,000
30 Southard Ave, Farmingdale LLC	7,604,400	4.41%	3,795,400
Farmingdale Shopping Center, LLC	3,667,800	2.13%	2,558,005
320 Chestnut Realty LLC	3,288,200	1.91%	2,442,200
Academy Apartments LLC	1,687,200	0.98%	2,107,200
Farmingdale BP	1,506,500	0.87%	1,476,600
A Four Properties LLC	1,375,700	0.80%	1,400,000
Bell Atlantic	1,022,300	0.59%	1,297,000
Roadside Holdings, LLC	840,500	0.49%	1,190,000
Ariana, LLC	700,000	0.41%	<u>992,800</u>
Total	\$ 37,868,700	21.95%	\$ 28,759,205
Freehold Borough			
Nestle USA	\$ 23,686,500	2.14%	\$ 29,225,300
Freehold Racing Association	21,526,800	1.95%	23,674,400
Mattison Crossing at Manalapan Ave	16,975,900	1.54%	14,269,000
East Coast Post & Coach LLC	11,613,000	1.05%	9,917,155
Freefern Associates	9,101,000	0.82%	6,495,700
Tower Spring Terrace LLC	7,245,000	0.66%	5,560,900
Park Plaza Shopping Center, Inc.	5,014,200	0.45%	4,565,000
18-20 E.Main Street LLC	4,270,100	0.39%	3,000,000
Chiu's Property Inc.	2,990,600	0.27%	3,000,000
Bell Atlantic	2,577,300	0.23%	<u>2,650,000</u>
Total	\$ 105,000,400	9.49%	\$ 102,357,455

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

		2020		2011	
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
Freehold Twp.					
Freemall Associates, LLC	\$ 355,655,200	5.29%	Freemall Associates, LLC	\$ 312,000,000	5.10%
100 Lambert LLC/Eagle Rock Advisors	66,727,700	0.99%	Freehold Financing, LLC	51,500,000	0.84%
Iron Mountain, Inc.	47,990,700	0.71%	Center for Aging dba/Applewood	48,694,400	0.80%
Center for Aging DBA/Applewood	36,700,000	0.55%	Iron Mountain, Inc.	44,818,200	0.73%
Ushpizin Associates, LLC	27,900,000	0.42%	Macy's East, Inc.	29,312,700	0.48%
Freehold Shopping Associates	24,837,400	0.37%	Raintreetowne Center Associates, LP	28,116,800	0.46%
Raintreetowne Center Associates, LP	24,771,800	0.37%	Verizon	27,563,697	0.45%
Macy's East, Inc	23,939,000	0.36%	New Jersey Bell Tel. Co.	25,858,700	0.42%
Ronardi Freehold Enterprises, LLC	23,707,500	0.35%	Freehold Shopping Assoc.	24,108,000	0.39%
Silver Shore Land Co., LLC	22,500,000	<u>0.33%</u>	Verizon	<u>21,657,191</u>	<u>0.35%</u>
Total	\$ 654,729,300	<u>9.75%</u>	Total	\$ 613,629,688	<u>10.03%</u>
Howell					
Buffalo-Parkton & Feuerstein & Wainco	\$ 43,693,800	0.59%	Centex Homes, LLC	\$ 50,363,700	0.73%
Howell Verdana LLC & Verdonna, LLC	39,843,400	0.54%	Buffalo-Parkton & Feuerstein & Wain Co.	45,138,000	0.66%
Howell Friendship Real Estate Co.	21,087,100	0.29%	Hurley Felds 1, LLC	24,978,280	0.36%
AA Cardiff, LLC Etal	20,091,000	0.27%	Howell Friendship Real Estate Co.	24,973,300	0.36%
DS & DJ Realty, LLC	15,933,100	0.22%	Wal Mart Stores, Inc.	17,641,000	0.26%
Home Depot USA Inc.	15,283,400	0.21%	Home Depot USA	17,160,000	0.25%
Lowe's Home Centers, Inc.	14,961,400	0.20%	Lowe's Home Centers Inc.	16,530,000	0.24%
Wal-Mart Stores, Inc.	14,188,300	0.19%	DS & DJ Realty, LLC	16,190,200	0.24%
Target Corporation	13,920,900	0.19%	Fairfield Park LLC	14,845,100	0.22%
Aldrich Plaza, LLC	13,799,100	<u>0.19%</u>	Target Corp.	<u>14,800,000</u>	<u>0.22%</u>
Total	\$ 212,801,500	<u>2.88%</u>	Total	\$ 242,619,580	<u>3.53%</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2020		2011	
Community/Taxpayer	Taxable Assessed Value	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan			
Manalapan Realty	\$ 61,869,100	\$ 42,593,600	0.88%
Manalapan VF	33,542,700	30,664,700	0.48%
Towne Pointe Associates	15,913,000	29,989,700	0.23%
Fields of Dreams Real Estate, LLC	14,800,000	11,867,500	0.21%
Trans Equity Realty, LLC	10,946,000	9,694,600	0.16%
Lenine, LLC	9,875,000	7,956,900	0.14%
HCRI NY-NJ Properties LLC	9,175,900	7,694,100	0.13%
Gordons Corner Realty, LLC	8,500,000	7,593,400	0.12%
Benbrooke Galleria	7,956,000	7,507,100	0.11%
Monmouth Investors, LLC	7,472,400	7,500,000	0.11%
Total	\$ 180,050,100	\$ 163,061,600	2.55%
Marlboro			
Marlboro Plaza	\$ 45,843,100	\$ 36,642,400	0.63%
Union Hill Nine Associates LLC	30,549,100	30,549,100	0.42%
TMC Marlboro LLC	22,500,000	22,500,000	0.31%
American Plaza, LLC	20,927,500	14,708,200	0.29%
Marlboro Commons LLC	12,713,100	12,700,000	0.18%
Marlboro Lowe's	12,501,900	11,400,000	0.17%
CRP Royal Pines LLC	12,132,100	9,300,000	0.17%
Brooks Edge Plaza LLC	11,697,300	8,801,000	0.16%
Marlboro Business Park, LLC	11,043,800	8,750,000	0.15%
Manzo Business Ventures, LLC	9,046,000	7,501,600	0.12%
Total	\$ 188,953,900	\$ 162,852,300	2.61%

Source: Municipal Tax Assessors

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTION

LAST TEN FISCAL YEARS

UNAUDITED

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Taxes Levied for the</u> <u>Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2020	\$ 141,762,932	\$ 141,762,932	100.00%	\$ -
2019	138,392,857	138,392,857	100.00%	-
2018	135,752,348	135,752,348	100.00%	-
2017	132,253,371	132,253,371	100.00%	-
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%	-

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,	Governmental Activities				Bond Anticipation Notes (BANs)	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases					
2020	\$ -	-	\$ 17,553,355	-	\$ 17,553,355	N/A	\$ 92	
2019	5,205,000	-	20,900,189	-	26,105,189	N/A	137	
2018	10,145,000	-	23,203,372	-	33,348,372	0.22%	174	
2017	14,840,000	-	24,833,670	-	39,673,670	0.27%	207	
2016	19,300,000	-	26,275,418	-	45,575,418	0.33%	236	
2015	23,540,000	-	27,264,150	-	50,804,150	0.40%	262	
2014	27,570,000	-	24,741,975	-	52,311,975	0.43%	271	
2013	31,400,000	-	1,155,792	-	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	

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.

^a 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>
2020	\$ 0	190,311	\$ 32,955,860,107	0.00%	\$ 0
2019	5,205,000	191,211	32,463,608,007	0.02%	27
2018	10,145,000	191,719	31,566,390,063	0.03%	53
2017	14,840,000	193,354	30,801,298,214	0.05%	77
2016	19,300,000	193,376	30,272,553,831	0.06%	100
2015	23,540,000	193,539	29,832,515,460	0.08%	122
2014	27,570,000	193,137	28,113,985,730	0.10%	143
2013	31,400,000	192,125	28,077,229,720	0.11%	163
2012	35,035,000	191,933	28,803,438,566	0.12%	183
2011	38,490,000	191,795	30,200,912,655	0.13%	201

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 DEBT

AS OF JUNE 30, 2020

UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>		<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes				
Colts Neck Township	\$ 15,712,137		100.000%	\$ 15,712,137
Englishtown Borough	1,876,177		100.000%	1,876,177
Borough of Farmingdale	1,078,659		100.000%	1,078,659
Borough of Freehold	7,690,000		100.000%	7,690,000
Freehold Township	64,711,218		100.000%	64,711,218
Howell Township	71,230,143		100.000%	71,230,143
Manalapan Township	17,564,875		100.000%	17,564,875
Marlboro Township	54,786,018		100.000%	54,786,018
Other debt				
Monmouth County	512,159,170	<u>Net Valuation</u>		
Colts Neck Township		3,004,574,391	2.356%	12,068,432
Englishtown Borough		263,644,700	0.207%	1,058,978
Borough of Farmingdale		172,551,600	0.135%	693,086
Borough of Freehold		1,105,879,000	0.867%	4,441,969
Freehold Township		6,717,431,900	5.268%	26,981,816
Howell Township		7,388,630,600	5.795%	29,677,810
Manalapan Township		7,058,050,500	5.535%	28,349,974
Marlboro Township		7,245,302,300	5.682%	29,102,105
Subtotal, overlapping debt				367,023,397
		<u>County Total Net Valuation</u>		
		127,507,888,809		
Freehold Regional High School District Direct Debt				<u>-</u>
Total Direct and Overlapping Debt				<u>\$ 367,023,397</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,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 984,441,580	\$ 948,278,226	\$ 943,338,226	\$ 916,523,946	\$ 890,826,085	\$ 893,432,552	\$ 897,823,311	\$ 919,819,452	\$ 948,266,347	\$ 971,666,105
Total Net Debt Applicable to Limit	-	5,205,000	10,145,000	14,840,000	19,300,000	23,540,000	27,570,000	31,400,000	35,035,000	38,490,000
Legal Debt Margin	\$ 984,441,580	\$ 943,073,226	\$ 933,193,226	\$ 901,683,946	\$ 871,526,085	\$ 869,892,552	\$ 870,253,311	\$ 884,784,452	\$ 913,221,347	\$ 933,176,105
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.55%	1.09%	1.65%	2.21%	2.71%	3.17%	3.55%	3.84%	4.12%

Year	Equalized Valuation Basis
2017	\$ 31,572,739,170
2018	32,471,860,897
2019	34,399,557,968
(A)	\$ 98,444,158,035
Average Equalized Valuation of Taxable Property	(A/3) \$ 32,814,719,345

Debt limit (3% of average)	(B) \$ 984,441,580	(a)
Net bonded school debt as of June 30, 2020	(C) -	
Legal debt margin	(B-C) \$ 984,441,580	

Source: Abstract of Rates and District Records.

(a) Limit set by N.J.S.A. 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 ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2019	Colts Neck	9,822	N/A	N/A	2.7%
	Englishtown	1,912	N/A	N/A	2.9%
	Farmingdale	1,354	N/A	N/A	3.6%
	Freehold Borough	11,682	N/A	N/A	2.8%
	Freehold Twp.	34,624	N/A	N/A	2.9%
	Howell	51,952	N/A	N/A	3.2%
	Manalapan	39,325	N/A	N/A	2.8%
	Marlboro	39,640	N/A	N/A	2.7%
2018	Colts Neck	9,879	\$ 790,102,662	\$ 79,978	2.9%
	Englishtown	1,925	153,957,650	79,978	3.5%
	Farmingdale	1,321	105,650,938	79,978	4.9%
	Freehold Borough	11,767	941,101,126	79,978	3.3%
	Freehold Twp.	34,735	2,778,035,830	79,978	3.5%
	Howell	52,114	4,167,973,492	79,978	3.7%
	Manalapan	39,596	3,166,808,888	79,978	3.3%
	Marlboro	39,874	3,189,042,772	79,978	3.0%
2017	Colts Neck	9,897	\$ 746,184,315	\$ 75,395	3.3%
	Englishtown	1,931	145,587,745	75,395	4.2%
	Farmingdale	1,289	97,184,155	75,395	4.9%
	Freehold Borough	11,818	891,018,110	75,395	3.8%
	Freehold Twp.	34,841	2,626,837,195	75,395	3.9%
	Howell	52,131	3,930,416,745	75,395	4.1%
	Manalapan	39,772	2,998,609,940	75,395	3.7%
	Marlboro	40,040	3,018,815,800	75,395	3.4%
2016	Colts Neck	9,982	\$ 711,087,734	\$ 71,237	3.7%
	Englishtown	1,941	138,271,017	71,237	4.5%
	Farmingdale	1,296	92,323,152	71,237	5.5%
	Freehold Borough	11,914	848,717,618	71,237	4.1%
	Freehold Twp.	35,389	2,521,006,193	71,237	4.1%
	Howell	52,329	3,727,760,973	71,237	4.5%
	Manalapan	40,099	2,856,532,463	71,237	4.1%
	Marlboro	40,404	2,878,259,748	71,237	3.8%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Community	School District Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2015	Colts Neck	10,028	\$ 700,345,492	\$ 69,839	4.2%
	Englishtown	1,945	135,836,855	69,839	5.4%
	Farmingdale	1,299	90,720,861	69,839	6.5%
	Freehold Borough	11,935	833,528,465	69,839	4.4%
	Freehold Twp.	35,473	2,477,398,847	69,839	4.4%
	Howell	52,040	3,634,421,560	69,839	5.1%
	Manalapan	40,174	2,805,711,986	69,839	4.4%
	Marlboro	40,482	2,827,222,398	69,839	4.0%
2014	Colts Neck	10,062	\$ 670,954,284	\$ 66,682	4.7%
	Englishtown	1,950	130,029,900	66,682	6.7%
	Farmingdale	1,304	86,953,328	66,682	8.4%
	Freehold Borough	11,976	798,583,632	66,682	5.2%
	Freehold Twp.	35,558	2,371,078,556	66,682	5.1%
	Howell	51,978	3,465,996,996	66,682	6.2%
	Manalapan	40,158	2,677,815,756	66,682	5.5%
	Marlboro	40,553	2,704,155,146	66,682	4.9%
2013	Colts Neck	10,099	\$ 643,376,993	\$ 63,707	3.1%
	Englishtown	1,942	123,718,994	63,707	6.4%
	Farmingdale	1,310	83,456,170	63,707	6.1%
	Freehold Borough	11,990	763,846,930	63,707	7.0%
	Freehold Twp.	35,673	2,272,619,811	63,707	6.4%
	Howell	51,589	3,286,580,423	63,707	7.6%
	Manalapan	39,988	2,547,515,516	63,707	7.0%
	Marlboro	40,546	2,583,064,022	63,707	5.9%
2012	Colts Neck	10,097	\$ 636,363,425	\$ 63,025	7.6%
	Englishtown	1,931	121,701,275	63,025	7.1%
	Farmingdale	1,310	82,562,750	63,025	5.0%
	Freehold Borough	11,993	755,858,825	63,025	12.6%
	Freehold Twp.	35,716	2,251,000,900	63,025	7.4%
	Howell	51,174	3,225,241,350	63,025	8.9%
	Manalapan	39,505	2,489,802,625	63,025	8.3%
	Marlboro	40,399	2,546,146,975	63,025	6.8%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Community	School District Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2011	Colts Neck	10,127	\$ 615,610,203	\$ 60,789	7.3%
	Englishtown	1,843	112,034,127	60,789	6.8%
	Farmingdale	1,318	80,119,902	60,789	4.8%
	Freehold Borough	12,021	730,744,569	60,789	12.1%
	Freehold Twp.	35,796	2,176,003,044	60,789	7.1%
	Howell	51,146	3,109,114,194	60,789	8.8%
	Manalapan	39,341	2,391,500,049	60,789	7.9%
	Marlboro	40,341	2,452,289,049	60,789	6.2%
2010	Colts Neck	10,141	\$ 585,541,340	\$ 57,740	7.3%
	Englishtown	1,834	105,895,160	57,740	6.8%
	Farmingdale	1,326	76,563,240	57,740	4.7%
	Freehold Borough	12,044	695,420,560	57,740	12.0%
	Freehold Twp.	36,171	2,088,513,540	57,740	7.7%
	Howell	51,125	2,951,957,500	57,740	8.9%
	Manalapan	39,070	2,255,901,800	57,740	7.8%
	Marlboro	40,084	2,314,450,160	57,740	6.6%

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

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

^c Per capita personal income is based on the County of Monmouth and was computed using Census Bureau midyear population estimates by the US Bureau of Economic Analysis.

^d 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 NINE YEARS AGO
UNAUDITED

	2020			2011		
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Hackensack Meridian Health, Wall		11,560	3.63%	Meridian Health System, Neptune	7,500	2.46%
Saker Shoprates Inc., Freehold		3,327	1.05%	Saker Shoprates Inc., Freehold	6,800	2.23%
CentraState Healthcare Inc., Freehold		2,681	0.84%	Air Safety Equipment Inc. Holmdel	4,350	1.43%
RWJ Barnabas - Monmouth Medical Center, Long Bran		1,932	0.61%	CentraState Healthcare, Freehold	2,354	0.77%
Monmouth University, West Long Branch		1,525	0.48%	Monmouth Medical Center, Long Branch	2,100	0.69%
Visiting Nurse Assoc of Central Jersey, Red Bank		1,099	0.35%	Visiting Nurse Assoc of Central Jersey	1,700	0.56%
Commvault, Tinton Falls		944	0.30%	Hovnanian Enterprises Inc, Red Bank	1,629	0.53%
Erickson Living - Seabrook Village, Tinton Falls		850	0.27%	Food Circus Supermarkets Inc. Middletown	1,300	0.43%
NJ Resources, Wall		834	0.26%	Monmouth University, West Long Branch	1,290	0.42%
Food Circus Supermarkets Inc., Middletown		800	0.25%	Bayshore Community Health Services, Holmdel	1,200	0.39%
		<u>25,552</u>	<u>8.03%</u>		<u>30,223</u>	<u>9.91%</u>
Total Employment in County		318,233			304,879	

Most recent available data presented.

Source: Major employers provided by the Monmouth County Division of Economic Development. Total employment 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

(UNAUDITED)

<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Instruction										
Regular	590.8	593.2	596.2	597.6	616.0	619.9	620.8	619.6	627.2	627.2
Special education	156.4	157.4	170.0	193.6	180.0	177.9	168.0	168.0	154.0	139.0
Other instruction	21.7	21.7	21.7	12.5	4.0	2.0	2.0	2.0	3.0	3.0
Support Services:										
Student & Instruction Rel. Svcs	174.8	177.3	176.8	191.2	207.0	208.5	223.0	223.0	205.8	202.8
School Administrative Services	64.3	65.8	61.0	60.0	44.0	44.0	44.0	44.0	61.0	61.0
General and Central Services	28.1	28.0	31.3	31.3	36.0	36.0	36.0	36.0	31.5	31.5
Plant Operations & Maintenance	128.0	127.0	124.0	127.0	118.0	119.0	118.0	117.0	128.5	128.5
Pupil Transportation	141.0	141.0	142.0	142.0	143.0	146.0	145.0	145.0	148.0	148.0
Total	1,305.0	1,311.4	1,323.0	1,355.2	1,348.0	1,353.3	1,356.8	1,354.6	1,359.0	1,341.0

Source: District Records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS

(UNAUDITED)

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
2020	10,449.0	212,866,523	20,372	-1.15%	723	1:14.4	10,416.7	10,019.6	(0.45)	96.2%
2019	10,532.5	217,071,071	20,610	2.56%	734	1:14.4	10,463.8	9,853.9	(1.31)	94.2%
2018	10,668.5	214,387,318	20,095	2.91%	748	1:14.4	10,603.1	9,939.1	(1.76)	93.7%
2017	10,813.0	208,222,156	19,527	6.72%	750	1:14.4	10,792.7	10,135.7	(1.06)	93.9%
2016	10,966.0	200,651,681	18,298	6.54%	770	1:14.2	10,908.0	10,268.4	(1.43)	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	1.41%	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%

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

(UNAUDITED)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
District Building										
High Schools										
Collis 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	1,328	1,352	1,403	1,430	1,457	1,450	1,493	1,513	1,478	1,523
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	1,357	1,377	1,361	1,422	1,451	1,478	1,551	1,580	1,566	1,534
Freehold Township High School (1968)										
Square Feet	258,840	258,840	258,840	258,840	258,840	258,840	258,840	258,840	258,840	258,840
Capacity (students)	2,224	2,224	2,224	2,224	2,224	2,224	2,224	2,224	2,224	2,224
Enrollment	2,021	2,034	2,047	2,041	2,062	2,102	2,091	2,127	2,162	2,193
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	2,082	2,099	2,085	2,112	2,154	2,217	2,252	2,299	2,456	2,488
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	1,850	1,853	1,923	1,890	1,908	1,934	1,917	1,948	1,991	2,038
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	1,811	1,818	1,849	1,919	1,937	1,956	1,950	1,971	1,920	1,961
Other										
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, 2020										
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 TEN FISCAL YEARS ENDING JUNE 30
UNAUDITED

School Facilities	Project (#)s	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	Total
Colts Neck High School	NA	\$ 782,460	\$ 651,880	\$ 673,824	\$ 583,941	\$ 584,921	\$ 553,134	\$ 513,687	\$ 491,650	\$ 394,641	\$ 494,294	\$ 5,724,432
Freehold Borough High School	NA	340,255	417,559	379,280	317,779	311,401	313,838	316,229	388,514	342,022	345,303	3,472,180
Freehold Township High School	NA	416,266	427,907	389,203	435,215	374,632	390,224	446,244	413,928	473,569	392,440	4,159,628
Howell High School	NA	404,744	417,374	431,806	387,883	325,001	375,371	380,272	356,269	473,569	344,248	3,896,537
Manalapan-Englishtown High School	NA	364,038	384,036	364,386	366,303	326,996	345,078	401,235	453,715	473,569	333,065	3,812,421
Marlboro High School	NA	365,185	380,795	385,407	343,664	335,728	335,985	357,148	508,045	473,569	356,815	3,842,341
Total School Facilities		2,672,948	2,679,551	2,623,906	2,434,785	2,258,679	2,313,630	2,414,815	2,612,121	2,630,939	2,266,165	24,907,539
Other Facilities		-	-	-	-	-	-	-	-	-	-	-
Grand Total		\$ 2,672,948	\$ 2,679,551	\$ 2,623,906	\$ 2,434,785	\$ 2,258,679	\$ 2,313,630	\$ 2,414,815	\$ 2,612,121	\$ 2,630,939	\$ 2,266,165	\$ 24,907,539

School facilities as defined under EFCA.
(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, 2020
UNAUDITED

	Coverage	Deductible/Retention
USI Insurance Services		
Property	\$356,841,272	\$ 25,000 Flood, each occurrence
Equipment Breakdown (Included in Property)		25,000 Earthquake, each occurrence
		5,000 Other losses
General Liability	\$3,000,000 General Aggregate	-
School District and Educators Legal Liability	\$1,000,000 Each Wrongful Act or Offense / \$3,000,000 Aggregate	10,000
Employment Practices	\$1,000,000 per occurrence/aggregate	10,000
Cyber	\$250,000 limit	2,500
Commercial Umbrella/ Excess Liability	\$10,000,000	10,000
Crime	\$100K-\$500K, depending on type	1,000
Automobile	\$1,000,000	1,000 Comprehensive deductible
		1,000 Collision deductible
Environmental Impairment Liability	\$1,000,000 per occurrence/\$3,000,000 aggregate	15,000 or 50,000 depending on condition
Board Secretary	\$700,000	1,000
Workers Compensation - Self-Insured with PMA as TPA	Statutory	N/A

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 and in compliance with the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Freehold Regional High School District (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2021.

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) as a basis for designing 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

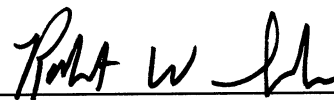
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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

January 27, 2021



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 Freehold Regional High School District's major federal and state programs for the year ended June 30, 2020. 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, 2020.

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 Freehold Regional High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance 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

January 27, 2021

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020

FEDERAL CFDA NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM TO	ADJUSTED BALANCE AT JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PYYS BALANCE	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2020 UNEARNED REVENUE	DUE GRANTOR
93.778		2005NJ5MAP	N/A	\$ 120,525	7/1/2019 6/30/2020	\$ (120,525)	120,525	(120,525)			\$	\$
	General Fund:											
	U.S. Department of Health and Human Services											
	Passed-through State Department of Education:											
	Medical Assistance Program (SEM)											
	Total General Fund											
	Special Revenue Fund:											
	U.S. Department of Education											
	Passed-through State Department of Education:											
	Special Education Cluster											
	I.D.E.A. Part B Basic	H027A180100	IDEA165018	2,132,869	7/1/2018 6/30/2019	(486,765)	486,765	(2,140,331)		(400,389)		
	I.D.E.A. Part B Basic	H027A190100	IDEA165019	2,140,331	7/1/2019 6/30/2020	(486,765)	1,739,942	(2,140,331)		(400,389)		
	Total Special Education Cluster						2,226,707	(2,140,331)		(400,389)		
	Title I, Part A Basic	S010A180030	NCLB165018	697,345	7/1/2018 6/30/2019	(226,534)	226,534					
	Title I, Part A Basic	S010A190030	NCLB165019	709,199	7/1/2019 6/30/2020		414,149	(653,486)		(239,337)		
	Title II, Part A Teacher & Principal Training	S367A180029	NCLB165018	172,981	7/1/2018 6/30/2019	(38,717)	38,717					
	Title II, Part A Teacher & Principal Training	S367A190029	NCLB165019	188,684	7/1/2019 6/30/2020		98,883	(116,561)		(17,678)		
	Title III	S365A180030	NCLB165018	18,415	7/1/2018 6/30/2019	(2,298)	2,298					
	Title III	S365A190030	NCLB165019	22,043	7/1/2019 6/30/2020		8,547	(10,721)		(2,174)		
	Title III, Immigrant	S365A180030	NCLB165018	7,753	7/1/2018 6/30/2019	(33)	33					
	Title III, Immigrant	S365A190030	NCLB165019	7,780	7/1/2019 6/30/2020		2,370	(4,897)		(2,527)		
	Title IV	S424A180031	NCLB165018	89,980	7/1/2018 6/30/2019	(8,443)	8,443			(663)		
	Title IV	S424A190031	NCLB165019	44,968	7/1/2019 6/30/2020		35,968	(36,631)		(663)		
	Vocational Education - Perkins	V048A180030	N/A	26,172	7/1/2018 6/30/2019	(227)	227					
	Vocational Education - Perkins	V048A190030	N/A	27,381	7/1/2019 6/30/2020		22,361	(24,733)		(2,372)		
	JROTC	N/A	N/A	19,631	7/1/2019 6/30/2020	(763,017)	19,631	(19,631)		(665,140)		
	Total U.S. Department of Education					(763,017)	3,104,868	(3,006,991)		(665,140)		
	Total Special Revenue Fund					(763,017)	3,104,868	(3,006,991)		(665,140)		
	Enterprise Fund:											
	U.S. Department of Agriculture											
	Passed-through State Department of Education:											
	Child Nutrition Cluster											
	School Breakfast Program	191NJ304N1099	N/A	36,054	7/1/2018 6/30/2019	(2,587)	2,587					
	School Breakfast Program	201NJ304N1099	N/A	46,488	7/1/2019 6/30/2020		27,743	(27,743)				
	School Breakfast Program - COVID	201NJ304N1099	N/A	18,745	7/1/2019 6/30/2020		15,434	(18,745)		(3,311)		
	National School Lunch Program	191NJ304N1099	N/A	362,587	7/1/2018 6/30/2019	(23,458)	23,458					
	National School Lunch Program	201NJ304N1099	N/A	316,037	7/1/2019 6/30/2020		310,905	(265,817)				
	National School Lunch Program - COVID	201NJ304N1099	N/A	50,220	7/1/2019 6/30/2020		45,088	(50,220)		(5,132)		
	Total Child Nutrition Cluster					(26,045)	425,215	(362,525)		(8,443)		
	Healthy Hunger Free Kids Act	191NJ304N1099	N/A	16,312	7/1/2018 6/30/2019	(1,052)	1,052					
	Healthy Hunger Free Kids Act	201NJ304N1099	N/A	14,431	7/1/2019 6/30/2020		14,326	(14,431)		(105)		
	Commodity Supplemental Food Program	191NJ304N1099	N/A	110,707	7/1/2018 6/30/2019	3,830						
	Commodity Supplemental Food Program	201NJ304N1099	N/A	89,729	7/1/2019 6/30/2020		89,729	(89,469)			260	
	Total Enterprise Fund					(23,267)	530,322	(470,255)		(8,548)	260	
	Total Federal Financial Assistance					\$ (786,284)	\$ 3,755,715	\$ (3,597,771)	\$	\$ (673,688)	\$ 260	\$

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, 2020

STATE GRANT OR PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2020		MEMO	
				DUE STATE/ (ACCTS REC)	DUE STATE/ (ACCTS REC)					UNEARNED REVENUE	DUE GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education													
General Funds:													
State Aid Public Cluster													
Categorical Special Education Aid	19-495-034-5120-089	\$ 7,030,185	7/1/2018	\$	\$ 695,924		\$	\$ (695,924)		\$	\$	\$	\$ 7,030,185
Equalization Aid	19-495-034-5120-078	40,713,982	7/1/2018		4,030,310			(4,030,310)					40,713,982
Categorical Special Education Aid	19-495-034-5120-084	735,594	7/1/2018		72,817			(72,817)					735,594
Equalization Aid	20-495-034-5120-089	7,030,185	7/1/2019		6,338,546			691,639					7,030,185
Categorical Special Education Aid	19-495-034-5120-089	36,933,216	7/1/2019		33,299,676			3,633,540					36,933,216
Equalization Aid	20-495-034-5120-078	735,594	7/1/2019		663,225			72,369					735,594
Categorical Security Aid	20-495-034-5120-084				45,100,688			(401,503)					93,178,756
Total State Aid Public Cluster					44,688,995								4,397,548
Categorical Transportation Aid	19-495-034-5120-014	1,816,395	7/1/2018		179,806			(179,806)					1,816,395
Categorical Transportation Aid	20-495-034-5120-014	1,816,395	7/1/2019		1,637,966			(178,699)					1,816,395
Extraordinary Special Education Costs Aid	19-495-034-5120-044	2,813,470	7/1/2018		2,813,470								2,813,470
Extraordinary Special Education Costs Aid	20-495-034-5120-044	2,813,470	7/1/2019		2,813,470								2,813,470
Non-Public Transportation Costs Aid	19-100-034-5120-068	126,088	7/1/2018		126,088								126,088
On-behalf Long-term Disability Insurance	20-495-034-5120-068	10,339	7/1/2019		10,339								10,339
On-behalf TPAF Pension	20-495-034-5094-004	16,447,694	7/1/2019		16,447,694								16,447,694
On-behalf TPAF Post Retirement Medical	20-495-034-5094-001	6,101,794	7/1/2019		6,101,794								6,101,794
Reimbursed TPAF Social Security	20-495-034-5095-051	5,677,663	7/1/2019		5,399,269								5,677,663
Total General Funds					77,816,654			(402,610)					7,671,604
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Textbook Aid	20-100-034-5120-064	16,055	7/1/2019		17,289								16,055
Textbook Aid	19-100-034-5120-064	13,365	7/1/2018		1,854			(1,854)					13,365
Nursing Services	20-100-034-5120-070	23,983	7/1/2019		31,816								23,983
Nursing Services	19-100-034-5120-070	20,158	7/1/2018		7,487			(7,487)					20,158
Technology Aid	20-100-034-5120-373	9,397	7/1/2019		11,808								9,397
Technology Aid	19-100-034-5120-373	9,336	7/1/2018		185			(185)					9,336
Security Aid	20-100-034-5120-509	48,113	7/1/2019		49,200								48,113
Security Aid	19-100-034-5120-509	27,885	7/1/2018		1,865			(1,865)					27,885
Career Pathways - Vocational Aid	20-100-034-5120-509	96,954	3/1/2020		97,034								96,954
Career Pathways - Vocational Aid	19-100-034-5062-032	96,150	3/1/2019		207,447			(195,591)					96,150
Total Special Revenue Fund					1,329,091			(11,391)					1,329,091
Debt Service Fund:													
Debt Service Aid Type II	20-495-034-5120-075	1,329,091	7/1/2019		1,329,091								1,329,091
Total Debt Service Fund					1,329,091								1,329,091
Enterprise Fund:													
National School Lunch Program (State Share)	20-100-010-3350-023	14,518	7/1/2019		10,636								14,518
National School Lunch Program (State Share)	19-100-034-5120-122	14,066	7/1/2018		907								14,066
Total Enterprise Fund					11,543								11,543
New Jersey Economic Development Authority													
Capital Projects Fund:													
Freehold Boro High School - Roof	1650-080-14-G2AF	477,257	Ongoing		477,257								477,257
Freehold Boro High School - Boiler/HVAC	1650-080-14-G2AF	668,136	Ongoing		668,136								668,136
Freehold Township High School - Roof	1650-055-14-G2AG	387,125	Ongoing		387,125								387,125
Manalapan High School - Roof	1650-070-14-G2AI	408,419	Ongoing		408,419								408,419
Total Capital Projects Fund					1,940,937								1,940,937
Total State Financial Assistance					81,305,372			(413,935)					7,680,295
					(4,873,877)								12,565
					\$								\$ 132,435,278

STATE GRANT OR PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	DUE GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
Less: On-Behalf amounts not utilized for determination of Major Programs:												
On-behalf Long-term Disability Insurance				\$	(10,339)	10,339						
On-behalf TPAF Pension					(16,447,694)	16,447,694						
On-behalf TPAF post retirement medical					(6,101,794)	6,101,794						
Total State Financial Assistance Subject to Single Audit				\$	59,745,545	(56,549,216)						

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, 2020

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.

Freehold Regional High School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2020

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$402,610) for the general fund, (\$11,037) for the special revenue 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	\$120,525	\$77,972,453	\$78,092,978
Special Revenue Fund	3,006,991	206,628	3,213,619
Debt Service Fund		1,329,091	
Food Service Fund	470,255	14,518	484,773
	<u>3,597,771</u>	<u>79,522,690</u>	<u>81,791,370</u>
GAAP Adjustment		(413,647)	(413,647)
Total Awards & Financial Assistance	<u>\$3,597,771</u>	<u>\$79,109,043</u>	<u>\$81,377,723</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, post-retirement benefits and long-term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2020. 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, 2020.

Freehold Regional High School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

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 .516(a) of Circular OMB Uniform Guidance? | No |
| (4) | Identification of Major Federal Program(s): | |
| | <u>Program</u> | <u>CFDA</u> |
| | Title I, Part A, Basic | 84.010 |
| | Child Nutrition Cluster: | |
| | National School Lunch Program | 10.555 |
| | School Breakfast Program | 10.553 |
| (5) | Program Threshold Determination:
Type A Federal Program Threshold > \$750,000.00
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, 2020

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): | | | | | | | | | | | | | |
| | <table border="0"> <thead> <tr> <th style="text-align: left;"><u>Program Title</u></th> <th style="text-align: left;"><u>Project Number</u></th> </tr> </thead> <tbody> <tr> <td>Equalization Aid</td> <td>495-034-5120-078</td> </tr> <tr> <td>Categorical Special Education Aid</td> <td>495-034-5120-089</td> </tr> <tr> <td>Categorical Security Aid</td> <td>495-034-5120-084</td> </tr> <tr> <td>Categorical Transportation Aid</td> <td>495-034-5120-014</td> </tr> <tr> <td>Debt Service Aid Type II</td> <td>495-034-5120-125</td> </tr> </tbody> </table> | <u>Program Title</u> | <u>Project Number</u> | Equalization Aid | 495-034-5120-078 | Categorical Special Education Aid | 495-034-5120-089 | Categorical Security Aid | 495-034-5120-084 | Categorical Transportation Aid | 495-034-5120-014 | Debt Service Aid Type II | 495-034-5120-125 | |
| <u>Program Title</u> | <u>Project Number</u> | | | | | | | | | | | | | |
| Equalization Aid | 495-034-5120-078 | | | | | | | | | | | | | |
| Categorical Special Education Aid | 495-034-5120-089 | | | | | | | | | | | | | |
| Categorical Security Aid | 495-034-5120-084 | | | | | | | | | | | | | |
| Categorical Transportation Aid | 495-034-5120-014 | | | | | | | | | | | | | |
| Debt Service Aid Type II | 495-034-5120-125 | | | | | | | | | | | | | |
| (5) | Program Threshold Determination:
Type A State Program Threshold > \$1,696,476.48
Type B State Program Threshold <= \$1,696,476.48 | | | | | | | | | | | | | |
| (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, 2020

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

