

Annual Comprehensive Financial Report

of the

Freehold Regional High School District

County of Monmouth

Englishtown, New Jersey

For the Fiscal Year Ended June 30, 2022

Prepared by

FRHSD Business Office

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1-4
Roster of Officials	5
Consultants and Advisors	6
Organizational Chart	7
FINANCIAL SECTION	
Independent Auditor's Report	8-11
REQUIRED SUPPLEMENTARY INFORMATION - Part I	12
Management's Discussion and Analysis (Unaudited)	12-23
BASIC FINANCIAL STATEMENTS	24
A. District-Wide Financial Statements:	25
A-1 Statement of Net Position	26
A-2 Statement of Activities	27
B. Major Fund Financial Statements:	28
Governmental Funds:	
B-1 Balance Sheet	29-30
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	31
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Other Funds:	33
Propriety Funds:	
B-4 Statement of Net Position	34
B-5 Statement of Revenues, Expenses, and Changes in Net Position	35
B-6 Statement of Cash Flows	36
Notes to the Financial Statements	37-88

TABLE OF CONTENTS (CONTINUED)

	PAGE
REQUIRED SUPPLEMENTARY INFORMATION - Part II	89
C. Budgetary Comparison Schedules:	90
C-1 General Fund	91-105
C-2 Special Revenue Fund	106
C-3 Budget to GAAP Reconciliation	107
REQUIRED SUPPLEMENTARY INFORMATION - Part III	108
L. Schedules Related to Accounting and Reporting for Pension (GASB 68)	109
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System – Last Ten Years	110
L-2 Schedule of the District's Contributions – Public Employees Retirement System – Last Ten Years	111
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability Teachers Pension and Annuity Fund – Last Ten Years	112
L-4 Schedules Related to Accounting and Reporting for Pension (GASB 68) Note to RSI III for the Fiscal Year Ended June 30, 2021	113
REQUIRED SUPPLEMENTARY INFORMATION - Part IV	114
M. Schedule Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions (GASB 75)	115
M-1 Schedule of Changes in the Total OPEB Liability and Related Ratios - Last Ten Years	116
M-2 Notes to the Required Supplementary Information Part IV	117
OTHER SUPPLEMENTARY INFORMATION	118
D. School Level Schedules	N/A
E. Special Revenue Fund:	119
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	120-123
E-2 Demonstrably Effective Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-3 Early Childhood Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-4 Distance Learning Network Aid Schedule of Expenditures - Budgetary Basis	N/A
E-5 Instructional Supplement Aid Schedule of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund	124
F-1 Summary Statement of Project Expenditures - Budgetary Basis	125
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	126

TABLE OF CONTENTS (CONTINUED)

	PAGE
F. Capital Projects Fund (Continued)	
F-2a Summary Schedule of Project Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis - Freehold Boro High School - Roof Replacement	127
F-2b Summary Schedule of Project Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis – Roofing and Paving at Various Schools	128
G. Proprietary Funds	129
Enterprise Fund:	
G-1 Combining Statement of Net Position	130
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	131
G-3 Combining Statement of Cash Flows	132
H. Fiduciary Fund	N/A
I. Long-Term Debt	133
I-1 Schedule of Serial Bonds	134
I-2 Schedule of Obligations Under Leases	135
I-3 Budgetary Comparison Schedule	136
I-4 Schedule of Obligations Under Installment Purchase Contracts	137

STATISTICAL SECTION - UNAUDITED

J-1 Net Position by Component	138
J-2 Changes in Net Position	139-140
J-3 Fund Balances - Governmental Funds	141
J-4 Changes in Fund Balances - Governmental Funds	142
J-5 General Fund Other Local Revenue by Source	143
J-6 Assessed Value and Actual Value of Taxable Property	144-146
J-7 Direct and Overlapping Property Tax Rates	147-149
J-8 Principal Property Taxpayers - Current Year and Nine Years Ago	150-153
J-9 Property Tax Levies and Collection	154
J-10 Ratios of Outstanding Debt by Type	155
J-11 Ratios of General Bonded Debt Outstanding	156
J-12 Ratios of Overlapping Governmental Activities Debt	157
J-13 Legal Debt Margin Information	158
J-14 Demographic and Economic Statistics	159-161
J-15 Principal Employers - Current Year and Nine Years Ago	162
J-16 Full-Time Equivalent District Employees by Function/Program	163
J-17 Operating Statistics	164
J-18 School Building Information	165
J-19 Schedule of Allowable Maintenance for School Facilities	166
J-20 Insurance Schedule	167

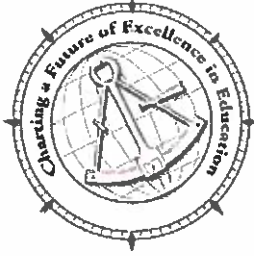
TABLE OF CONTENTS (CONTINUED)

PAGE

SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	168-169
K-2	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	170-172
K-3	Schedule of Expenditures of Federal Awards, Schedule A	173
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	174
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	175-176
K-6	Schedule of Findings and Questioned Costs	177-179
K-7	Schedule of Prior Year Audit Findings	180

INTRODUCTORY SECTION



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

*Administration Building
11 Pine Street Englishtown NJ 07726*

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

March 7, 2023

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 Annual Comprehensive Financial Report (ACFR) of the Freehold Regional High School District (District) for the fiscal year ended June 30, 2022. 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 Annual Comprehensive 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.

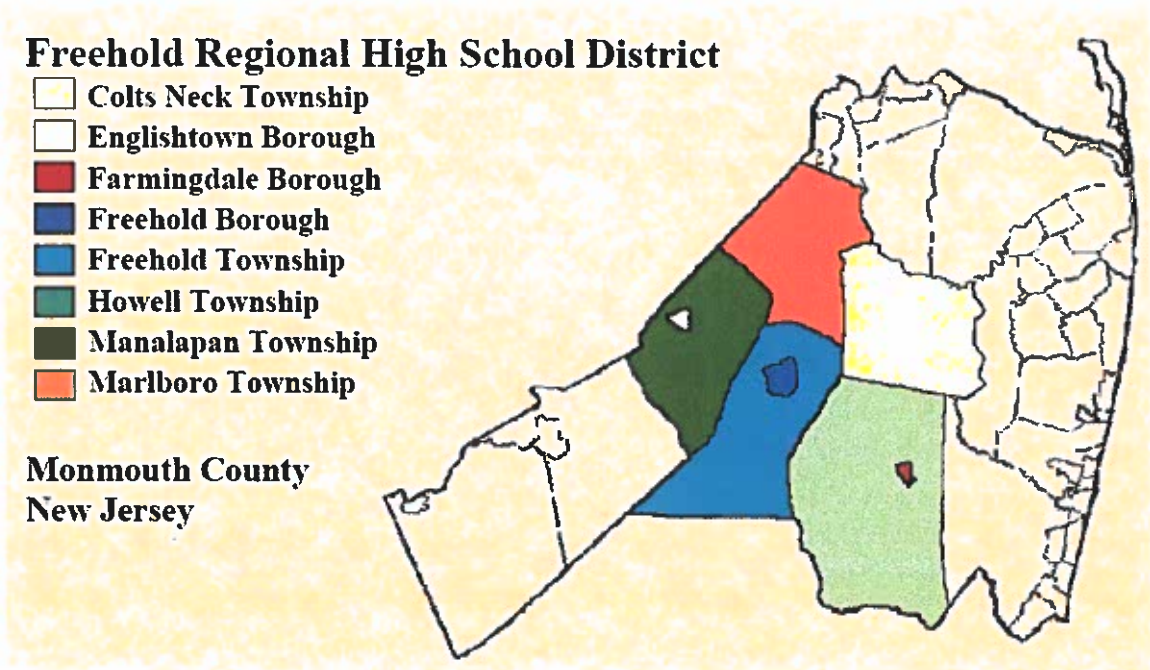
School District Organization

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 2022 student count, there were 10,412 resident students. Of these resident students, 10,263.5 students are enrolled in one of the Freehold Regional High School District's six high schools. District enrollment had been steadily declining, then increased slightly in 2021 and once again decreased slightly in 2022.



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 school districts based upon a revised funding formula. As a result, the Freehold Regional High School District will see its Unrestricted State Aid reduced by a cumulative almost \$103 million over seven years. Federal funding in response to the pandemic helped offset a portion of the financial impact of S2, but this one-time revenue will not solve the long-term permanent reductions under S2. Property tax increases at the 2% cap fail to keep pace with State Aid cuts during the S2 phase-out period. The District's administration continues to formulate plans to deal with the ramifications of this loss of revenue.

Educational Program

The District supports students in pursuing their passions in fields of study and career interests through offering various opportunities within the educational program. 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.

Incoming 8th grade students are invited to apply to any of the twelve competitive magnet programs located throughout the district. 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 program. In addition, certain schools offer the *International Baccalaureate (IB) Diploma Programme* - a comprehensive and rigorous pre-university course of studies for highly motivated 11th and 12th graders. The IB Diploma Programme is widely recognized in the United States and around the world.

Major Initiatives

Strategic Planning

Compass 3.0 is currently in the development phase and will continue to enhance the work commenced in the 2012-17 and 2018-2022 strategic plans. This updated plan for 2023-2028 will focus on four core areas to enhance teaching, learning and leading to service each of our students achieving the district's mission. The four core areas are: Whole Child; Equity and Opportunity; Student Growth and Learning; and, Community Connections. 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.

Capital Planning

The current budget law limits opportunities to fund high dollar facility needs through the annual school budget or local reserves. The district initially 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 scaled down the projects in the referendum to only include the critical infrastructure needs of roofing and paving. This \$14,460,000 question was approved by the public in November 2021. As the District has and will always have additional capital needs outside of this limited-scope referendum, management will continue to evaluate funding alternatives such as through budget appropriation or drawing down on capital reserve funds.

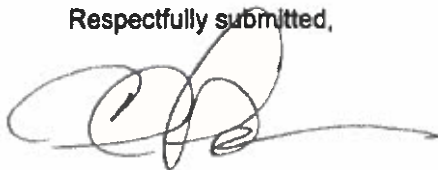
Acknowledgements and Achievements

Among the district's many achievements:

- The District was one of 10 in the United States to be selected to implement a new Cyber Security Program
- New Jersey School Public Relations Association awarded the Freehold Regional High School District first place in the Social Media, first place in the Photography, and second place in the Special Interest Publication categories of the School Communication Awards
- Freehold High School received College Board's AP Computer Science Female Diversity Award for attaining female representation in AP Computer Science and helping to close the gender gap
- Class of 2022 students were accepted into top colleges and universities

We would like to express our appreciation to the members of the Freehold Regional High School District Board for their commitment to providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their commitment 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
Ass'tant Superintendent for Business

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

**ROSTER OF OFFICIALS
JUNE 30, 2022**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Peter Bruno, President	2024
Marc Parisi, Vice President	2022
Jamie Bruno	2024
Diana Cappiello	2022
Debra Fanelli	2023
Elizabeth Higley	2023
Kathie Lavin	2022
Michael Messinger	2023
Heshy Moses	2024

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, 2022

Audit Firm

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

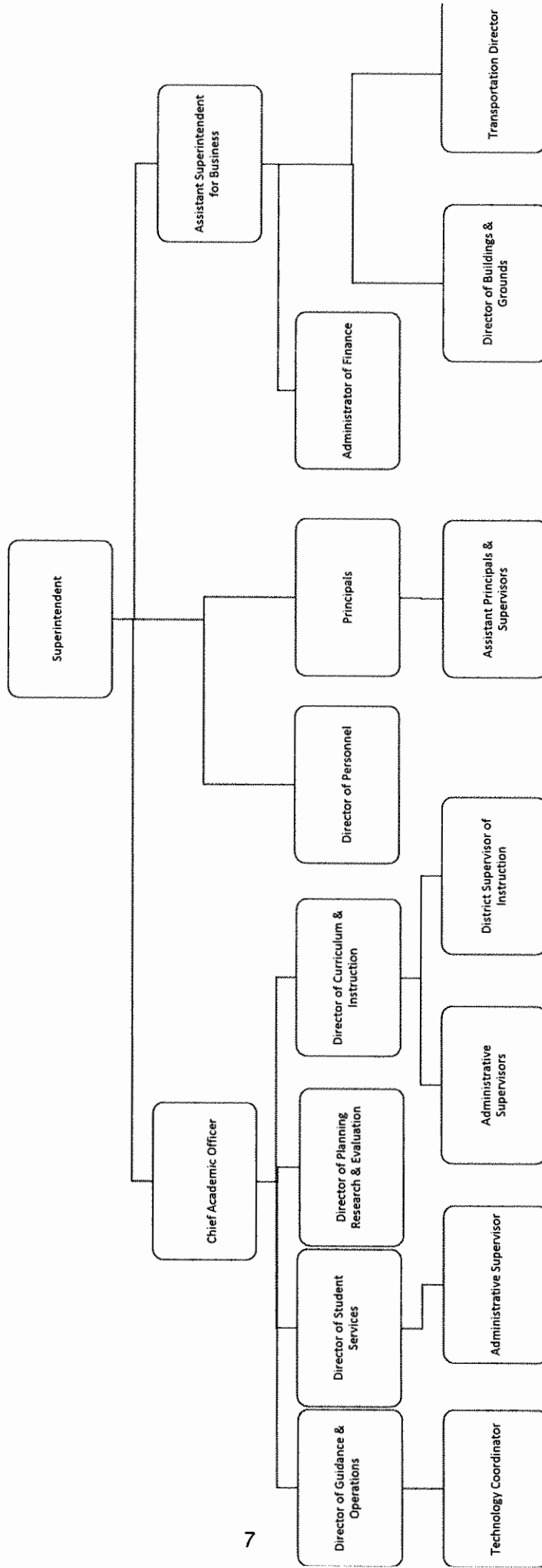
Attorney

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

Official Depository

Bank of America
510 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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Freehold Regional High School District, County of Monmouth, State of New Jersey (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 and each major fund of the District as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 (the "Uniform Guidance") the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards and provisions are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

SUPLEE, CLOONEY & COMPANY

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, for the year ended June 30, 2022, the District adopted Governmental Accounting Standards Board Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, the Uniform Guidance, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards the Uniform Guidance, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

SUPLEE, CLOONEY & COMPANY

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, 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 Exhibits M-1 and M-2 are presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and data such as the combining statements and individual fund financial statements, and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the schedule 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

SUPLEE, CLOONEY & COMPANY

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 7, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 2389

March 7, 2023

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, 2022
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, 2022. 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 (2021-2022) and the prior fiscal year (2020-2021) is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2022 are as follows:

- ↪ The fiscal year ended June 30, 2022 marked the first year post-COVID-19 pandemic where the students were in school for the full day for the entire year. Financial comparisons between FY21 and FY22 are somewhat skewed as the closures from the pandemic resulted in a cost savings. Even though Federal funding received in response to the pandemic helped soften the financial blow of S2, this law 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. The administration also continues to advocate for legislative changes to protect the District in the future.
- ↪ Net Position of governmental activities increased \$3,838,707, which represents a 5.0 percent increase from 2021. This is largely due to the impact of GASB 68 – FY22 saw a decrease in actuarially calculated net pension liability.
- ↪ Net Position of business-type activities increased \$608,489 due to the enhanced reimbursement for free meals from the federal government. School returned to a full-time in-person schedule in September of 2021 with meals being free to all students for the entire year.
- ↪ Property taxes continue to provide the majority of revenue for the Governmental Funds accounting for 60.7 percent in 2022. Property tax increases at the 2% cap fail to keep pace with state aid cuts during the S2 phase out period. The District is slated to lose a cumulative almost \$103 million in State Aid under the S2 legislation. In 2022, the fourth year of S2's seven-year Equalization Aid phase out plan, there was a cumulative reduction of \$17.5 million with an additional \$3.5 million reduction slated for FY23.
- ↪ Governmental Fund expenses (exclusive of the Capital Projects Fund and on-behalf contributions) increased by \$10,768,568 which represents a 5.8 percent increase from 2021. While the increase appears significant, this year's financials are being compared to a year impacted by the pandemic which saw reduced costs.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

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, 2022
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, 2022
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 2022 and 2021.

**TABLE 1
Net Position**

	2021-22			2020-21		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
ASSETS						
Current & Other Assets	\$73,867,756	\$1,083,633	\$74,951,389	\$59,493,400	\$346,210	\$59,839,610
Capital Assets	102,000,323	312,285	102,312,608	104,754,167	342,992	105,097,159
Total Assets	175,868,079	1,395,918	177,263,997	164,247,567	689,202	164,936,769
DEFERRED OUTFLOWS OF RESOURCES:						
Loss on Refunding of Long Term Debt	-		-			0
Pension Related	3,649,499		3,649,499	6,579,145		6,579,145
Total Deferred Outflow of Resources	3,649,499	-	3,649,499	6,579,145	-	6,579,145
LIABILITIES						
Long-Term Liabilities	59,504,975	138,687	59,643,662	55,445,893	265,894	55,711,787
Other Liabilities	20,516,623	512,484	21,029,107	19,168,480	287,050	19,455,530
Total Liabilities	80,021,598	651,171	80,672,769	74,614,373	552,944	75,167,317
DEFERRED INFLOWS OF RESOURCES:						
Pension Related	19,864,415		19,864,415	19,096,486		19,096,486
Total Deferred Inflow of Resources	19,864,415	-	19,864,415	19,096,486	-	19,096,486
NET POSITION						
Net Investment in Capital Assets	85,632,787	145,890	85,778,677	90,306,871	96,991	90,403,862
Restricted	41,689,247		41,689,247	40,677,885		40,677,885
Unrestricted (Deficit)						0
Pension Related	(54,674,273)		(54,674,273)	(54,674,273)		(54,674,273)
Other	8,306,799	598,857	8,905,656	805,370	39,267	844,637
Total Net Position	\$80,954,560	\$744,747	\$81,699,307	\$77,115,853	\$136,258	\$77,252,111

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Table 2 details the changes in Net Position for fiscal year 2022 and 2021.

**TABLE 2
CHANGES IN NET POSITION**

	2021-22			2020-21		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$2,794,096	\$993,098	\$3,787,194	\$1,584,920	\$128,257	\$1,713,177
Operating Grants & Contributions	41,861,404	2,909,542	44,770,946	61,523,780	130,061	61,653,841
General Revenues						
Property Taxes	143,186,894	-	143,186,894	140,379,308	-	140,379,308
Grants (includes State Aid) and Entitlements	40,501,213	-	40,501,213	45,584,822	-	45,584,822
Other Revenues	1,033,786	-	1,033,786	76,611	-	76,611
	<u>\$229,377,393</u>	<u>\$3,902,640</u>	<u>\$233,280,033</u>	<u>\$249,149,441</u>	<u>\$258,318</u>	<u>\$249,407,759</u>
Expenses:						
Instruction	127,915,826	-	127,915,826	141,274,593	-	141,274,593
Tuition, Student and Instruction Related Services	44,589,136	-	44,589,136	46,890,611	-	46,890,611
General Administration, School Administration, Central Services	-	-	-	-	-	-
Information Technology & Maintenance	31,365,787	-	31,365,787	34,040,989	-	34,040,989
Transportation	16,238,852	-	16,238,852	13,981,765	-	13,981,765
Interest on Long-Term Debt	316,205	-	316,205	8,101	-	8,101
Business-Type	-	3,294,151	3,294,151	-	512,838	512,838
Other	5,112,880	-	5,112,880	5,678,590	-	5,678,590
Total Expenses	<u>\$225,538,686</u>	<u>\$3,294,151</u>	<u>\$228,832,837</u>	<u>\$241,874,649</u>	<u>\$512,838</u>	<u>\$242,387,487</u>
Change in Net Position	\$3,838,707	\$608,489	\$4,447,196	\$7,274,792	(\$254,520)	\$7,020,272
Net Position July 1	77,115,853	136,258	77,252,111	69,841,061	390,778	70,231,839
Net Position June 30,	<u>\$80,954,560</u>	<u>\$744,747</u>	<u>\$81,699,307</u>	<u>\$77,115,853</u>	<u>\$136,258</u>	<u>\$77,252,111</u>

The presentation of net position in the District's June 30, 2022 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, 2022
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>2022</u>	Total Cost of Services <u>2021</u>	Net Cost of Services <u>2022</u>	Net Cost of Services <u>2021</u>
Instruction	\$127,915,826	\$141,274,593	\$95,194,802	\$94,276,159
Tuition, Student and Instruction Related Services	\$44,589,136	46,890,611	36,148,650	35,687,236
General Administration, School Administration, Central Services Information Technology & Maintenance	\$31,365,787	34,040,989	28,122,983	29,386,710
Transportation	\$16,238,852	13,981,765	15,987,666	13,729,153
Interest on Long-Term Debt	\$316,205	8,101	316,205	8,101
Business-Type	\$3,294,151	512,838	(608,489)	254,520
Other	\$5,112,880	5,678,590	5,112,880	5,678,590
Total Expenses	\$228,832,837	\$242,387,487	\$180,274,697	\$179,020,469

As noted above, the presentation of position in the District's June 30, 2022 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 as well as the allocation of Postemployment Benefits under GASB 75. In FY22, revenue and expense recognized for Postemployment Benefits increased by almost \$15 million and greatly skews the cost of services presented above. This increase was due to a decrease in the discount rate as well as major changes in assumptions used in the actuarial calculations.

- 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, 2022
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. Students returned to a full time in-person schedule in September of 2021 with the lunch program resuming. The Federal government initiated a program where meals were free to all students. The Federal government provided reimbursement for these meals at an enhanced rate commencing in January of 2022. This greatly helped the bottom line of the food service operation, however the enhanced reimbursement, as well as free meals for all, will sunset at the end of 2022. There is concern that the return to typical reimbursement rates coupled with expected inflation will put a large dent in the profit realized this year. A secondary concern is uncollectable balances once students begin to pay for meals again in 2023.

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 \$235,802,846 and expenditures were \$238,110,536. The net change in fund balance was an increase of \$1,320,845. 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.

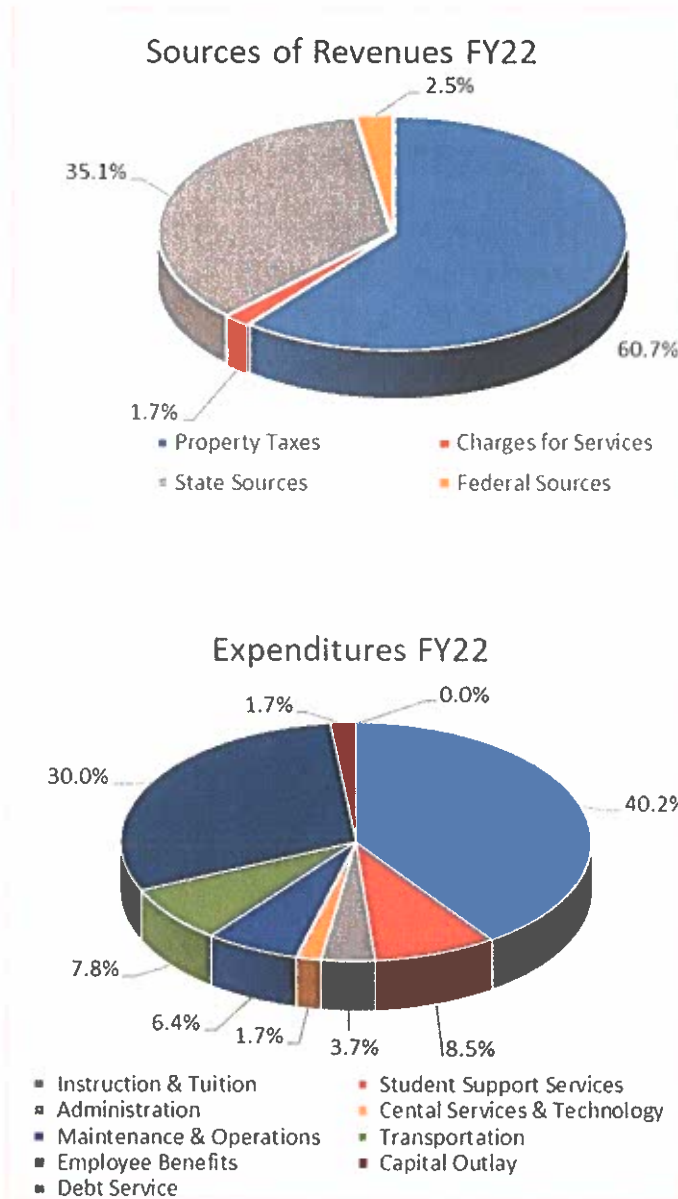
**Table 4
Governmental Funds Revenues and Expenditures
(Exclusive of Capital Projects)**

REVENUES:	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2021</u>	<u>Percentage Change</u>
Property Taxes	\$143,186,894	60.72	\$2,807,586	2.00
Charges for Services	\$4,041,332	1.71	\$1,978,376	95.90
State Sources	82,734,523	35.09	\$3,433,288	4.33
Federal Sources	5,840,097	2.48	1,250,050	27.23
Total	\$235,802,846	100.00	\$9,469,300	4.18
EXPENDITURES:	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2021</u>	<u>Percentage Change</u>
Instruction & Tuition	\$95,781,781	40.23	\$2,318,253	2.48
Student Support Services	20,159,938	8.47	1,278,167	6.77
Administration	8,806,748	3.70	10,450	0.12
Central Services & Technology	4,131,785	1.74	333,106	8.77
Maintenance & Operations	15,134,376	6.36	1,819,445	13.66
Transportation	18,560,466	7.79	3,671,286	24.66
Employee Benefits	71,433,127	30.00	8,021,733	12.65
Capital Outlay	4,102,315	1.72	1,865,319	83.38
Debt Service	-	-	-	-
Total	\$238,110,536	100.00	\$19,317,759	8.83

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
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, 2022
UNAUDITED (CONTINUED)**

Highlights include the following:

- Property Taxes increased by the maximum 2%. The increase in state revenue was due to an increase in on-behalf contributions offset by the reduction in Equalization Aid legislated by S2. The District will lose an additional \$3.5 million in FY23 and a cumulative loss of approximately \$103 million through FY25. The increase in Charges for Services results from refunds of prior year COVID-19 expenses from FEMA as well as the District once again collection fees for facility usage and admissions to athletic events post-COVID-19. The increase in Federal sources was a result of coronavirus relief funding.
- Expenses for instruction slightly increased from FY21 mainly due to contractual increases in pay.
- Student support services increased, however, a portion of the increase is attributable to increases in student activities and scholarships which are recorded here as a result of GASB 84. Also, FY21 costs for services like paraprofessionals were artificially low due to the reduced schedule.
- The Operations and Maintenance of Plant Services section of the budget increased primarily due to increases in utilities, gasoline and repair and maintenance costs. Expenses for these areas were low in FY21 due to partial closures from the pandemic.
- Transportation costs increased from FY21 due to several factors. FY22 was the first full year of transportation service post-pandemic, so comparative costs for the prior year were artificially deflated. Route costs skyrocketed due to contractors not renewing routes, forcing the district to go out to bid on a significant percentage of routes. Transportation is an area of major concern for the future as the driver shortage continues and fears of inflation and gas price increases continue to drive up bid prices.
- Excluding on-behalf payments, expenses for employee benefits decreased by 2% from last year. The District realized savings in health benefits due to changing to a self-insured funding model in July 2021.
- Capital Outlay represents a public address system upgrade at Marlboro High School as well as purchases under installment purchase contracts, formerly capital leases. GASB 87 changed the definition of leases – the only lease now recorded here is the rental of the Transportation Depot.

Capital Projects

The current budget law limits opportunities to fund high dollar facility needs through the annual school budget or local reserves. The district initially 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 scaled down the projects in the referendum to only include the critical infrastructure needs of roofing and paving. This \$14,460,000 question was approved by the public in November 2021. As the District has and will always have additional capital needs outside of this limited-scope referendum, management will continue to evaluate funding alternatives such as through budget appropriation or drawing down on capital reserve funds.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

CAPITAL ASSETS

Work on the door security project, partially funded by the Securing Our Children's Future Bond Act (Alyssa's Law), School Security Grant, commenced in FY21 and is expected to be substantially completed in the fall of 2022. Construction in Progress increased as the work approved by the referendum commenced and the school security project was ongoing. The District made equipment purchases under installment purchase contracts including various technology infrastructure/equipment upgrades, school buses, and buildings and grounds equipment. Table 5 shows the FY22 Capital Asset activity of the District.

**Table 5
Capital Assets for the Fiscal Year Ended June 30, 2022**

	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	53,312	\$ 2,031,410		2,084,722
Total capital assets not being depreciated	499,800	2,031,410	-	2,531,210
<i>Capital assets being depreciated:</i>				
Site improvements	17,918,633			17,918,633
Building and improvements	234,337,941	191,170		234,529,111
Equipment	23,270,700	2,249,300	(1,313,151)	24,206,849
Total capital assets being depreciated	275,527,274	2,440,470	(1,313,151)	276,654,593
Total Gross Assets (Memo Only)	276,027,074	4,471,880	(1,313,151)	279,185,803
Less accumulated depreciation for:				
Site improvements	(10,697,350)	(824,370)		(11,521,720)
Building and improvements	(141,276,545)	(4,237,519)		(145,514,064)
Equipment	(19,299,012)	(2,163,835)	1,313,151	(20,149,696)
Total accumulated depreciation	(171,272,907)	(7,225,724)	1,313,151	(177,185,480)
Total capital assets being depreciated, net	104,254,367	(4,785,254)	-	99,469,113
Government activities capital assets, net	\$ 104,754,167	\$(2,753,844)	\$ -	\$ 102,000,323
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 1,055,336	12,390		\$ 1,067,726
Less accumulated depreciation	(712,344)	\$ (43,097)		(755,441)
Enterprise fund capital assets, net	\$ 342,992	\$ (30,707)	\$ -	\$ 312,285

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONCLUDED)**

DEBT ADMINISTRATION

Among the district's outstanding liabilities at June 30, 2022, \$14,460,000 is for bonds payable, \$3,370,420 is for compensated absences, \$1,374,752 is for leases, \$14,962,494 is for obligations under installment purchase contracts and \$28,407,281 is for Net Pension Liability.

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, 2022

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, 2022

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$ 58,001,995	\$ 100,382	\$ 58,102,377
Receivables, net	6,491,139	950,483	7,441,622
Inventory		32,768	32,768
Restricted assets:			
Restricted cash and cash equivalents	9,374,622		9,374,622
Right to Use Leased Assets, Net of Amortization	1,322,995		1,322,995
Capital assets:			
Land and construction in progress	2,531,210		2,531,210
Other capital assets, net of depreciation	99,469,113	312,285	99,781,398
Total Assets	<u>177,191,074</u>	<u>1,395,918</u>	<u>178,586,992</u>
DEFERRED OUTFLOW OF RESOURCES:			
Pension related	<u>3,649,499</u>		<u>3,649,499</u>
LIABILITIES:			
Accounts payable	4,191,136	172,420	4,363,556
Payroll deductions payable	3,847,327		3,847,327
Interfund payable	514,471	106,849	621,320
State unemployment insurance payable	10,329		10,329
Payable to state government	17,016		17,016
Unearned revenue	356,269	106,009	462,278
Other current liabilities	445,330		445,330
Accrued interest payable	144,773		144,773
Accrued liability for insurance claims	7,920,000		7,920,000
Noncurrent liabilities:			
Due within one year:			
Bonds, leases and installment purchase contracts payable	3,069,972	130,889	3,200,861
Due beyond one year:			
Compensated absences payable	3,370,420		3,370,420
Bonds, leases and installment purchase contracts payable	27,727,274	135,004	27,862,278
Net pension liability	28,407,281		28,407,281
Total liabilities	<u>80,021,598</u>	<u>651,171</u>	<u>80,672,769</u>
DEFERRED INFLOW OF RESOURCES:			
Pension related	<u>19,864,415</u>		<u>19,864,415</u>
NET POSITION:			
Net investment in capital assets	85,632,787	145,890	85,778,677
Restricted for:			
Capital projects fund	7,776,402		7,776,402
Debt service fund (deficit)	2,517		2,517
Other purposes	33,910,328		33,910,328
Unrestricted (deficit)	<u>(46,367,474)</u>	<u>598,857</u>	<u>(45,768,617)</u>
Total net position	<u>\$ 80,954,560</u>	<u>\$ 744,747</u>	<u>\$ 81,699,307</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, 2022

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	Total		
Governmental Activities:									
Instruction:									
Regular	\$ 54,547,440	\$ 40,269,752	\$ 169,398	\$ 23,291,145	\$ (71,356,649)	\$	\$	(71,356,649)	
Special	14,654,913	9,061,811		7,253,456	(16,463,268)			(16,463,268)	
Other instruction	5,644,826	3,737,084	77,479	1,929,546	(7,374,885)			(7,374,885)	
Support services:									
Tuition	15,298,871				(15,298,871)			(15,298,871)	
Student & instruction related services	19,083,488	10,206,777	2,513,249	5,927,237	(20,849,779)			(20,849,779)	
General administrative services	1,772,549	377,047		168,302	(1,981,294)			(1,981,294)	
School administrative services	6,471,980	4,885,969		2,543,687	(8,814,262)			(8,814,262)	
Central service	900,987	394,686		83,524	(1,212,149)			(1,212,149)	
Admin information technology	2,066,350	487,083		50,974	(2,482,459)			(2,482,459)	
Plant operations and maintenance	12,032,341	1,996,795	33,970	362,347	(13,632,819)			(13,632,819)	
Pupil transportation	14,014,207	2,224,645		251,186	(15,987,666)			(15,987,666)	
Unallocated benefits	71,508,805	(72,008,805)			500,000			500,000	
Interest on long-term debt	316,205				(316,205)			(316,205)	
Unallocated depreciation	7,225,724	(1,612,844)			(5,612,880)			(5,612,880)	
Total governmental activities	225,538,686		2,794,096	41,861,404	(180,883,186)			(180,883,186)	
Business-type activities									
Food service	3,029,102		728,049	2,909,542		608,489	608,489	608,489	
Extra-curricular	265,049		265,049						
Total business-type activities	3,294,151		993,098	2,909,542		608,489	608,489	608,489	
Total primary government	\$ 228,832,837		\$ 3,787,194	\$ 44,770,946	\$ (180,883,186)	\$ 608,489	\$ (180,274,697)		
General Revenues:									
Taxes:									
Property taxes, levied for general purposes, net					\$ 143,186,894	\$	\$	143,186,894	
Federal and state aid not restricted					40,347,800			40,347,800	
Federal and state aid restricted					153,413			153,413	
Miscellaneous income					1,033,786			1,033,786	
Total general revenues					184,721,893			184,721,893	
Change in net position					3,838,707	608,489	608,489	4,447,196	
Net Position - beginning					77,115,853	136,258	136,258	77,252,111	
Net Position ending					80,954,560	744,747	744,747	81,699,307	

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, 2022

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash and cash equivalents	\$ 52,725,247	\$ 1,737,892	\$ 12,627,795		67,090,934
Cash with fiscal agents	285,683				285,683
Other receivables	94,368	7,125			101,493
Due from other funds	7,616,284			2,517	7,618,801
Receivables from other governments	5,250,723	943,448	195,475		6,389,646
Total assets	65,972,305	2,688,465	12,823,270	2,517	81,486,557
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	1,326,733	56,043			1,382,776
Payroll Deductions Payable	3,847,327				3,847,327
State Unemployment Insurance Payable	10,329				10,329
Payable to state government		17,016			17,016
Interfund payables	7,454,187	676,567	2,517		8,133,271
Unearned revenue	155,323	200,947			356,270
Other current liabilities	445,330				445,330
Accrued liability for insurance claims	7,920,000				7,920,000
Total liabilities	21,159,229	950,573	2,517		22,112,319
Fund balances:					
Restricted:					
Capital Reserve Account	7,776,402				7,776,402
Emergency Reserve Account	8,303				8,303
Maintenance Reserve Account	1,335,161				1,335,161
Excess Surplus designated for subsequent years expenditures	13,303,766				13,303,766
Excess surplus	10,552,614				10,552,614
Capital Projects fund			5,506,753		5,506,753
Debt service fund				2,517	2,517
State Unemployment Insurance	1,072,680				1,072,680
Student Activities		963,663			963,663
Scholarships		774,229			774,229
Assigned:					
Designated for subsequent years expenditures	5,575,000				5,575,000
Encumbrances	324,912		7,314,000		7,638,912
Unassigned	4,864,238				4,864,238
Total fund balances	44,813,076	1,737,892	12,820,753	2,517	59,374,238
Total liabilities and fund balances	\$ 65,972,305	\$ 2,688,465	\$ 12,823,270	\$ 2,517	81,486,557

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, 2022

Total Fund Balances (Brought Forward)	\$	59,374,238
Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost of Assets	\$ 279,185,803	
Accumulated Depreciation	<u>(177,185,480)</u>	102,000,323
Right to Use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
		1,322,995
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.		
Net Pension Expense	(28,407,281)	
Compensated Absences	(3,370,420)	
Leases Payable	(1,374,752)	
Installment Purchase Contracts Payable	(14,962,494)	
Bonds Payable	<u>(14,460,000)</u>	(62,574,947)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Deferred Outflows:		
Pension related	\$ 841,139	
Employer Contribution related to pensions	<u>2,808,360</u>	
	3,649,499	3,649,499
Deferred Inflows:		
Pension related		(19,864,415)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension Related	(2,808,360)	
Accrued Interest Payable	<u>(144,773.00)</u>	<u>(2,953,133)</u>
Net Position of Governmental Activities	\$	<u><u>80,954,560</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, 2022

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local Tax Levy	\$ 143,186,894				\$ 143,186,894
Tuition From Individuals	30,868				30,868
Tuition -LEAs Within State	105,433				105,433
Transportation Fees Other LEA's	33,097				33,097
Unrestricted Miscellaneous Revenue	1,029,691		2,517		1,032,208
Interest Earned on Emergency Reserve	1				1
Interest Earned on Maintenance Reserve	317				317
Interest Earned on Capital Reserve Funds	1,260				1,260
Other Restricted Miscellaneous Revenue	111,449	2,729,216			2,840,665
Total - local sources	144,499,010	2,729,216	2,517		147,230,743
State sources	82,613,617	120,906	98,399		82,832,922
Federal sources	91,335	5,748,762			5,840,097
Total revenues	227,203,962	8,598,884	100,916		235,903,762
EXPENDITURES:					
Current expense:					
Regular instruction	56,124,179	2,694,006			58,818,185
Special instruction	13,018,015	2,601,786			15,619,801
Other instruction	6,044,924				6,044,924
Support services:					
Tuition	15,298,871				15,298,871
Student & instruction related services	16,911,860	3,248,078			20,159,938
General administrative services	1,807,561				1,807,561
School administrative services	6,999,187				6,999,187
Central service	1,623,836				1,623,836
Administrative information technology services	2,507,949				2,507,949
Plant operations and maintenance	15,134,376				15,134,376
Pupil transportation	18,560,466				18,560,466
Unallocated benefits	71,433,127				71,433,127
Capital outlay	4,060,433	41,882	2,031,410		6,133,725
Total expenditures	229,524,784	8,585,752	2,031,410		240,141,946
Excess (deficiency) of revenues over (under) expenditures	(2,320,822)	13,132	(1,930,494)		(4,238,184)
Other financing sources (uses):					
Installment Purchase Contracts (non-budget)	1,972,274				1,972,274
Leases (non-budget)	1,653,744				1,653,744
Bond Proceeds			14,460,000		14,460,000
Transfer			(2,517)	2,517	
Total other financing sources (uses)	3,626,018		14,457,483	2,517	18,086,018
Net change in fund balances	1,305,196	13,132	12,526,989	2,517	13,847,834
Fund balances, July 1, 2021	43,507,880	1,724,760	293,764		45,526,404
Fund balances, June 30, 2022	\$ 44,813,076	\$ 1,737,892	\$ 12,820,753	\$ 2,517	\$ 59,374,238

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, 2022

Total net change in fund balances - governmental funds (from B-2) \$ 13,847,834

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays related to capital assets 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			(7,225,724)
Capital outlays, related to capital assets	\$	4,479,981	
Less: Capital Outlays not capitalized		<u>(8,101)</u>	
			4,471,880

Capital outlays related to lease 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.

Leased Asset Additions			
Amortization Expense	\$	1,653,744	
		<u>(330,749)</u>	
			1,322,995

Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of Net Position.

Lease - Current Year			(1,653,744)
Installment Purchase Contracts - Current Year			(2,160,000)
Bond Proceeds			(14,460,000)

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 lease payable			278,992
Payment of installment purchase contracts payable			2,393,210

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. (144,774)

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

District pension contributions			2,808,275
Add: Pension benefit		<u>4,435,441</u>	
			7,243,716

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 (+). (75,678)

Change in net position of governmental activities (A-2)			\$ <u>3,838,707</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, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND		
	FOOD SERVICE FUND	EXTRA-CURRICULAR FUND	TOTAL
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 100,382	\$	\$ 100,382
Accounts receivable:			
State	4,537		4,537
Federal	212,806		212,806
Other	4,972	106,849	111,821
Interfund receivable	621,319		621,319
Inventories	32,768		32,768
	976,784	106,849	1,083,633
Noncurrent assets:			
Furniture, machinery and equipment	1,067,726		1,067,726
Less accumulated depreciation	(755,441)		(755,441)
	312,285		312,285
Total assets	1,289,069	106,849	1,395,918
LIABILITIES:			
Current liabilities:			
Accounts payable	172,420		172,420
Interfund Payables		106,849	106,849
Installment purchase contract payable	265,893		265,893
Unearned revenue	106,009		106,009
	544,322	106,849	651,171
Total current liabilities	544,322	106,849	651,171
NET POSITION:			
Net investment in capital assets	145,890		145,890
Unrestricted	598,857		598,857
Total net position	\$ 744,747	\$	\$ 744,747

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, 2022

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>FUND</u>	
OPERATING REVENUES:			
Charges for services:			
Daily sales - non-reimbursable programs	\$ 692,060	\$	\$ 692,060
Special functions	35,989		35,989
Fees - individuals		265,049	265,049
	<hr/>	<hr/>	<hr/>
Total operating revenues	728,049	265,049	993,098
OPERATING EXPENSES:			
Cost of sales - reimbursable programs	1,091,023		1,091,023
Cost of sales - non-reimbursable programs	277,527		277,527
Salaries and benefits	1,123,117	127,933	1,251,050
Supplies and materials	210,223		210,223
Management fee	131,560		131,560
Miscellaneous	141,174	7,666	148,840
Depreciation	43,095		43,095
Lease purchase interest	11,383		11,383
	<hr/>	<hr/>	<hr/>
Total operating expenses	3,029,102	265,049	3,294,151
Operating (loss)	<hr/> (2,301,053)	<hr/>	<hr/> (2,301,053)
NONOPERATING REVENUES (EXPENSES):			
State Sources			
State school lunch program	60,624		60,624
Federal Sources			
National school lunch program	2,581,737		2,581,737
School breakfast program	163,976		163,976
Emergency Operational Costs			
Reimbursement Program	6,198		6,198
National food distribution commodities	97,007		97,007
Total nonoperating revenues (expenses)	<hr/> 2,909,542	<hr/>	<hr/> 2,909,542
Income (loss) before contributions and transfers	<hr/> 608,489	<hr/>	<hr/> 608,489
Change in net position	608,489		608,489
Total net position - beginning	<hr/> 136,258	<hr/>	<hr/> 136,258
Total net position - ending	<hr/> <u>\$ 744,747</u>	<hr/> <u>\$</u>	<hr/> <u>\$ 744,747</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, 2022

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>FOOD SERVICE</u> <u>FUND</u>	<u>EXTRA-CURRICULAR</u> <u>FUND</u>	
Cash flows from operating activities:			
Receipts from customers	\$ 738,508	\$ 158,200	\$ 896,708
Payments to employees	(1,089,600)	(127,933)	(1,217,533)
Payments for employee benefits	(33,517)		(33,517)
Payments to suppliers	(1,623,707)	(137,116)	(1,760,823)
Net cash provided by (used for) operating activities	<u>(2,008,316)</u>	<u>(106,849)</u>	<u>(2,115,165)</u>
Cash flows from noncapital financing activities:			
State sources	56,509		56,509
Federal sources	2,599,818		2,599,818
Operating subsidies and transfers to other funds	(460,022)	106,849	(353,173)
Net cash provided by noncapital financing activities	<u>2,196,305</u>	<u>106,849</u>	<u>2,303,154</u>
Cash flows from capital and related financing activities:			
Installment purchase contract payment	(127,207)		(127,207)
Purchases of capital assets	(12,389)		(12,389)
Net cash provided by (used for) capital and related financing activities	<u>(139,596)</u>		<u>(139,596)</u>
Net increase (decrease) in cash and cash equivalents	48,393		48,393
Cash and cash equivalents, July 1, 2021	<u>51,989</u>		<u>51,989</u>
Cash and cash equivalents, June 30, 2022	<u>\$ 100,382</u>	<u>\$</u>	<u>\$ 100,382</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (2,301,053)	\$	\$ (2,301,053)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	43,095		43,095
Federal commodities	97,007		97,007
Change in assets and liabilities:			
(Increase) decrease in accounts receivable, net	(707)	(106,849)	(107,556)
Increase (decrease) in unearned revenue	11,563		11,563
Increase (decrease) in accounts payable	133,974		133,974
(Increase) decrease in inventories	7,805		7,805
	<u>292,737</u>	<u>(106,849)</u>	<u>185,888</u>
Net cash provided by (used for) operating activities	<u>\$ (2,008,316)</u>	<u>\$ (106,849)</u>	<u>\$ (2,115,165)</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, 2022

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, 2022

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. 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, 2022

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. Separate statements are presented for each fund category- governmental and proprietary. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

Governmental Funds

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

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

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

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

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.

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 and Proprietary: 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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting-Measurement Focus (Continued)

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 leases and installment purchase contracts are reported as other financing sources.

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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, 2022

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, 2022

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, 2022

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, State Unemployment Insurance, Student Activities 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, 2022

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, 2022

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, 2022

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.

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Accounting Pronouncements

Beginning with the year ended June 30, 2022, the District has implemented GASB Statement 87, *Leases*. GASB Statement 87 establishes criteria for accounting and financial reporting for leases. It creates a single model for lease accounting and requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. A Lessee is required to recognize a lease liability and an intangible right to use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

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, 2022

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, 2022:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 74,489,750
Proprietary Funds	239,251
Total Cash in Bank	\$ 74,729,001
Less: Reconciling Items	(7,252,002)
	\$ 67,476,999

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, 2022, 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 \$74,489,750, \$750,000 was covered by Federal Depository Insurance, and \$73,739,750 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, 2022

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, 2022

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, 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, 2022 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	\$ 4,973,779	\$ 4,973,779
Federal Aid	1,415,867	1,415,867
Interfunds	7,618,801	
Other	101,493	101,493
Gross Receivables	<u>14,109,940</u>	<u>6,491,139</u>
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u><u>\$14,109,940</u></u>	<u><u>\$6,491,139</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 4: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2022, 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	53,312	\$ 2,031,410		2,084,722
Total capital assets not being depreciated	499,800	2,031,410	-	2,531,210
<i>Capital assets being depreciated:</i>				
Site improvements	17,918,633			17,918,633
Building and improvements	234,337,941	191,170		234,529,111
Equipment	23,270,700	2,249,300	(1,313,151)	24,206,849
Total capital assets being depreciated	275,527,274	2,440,470	(1,313,151)	276,654,593
Total Gross Assets (Memo Only)	276,027,074	4,471,880	(1,313,151)	279,185,803
Less accumulated depreciation for:				
Site improvements	(10,697,350)	(824,370)		(11,521,720)
Building and improvements	(141,276,545)	(4,237,519)		(145,514,064)
Equipment	(19,299,012)	(2,163,835)	1,313,151	(20,149,696)
Total accumulated depreciation	(171,272,907)	(7,225,724)	1,313,151	(177,185,480)
Total capital assets being depreciated, net	104,254,367	(4,785,254)	-	99,469,113
Government activities capital assets, net	\$ 104,754,167	\$ (2,753,844)	\$ -	\$ 102,000,323
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 1,055,336	12,390		\$ 1,067,726
Less accumulated depreciation	(712,344)	\$ (43,097)		(755,441)
Business-type capital assets, net	\$ 342,992	\$ (30,707)	\$ -	\$ 312,285

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

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	\$ 129,313
Other Instruction	5,065
Student & Instruction Related Services	34,057
General Administrative Services	604
School Administrative Services	16,331
Central Service	3,029
Administrative Technology	198,738
Plant, Operations & Maintenance	203,887
Pupil Transportation	1,021,820
Unallocated	5,612,880
	<u>\$ 7,225,724</u>

NOTE 5: RIGHT TO USE LEASED ASSETS

The District has recorded one right to use leased asset. The asset is a right to use asset for leased building. The related lease is discussed in the Leases subsection of the Long-term obligations section of this note. The right to use lease asset is amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the year ended June 30, 2022 was as follows:

	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balances</u>
Governmental Funds:			
Right to Use Assets:			
Leased Buildings	\$1,653,744		\$1,653,744
Total Right to Use Assets	<u>1,653,744</u>		<u>1,653,744</u>
Less: Accumulated Amortization for:			
Leased Buildings		\$330,749	(330,749)
Total Accumulated Amortization		<u>330,749</u>	<u>(330,749)</u>
Governmental Funds - Right to Use assets, net	<u>\$1,653,744</u>	<u>\$330,749</u>	<u>\$1,322,995</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 6: 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.

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2022:

Governmental Activities:

	Balance June 30, <u>2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2022</u>	Amounts due Within <u>one year</u>
Bonds Payable	\$ -	\$ 14,460,000		\$ 14,460,000	\$ 490,000
Compensated Absences	3,294,742	75,678		3,370,420	
Leases	1,653,744		\$ 278,992	1,374,752	308,884
Installment Purchase Contracts	15,195,704	2,160,000	2,393,210	14,962,494	2,271,088
Pension Liability	39,348,657		10,941,376	28,407,281	
Total	<u>\$59,492,847</u>	<u>\$16,695,678</u>	<u>\$13,613,578</u>	<u>62,574,947</u>	<u>\$3,069,972</u>

Business-Type Activities

	Balance June 30, <u>2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2022</u>	Amounts due Within <u>one year</u>
Installment Purchase Contracts	\$ 393,100	\$ -	\$ 127,207	\$ 265,893	\$ 130,889
Total	<u>\$ 393,100</u>	<u>\$ -</u>	<u>\$ 127,207</u>	<u>\$ 265,893</u>	<u>\$ 130,889</u>

Bonds Authorized But Not Issued

As of June 30, 2022, the District had no Bonds Authorized but not issued.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Installment Purchase Contracts Payable

The District is contracting for various equipment and improvements totaling \$27,352,000 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
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
School Buses, Technology and Buildings and Grounds Equipment	7/15/21	5 Years	1.019%	\$2,160,000

The following is a schedule of the future minimum contract payments under the contracts for Governmental Activities at June 30, 2022:

	<u>Total Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY2023	\$2,271,088	\$352,341	\$2,623,429
FY2024	1,819,574	302,483	2,122,057
FY2025	1,584,214	260,982	1,845,195
FY2026	1,658,219	225,757	1,883,977
FY2027	1,736,199	188,685	1,924,884
FY2028	1,373,804	149,364	1,523,168
FY2029	1,453,885	111,874	1,565,759
FY2030	1,537,902	72,204	1,610,106
FY2031	1,527,608	20,546	1,548,154
	<u>\$14,962,494</u>	<u>\$1,684,236</u>	<u>\$16,646,730</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Installment Purchase Contracts Payable (Continued)

The following is a schedule of the future minimum contract payments under the contracts for Business-Type Activities at June 30, 2022:

	Total Business-Type Activities		
	Principal	Interest	Total
FY2023	\$130,889	\$7,699	\$138,588
FY2024	135,005	3,583	138,588
	\$265,894	\$11,282	\$277,176

Bonds Payable

General obligation school bonds payable with their outstanding balances are comprised of the following bond issue:

<u>Issue</u>	<u>Amount Outstanding June 30, 2022</u>	<u>Bonds Authorized But Not Issued</u>
\$14,460,000 in School Bonds dated December 21, 2021, due in 20 annual installments on August 15th with interest ranging from .050%-2.125%	\$ 14,460,000	\$ -0-
	\$ 14,460,000	\$ -0-

Debt Service Requirements

The annual requirements to amortize all debt outstanding as of June 30, 2022, including interest payments on issued debt, are as follows:

<u>Fiscal Year June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 490,000	\$ 315,281	\$ 805,281
2024	570,000	269,744	839,744
2025	585,000	261,081	846,081
2026	600,000	252,194	852,194
2027	615,000	241,544	856,544
2028-2032	3,350,000	1,013,070	4,363,070
2033-2037	3,840,000	654,269	4,494,269
2038-2042	4,410,000	237,139	4,647,139
	\$14,460,000	\$3,244,322	\$17,704,322

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Leases:

The District has entered into an agreement to lease building space. The lease agreement qualifies as other than short-term leases under GASB 87 and therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception.

The lease, dated July 1, 2021, has a term of 5 years with no rights to renew. The Fixed monthly payment under the agreement ranges from 23,917 to 30,792. There are no variable payment components of the leases. The lease liability is measured at a discount rate of .557%, which is the incremental borrowing rate to the District. The District has recorded this right to use assets with a net book value of \$1,322,995.00 at June 30, 2022. This asset is discussed in more detail in the right to use asset section of this note.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ended	<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$308,884	\$7,116	\$316,000	
2024	342,755	5,245	348,000	
2025	354,765	3,235	358,000	
2026	368,348	1,152	369,500	
	<u>\$1,374,752</u>	<u>\$16,748</u>	<u>\$1,391,500</u>	

NOTE 7: 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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: PENSION PLANS

Description of Plans (Continued)

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

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

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

Significant Legislation

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

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: 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. As of April 1, 2018 employee contributions rates were increased to 7.50%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: 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>
2022	\$2,808,275	100%	\$2,808,275
2021	\$2,639,629	100%	\$2,639,629
2020	\$2,425,575	100%	\$2,425,575

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>
2022	\$29,646,538	100%	-0-
2021	\$21,428,184	100%	-0-
2020	\$16,447,694	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, 2022, 2021 and 2020 \$5,775,259, \$5,654,877, and \$5,677,663, and 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, 2022

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2022, the District reported a liability of \$28,407,281 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the District's proportion was 0.2397947309 percent, which was a decrease of 0.0014987518 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension benefit of \$4,435,441.00 in the district-wide financial statements. This pension benefit was based on the pension plans June 30, 2021 measurement date.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Differences between expected and actual experience	\$ 448,019	\$ 203,363
Changes of assumptions		10,113,176
Net difference between projected and actual earnings on pension plan investments	147,945	7,483,224
Changes in proportion and differences between District contributions and proportionate share of contributions	245,175	2,064,652
District contributions subsequent to the measurement date	<u>2,808,360</u>	
	<u>\$ 3,649,499</u>	<u>\$ 19,864,415</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(Continued)

Public Employees Retirement System (PERS) (Continued)

The \$2,808,360 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, 2022, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

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>
2022	(\$7,066,776)
2023	(\$5,149,736)
2024	(\$3,627,023)
2025	(\$2,816,797)
2026	<u>(\$362,942)</u>
	<u><u>(\$19,023,276)</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: 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, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. These actuarial valuations used the following assumptions:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00%-6.00%
	Based on Years of Service
Thereafter	3.00%-7.00%
	Based on Years of Service
 Investment Rate of Return	 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-2020.

The actuarial assumptions used in the July 1, 2020 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, 2022

NOTE 7: 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 June 30, 2021) 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, 2021 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: 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 7.00% as of June 30, 2021. 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 and the nonemployer contributing entity will be based on 100% 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine 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, 2021, 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>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$38,684,956.00	\$28,407,281.00	\$19,685,217.00

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>.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

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, 2022 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$257,035,871</u>
	<u>\$257,035,871</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 which was rolled forward to June 30, 2021. 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, 2021, the proportion of the TPAF net pension liability associated with the District was .534653992% which was a decrease of .00127514911 percent from its proportion measured as of June 30, 2020.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue of \$6,048,167 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, 2021 measurement date.

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55%-4.45%
	Based on Years of Service
Thereafter	2.75%-5.65%
	Based on Years of Service
Investment Rate of Return	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-2021.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: 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, 2020 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% at June 30, 2021) 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, 2021 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 7: 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 7.00% as of June 30, 2021. 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 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments 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, 2022

NOTE 8: 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	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,328</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 8: 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, 2022 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	392,867,539
	\$392,867,539

The total Non-Employer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021.

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

For the year ended June 30, 2022, the District recognized on-behalf post-employment expense and revenue of \$21,863,582 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2021 measurement date.

At June 30, 2021, the District's proportion was .6546957474 percent, which was an increase of .0120446335 from its proportion measured as of June 30, 2020.

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, 2022

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The total Non-Employer OPEB liability that was associated with the District as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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>June 30, 2021</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases			
Through 2026	1.55-4.45%*	2.00-6.00%*	3.25-15.25%*
Thereafter	2.75-5.65%*	3.00-7.00%*	Not Applicable

*- 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-2021. 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-2021. 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-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Input (Continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2021 and June 30, 2020 was 2.16% and 2.21% 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.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 8: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

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, 2020 to June 30, 2021.

Balance at 6/30/20		\$435,781,480
Changes for the year:		
Service cost	\$19,076,256	
Interest	10,191,398	
Changes of Benefit Terms	(418,160)	
Differences between expected and actual experience	(64,383,606)	
Changes in assumptions or other inputs	387,594	
Membership Contributions	260,544	
Benefit payments - Net	<u>(8,027,967)</u>	
Net changes		<u>(42,913,941)</u>
Balance at 6/30/21		<u>\$392,867,539</u>

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, 2021, 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, 2021		
	1.00% Decrease (1.16%)	At Discount Rate (2.16%)	1.00% Increase (3.16%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$470,593,637	\$392,867,539	\$331,662,902

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 8: 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 Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2021, 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, 2021		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$318,027,549	\$392,867,539	\$493,372,114

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

At June 30, 2021, 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	\$ 59,223,037	\$ 117,906,534
Changes of assumptions	66,644,996	42,151,026
Changes in proportion	<u>9,108,245</u>	<u>3,270,015</u>
	<u>\$ 134,976,278</u>	<u>\$ 163,327,575</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 8: 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)

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:

Measurement Period Ended	<u>Amount</u>
<u>June 30,</u>	
2022	(\$6,572,842)
2023	(\$6,572,842)
2024	(\$6,572,842)
2025	(\$6,572,842)
2026	(\$4,335,734)
Total Thereafter	<u>\$2,275,805</u>
	<u><u>(\$28,351,297)</u></u>

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>.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 9: 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. The Board has located it's insurance carrier from that time period and has secured a defense and coverage from that carrier.

NOTE 10: 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 2021-2022 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 11: RISK MANAGEMENT

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

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

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 11: RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation. 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 June 30,	Interest	Employee Contributions	Amount Reimbursed	Ending Balance	Analysis of Balance 06/30/22	
					State Unemployment Insurance Payable	Restricted Fund Balance
2022	\$ 200	\$ 428,540	\$ 465,973	\$ 1,083,009	\$ 10,329	\$ 1,072,680
2021	382	443,263	396,083	1,120,242	47,562	1,072,680
2020	7,620	309,879	298,770	1,072,680	N/A	N/A

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, 2022, the amount was \$3,420,000.

Health Benefits - The District provides health benefits to employees through a self-insured policy administered by Horizon Blue Cross Blue Shield of New Jersey ("Horizon"). The incurred but not reported liability ("IBNR") actuarially computed by Horizon was \$4,500,000 at June 30, 2022. It was also noted that the entire IBNR is adjusted for changes in estimate at year end and such changes are reflected in the district's budget and the entire liability is treated as a liability for budgetary purposes.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 12: 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, 2022, a liability existed for compensated absences for governmental fund-types in the district- wide Statement of Net Position in the amount of \$3,370,420.

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

NOTE 13: FUND BALANCE

General Fund The table below reflects the District's Fund Balance at June 30, 2022 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>GAAP</u>
	<u>Basis</u>	<u>Adjustment</u>	<u>Basis</u>
Restricted:			
Designated for Subsequent			
Year's Expenditures:			
Excess Surplus	\$ 13,303,766	\$	13,303,766
Excess Surplus Current Year	10,552,614		10,552,614
Maintenance Reserve	1,335,161		1,335,161
Capital Reserve	7,776,402		7,776,402
Emergency Reserve	8,303		8,303
State Unemployment Insurance	1,072,680		1,072,680
Assigned:			
Designated for Subsequent			
Year's Expenditures:	5,575,000		5,575,000
Encumbrances	324,912		324,912
Unassigned	8,180,395	(3,316,157)	4,864,238
	<u>\$ 48,129,233</u>	<u>\$ (3,316,157)</u>	<u>\$ 44,813,076</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 14: 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, 2022	\$	229,524,784
Less:		
Leases (non-budgeted)	\$	1,653,744
Installment Purchase Contracts (non-budgeted)		1,972,274
Reimb. TPAF Social Security Contributions		5,775,259
Reimb. TPAF Pension Contributions		36,581,893
		45,983,170
Adjusted General Fund Expenditures		183,541,614
Excess Surplus Percentage		4.00%
		7,341,665
Increased by:		
Non-Public Transportation Aid (unbudgeted)	200,029	
Extraordinary Aid (unbudgeted)	638,702	
		838,731
Maximum Unreserved/Undesignated General Fund Balance		8,180,396
Actual Unassigned - General Fund Balance		18,733,010
Excess Surplus	\$	10,552,614
Recapitulation of Excess Surplus, June 30, 2022:		
Restricted for Excess Surplus - Designated for Subsequent Year's Expenditure	\$	13,303,766
Restricted for Excess Surplus		10,552,614
	\$	23,856,380

As of June 30, 2022, \$13,303,766 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 2022-23 budget. \$10,552,614 is reported as Restricted Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2023-24 budget.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 15: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2022:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 7,616,284	\$ 7,454,187
Special Revenue Fund		676,567
Capital Projects Fund		2,517
Debt Service Fund	2,517	
Proprietary Funds	621,319	106,849
	\$ 8,240,120	\$ 8,240,120

NOTE 16: 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, 2022

NOTE 16: CAPITAL RESERVE ACCOUNT (CONTINUED)

The activity of the capital reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Balance, July 1, 2021		\$ 6,021,951
Increased by:		
Deposit Stabilization Aid into Capital Reserve	\$ 1,922,264	
Cancel balance of Emergency Generator & PA System	30,927	
Interest	1,260	
		1,954,451
		7,976,402
Decreased by:		
Budgeted Withdrawal of Capital Reserve		
Emergency Generator & PA System	200,000	
		200,000
Balance, June 30, 2022		\$ <u>7,776,402</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 17: 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, 2022, the balance of the Emergency Reserve Account was \$8,303 and is within the statutory limitations.

The activity of the emergency reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Balance, July 1, 2021	\$	8,302
Increased by:		
Interest		<u>1</u>
Balance, June 30, 2022	\$	<u><u>8,303</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 18: 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, 2022, the balance of the Maintenance Reserve Account was \$1,335,161 and is within the statutory limitations.

The activity of the emergency reserve for the July 1, 2021 to June 30, 2022, fiscal year is as follows:

Balance, July 1, 2021	\$	1,519,844
Increased by:		
Interest		317
		1,520,161
Decreased by:		
Budgeted Withdrawal - floor finishes, exterior closures and walkways		185,000
		185,000
Balance, June 30, 2022	\$	1,335,161

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 19: INVENTORY

Inventory in the Food Service Fund at June 30, 2022 consisted of the following:

Food and Supplies	<u>\$32,768</u>
-------------------	-----------------

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 \$627,584. 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 FY2022.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2022

NOTE 20: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through March 7, 2023 which is the date the financial statements were available to be issued. The District has determined that the following subsequent events require disclosure:

Lease Agreement

On July 14, 2022, the District entered into an installment purchase contract in the amount of \$1,405,000 for the purchase of copiers, a school bus with a wheelchair lift, various technology items and buildings and grounds equipment. The installment purchase contract is for a term of five years with an interest rate of 2.988%.

American Recovery Plan

Freehold Regional High School District was awarded a total of \$5,904,476 under the American Rescue Plan Act of 2021- Elementary and Secondary Schools Emergency Relief Fund (ARP-ESSER) Grant and Subgrants. Grant allocations were as follows: ARP ESSER \$4,940,706; Accelerated Learning Coaching and Educator Support Grant \$808,522; Evidence-Based Summer Learning and Enrichment Activities Grant \$55,124; Evidence-Based Comprehensive Beyond the School Day Activities Grant \$55,124; and, the NJTSS Mental Health Support Staffing Grant \$45,000. These grants will be expended through September of 2023.

Stabilization Aid

The District applied for and was awarded \$786,600 in Stabilization Aid from the New Jersey Department of Education. The District originally applied for \$12,969,420 for various categories but was only awarded the amounts applied for under Transportation.

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES					
Local sources:					
Local Tax Levy	\$ 143,186,894	\$	\$ 143,186,894	\$ 143,186,894	\$ (19,132)
Tuition from Individuals	50,000		50,000	30,868	105,433
Tuition from LEA's Within State				33,097	33,097
Transportation				1,029,691	529,691
Unrestricted Miscellaneous Revenue	500,000		500,000	1	(749)
Interest Earned on Emergency Reserve	750		750		
Interest Earned on Maintenance Reserve	1,750		1,750	317	(1,433)
Interest Earned on Capital Reserve Funds	2,500		2,500	1,260	(1,240)
Other Restricted Miscellaneous Revenue	100,001		100,001	111,449	11,448
Total - local sources	143,841,895		143,841,895	144,499,010	657,115
State sources:					
Equalizational Aid	24,467,794		24,467,794	24,467,794	
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	
Other State Aids Out of Cap				200,029	200,029
Extraordinary Aid	2,800,000		2,800,000	3,438,702	638,702
Stabilization Aid				1,922,264	1,922,264
On-behalf TPAF Pension (non-budgeted)				29,234,086	29,234,086
On-behalf TPAF non-contributory insurance (non-budgeted)				412,452	412,452
On-behalf TPAF Post Retirement Contributions (non-budgeted)				6,926,630	6,926,630
On-behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				8,725	8,725
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,775,259	5,775,259
Total - state sources	36,849,968		36,849,968	81,968,115	45,118,147
Federal sources:					
Medicaid reimbursement	135,261		135,261	91,335	(43,926)
Total - federal sources	135,261		135,261	91,335	(43,926)
Total revenues	180,827,124		180,827,124	226,558,460	45,731,336

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
EXPENDITURES					
CURRENT EXPENSE:					
Instruction - regular programs:					
Salaries of teachers:					
Grades 9-12		(36,100)	53,892,783	53,868,472	24,311
Total Salaries of teachers:	53,928,883	(36,100)	53,892,783	53,868,472	24,311
Regular Programs - Home Instruction:					
Salaries of teachers	190,000	(6,232)	183,768	159,621	24,147
Purchased professional educational services	10,000	(10,000)			
Total Regular Programs - Home Instruction:	200,000	(16,232)	183,768	159,621	24,147
Regular programs - undistributed instruction:					
Purchased professional educational services	5,000	25,399	30,399	29,726	673
Purchased technical services	240,870	11,226	252,096	216,282	35,814
Other purchased services(400-500 series)	530,076	(21,166)	508,910	442,661	66,249
General supplies	1,456,668	(119,631)	1,337,037	1,233,225	103,812
Textbooks	239,022	(64,947)	174,075	169,331	4,744
Other Objects	19,550	(7,700)	11,850	4,861	6,989
Total Regular programs - undistributed instruction	2,491,186	(176,819)	2,314,367	2,096,086	218,281
Total Regular Programs - Instruction	56,620,069	(229,151)	56,390,918	56,124,179	266,739

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Special education:					
Cognitive - Mild:					
Salaries of teachers	\$ 151,946	\$	\$ 151,946	\$ 134,852	\$ 17,094
Other salaries for instruction	200,887		200,887	200,661	226
General supplies	512		512	355	157
Total Cognitive - Mild	<u>353,345</u>		<u>353,345</u>	<u>335,868</u>	<u>17,477</u>
Cognitive - Moderate:					
Salaries of teachers	238,586		238,586	238,586	
Other salaries for instruction	160,772		160,772	143,695	17,077
Other purchased services(400-500 series)	8,200	(8,200)			
General supplies	7,000		7,000	4,156	2,844
Other Objects	3,000	3,000	3,000		3,000
Total Cognitive - Moderate	<u>414,558</u>	<u>(5,200)</u>	<u>409,358</u>	<u>386,437</u>	<u>22,921</u>
Learning and / or Language Disabilities:					
Salaries of teachers	848,187		848,187	719,913	128,274
Other salaries for instruction	276,664		276,664	201,526	75,138
Other purchased services(400-500 series)	15,000		15,000		15,000
General supplies	6,480	(2,458)	4,022	2,423	1,599
Textbooks	1,500	(1,018)	482	482	
Other Objects	300		300		300
Total Learning and / or Language Disabilities	<u>1,148,131</u>	<u>(3,476)</u>	<u>1,144,655</u>	<u>924,344</u>	<u>220,311</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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Behavioral Disabilities:					
Salaries of teachers	\$ 275,898	\$	\$ 275,898	\$ 270,506	\$ 5,392
Other salaries for instruction	51,924		51,924	51,924	
Purchased professional educational services	508,275		508,275	503,340	4,935
General supplies	2,500		2,500	2,358	142
Total Behavioral Disabilities:	838,597		838,597	828,128	10,469
Resource room/resource center:					
Salaries of teachers	9,912,214		9,912,214	9,834,858	77,356
General supplies	24,697	6,941	31,638	25,628	6,010
Total Resource room/resource center	9,936,911	6,941	9,943,852	9,860,486	83,366
Autism:					
Salaries of teachers	374,078		374,078	279,112	94,966
Other salaries for instruction	220,141		220,141	191,890	28,251
General supplies	10,910	10,910	10,910	10,892	18
Other Objects	13,500	(13,500)			
Total Autism	607,719.00	(2,590.00)	605,129.00	481,894.00	123,235.00
Home Instruction:					
Salaries of teachers	100,000	27,232	127,232	127,232	
Purchased professional - educational services	100,000	14,000	114,000	73,626	40,374
Total Home Instruction:	200,000	41,232	241,232	200,858	40,374
Total special education	13,499,261	36,907	13,536,168	13,018,015	518,153
Basic skills/remedial:					
Salaries of teachers	757,859		757,859	438,038	319,821
Total basic skills/remedial	757,859		757,859	438,038	319,821

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Bilingual education:					
Salaries of teachers	\$ 278,898	\$ 300	\$ 279,198	\$ 278,350	\$ 848
Other purchased services (400-500 series)	1,300	(300)	1,000	1,000	1,000
General supplies	1,350		1,350	558	792
Total bilingual education	281,548		281,548	278,908	2,640
School sponsored Co-curricular and Extra-Curricular activities:					
Salaries	1,058,955		1,058,955	1,045,798	13,157
Purchased services (300-500 series)	30,610	(4,165)	26,445	20,506	5,939
Supplies and Materials	111,366	(5,014)	106,352	100,240	6,112
Other Objects	23,407	(4,759)	18,648	11,010	7,638
Total school sponsored Co-curricular and Extra-curricular activities	1,224,338	(13,938)	1,210,400	1,177,554	32,846
School sponsored athletics:					
Salaries	3,344,769	167	3,344,936	3,302,224	42,712
Purchased services (300-500 series)	546,705	(18,352)	528,353	489,452	38,901
Supplies and Materials	231,653	23,246	254,899	238,492	16,407
Other Objects	122,700	(1,608)	121,092	120,256	836
Total school sponsored athletics	4,245,827	3,453	4,249,280	4,150,424	98,856
Total other instructional programs	6,509,572	(10,485)	6,499,087	6,044,924	454,163
Total - instruction	76,628,902	(202,729)	76,426,173	75,187,118	1,239,055

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-special	\$ 182,153	\$	\$ 182,153	\$ 167,731	\$ 14,422
Tuition to county vocational school district-regular	4,550,000	(190,000)	4,360,000	4,331,955	28,045
Tuition to county vocational school district-special	594,333		594,333	416,772	177,561
Tuition to CSSD and regional day schools	2,678,531	610,682	3,289,213	3,178,948	110,265
Tuition to private schools for the handicapped within state	8,258,982	(360,682)	7,898,300	7,043,977	854,323
Tuition-state facilities	159,488		159,488	159,488	
Total undistributed expenditures - instruction	16,423,487	60,000	16,483,487	15,298,871	1,184,616
Attendance and social work services:					
Salaries	750,754		750,754	715,317	35,437
Other purchased services (400-500 series)	55		55	55	
Supplies and Materials	990	236	1,226	1,174	52
Total attendance and social work services	751,799	236	752,035	716,546	35,489
Health services:					
Salaries	1,273,664		1,273,664	1,242,754	30,910
Purchased professional and technical services	127,270	94,670	221,940	159,511	62,429
Other Purchased Services (400-500 series)	977	(8)	969	458	511
Supplies and materials	15,600	918	16,518	15,805	713
Other Objects	100	(100)			
Total health services	1,417,611	95,480	1,513,091	1,418,528	94,563
Other support services - speech, OT, PT & related services:					
Salaries	618,632		618,632	584,661	33,971
Purchased professional - Educational services	195,000	1,445	196,445	196,444	1
Supplies and materials	2,500	(2,500)			
Total other support services - speech, OT, PT & related services	816,132	(1,055)	815,077	781,105	33,972

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, 2022

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Other support services- Extraordinary Services					
Salaries	\$ 1,784,702	\$	1,784,702	\$ 1,519,903	\$ 264,799
Purchased Professional - Educational Services	2,868,497	(165,000)	2,703,497	2,258,347	445,150
Total other support services - Extraordinary Services	<u>4,653,199</u>	<u>(165,000)</u>	<u>4,488,199</u>	<u>3,778,250</u>	<u>709,949</u>
Other support services - Guidance:					
Salaries of other professional staff	4,409,878		4,409,878	4,061,153	348,725
Salaries of secretarial and clerical assistants	699,091	(545)	698,546	697,246	1,300
Other Salaries	18,950	265	19,215	18,062	1,153
Other Purchased Professional and Technical Services	22,000	(6,300)	15,700	14,050	1,650
Other Purchased Services (400-500 series)	45,596	(6,392)	39,204	22,848	16,356
Supplies and Materials	21,313	(1,261)	20,052	18,316	1,736
Other objects	5,905	(110)	5,795	4,470	1,325
Total other support services - Guidance	<u>5,222,733</u>	<u>(14,343)</u>	<u>5,208,390</u>	<u>4,836,145</u>	<u>372,245</u>
Other support services - child study teams:					
Salaries of other professional staff	2,970,195		2,970,195	2,739,906	230,289
Salaries of secretarial and clerical assistants	372,910		372,910	372,465	445
Purchased Professional - Educational Services	643,675	163,555	807,230	406,780	400,450
Other Purchased Professional and Technical Services	4,000		4,000	2,870	1,130
Other Purchased Services (400-500 series)	7,200	511	7,711	1,418	6,293
Supplies and Materials	76,441	3	76,444	33,162	43,282
Total other support services - child study teams	<u>4,074,421</u>	<u>164,069</u>	<u>4,238,490</u>	<u>3,556,601</u>	<u>681,889</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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Improvement of instructional services:					
Salaries of Supervisors of Instruction	\$ 700,795	\$	700,795	\$ 585,237	115,558
Salaries of secretarial and clerical assistants	226,632	373	227,005	227,004	1
Other Salaries	203,496		203,496	109,440	94,056
Other Purchased Services (400-500)	59,850	(1,340)	58,510	19,313	39,197
Supplies and Materials	10,500	1,070	11,570	6,352	5,218
Other objects	33,875	270	34,145	30,481	3,664
Total Improvement of instructional services:	1,235,148	373	1,235,521	977,827	257,694
Educational media services/school library:					
Salaries	170,621		170,621	170,621	
Purchased Professional and Technical Services	46,760	(31,012)	15,748	15,738	10
Other Purchased Services (400-500)	10,500	(5,500)	5,000	3,135	1,865
Supplies and Materials	2,300	(1,950)	350	350	350
Total educational media services/school library	230,181	(38,462)	191,719	189,494	2,225
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	616,770		616,770	557,662	59,108
Salaries of secretarial and clerical assistants	35,195	172	35,367	35,366	1
Purchased Professional - Educational Services	33,000	5,900	38,900	25,832	13,068
Other Purchased Services (400-500)	59,640	(10,419)	49,221	22,103	27,118
Supplies and Materials	14,000	9,100	23,100	16,251	6,849
Other objects	3,500		3,500	150	3,350
Total instructional staff training services:	762,105	4,753	766,858	657,364	109,494

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Support services general administration:					
Salaries	\$ 437,467	\$ 50,000	\$ 487,467	\$ 444,132	\$ 43,335
Legal services	451,392		451,392	435,320	16,072
Audit Fees	64,000		64,000	61,000	3,000
Architectural/Engineering Services	20,000		20,000	6,750	13,250
Other purchased professional services	8,915	3,700	12,615	2,613	10,002
Purchased technical services	18,230		18,230	13,194	5,036
Communications/telephone	741,000	(158,054)	582,946	552,356	30,590
BOE Other purchased services(580-585)	5,000	(1,500)	3,500	975	2,525
Misc. purchased services (400-500 Series, other than 530 & 585)	185,615	(3,700)	181,915	140,944	40,971
General supplies	15,600	(2,207)	13,393	1,644	11,749
BOE in-house training/meeting supplies	4,000	1,500	5,500	5,077	423
Judgments against the school district		104,413	104,413	104,413	
Miscellaneous expenditures	14,705		14,705	12,480	2,225
BOE membership dues and fees	27,000		27,000	26,663	337
Total support services general administration	1,992,924	(5,848)	1,987,076	1,807,561	179,515
Support services school administration:					
Salaries of principals/asst. principals	3,639,975		3,639,975	3,496,726	143,249
Salaries of other professional staff	1,722,295	72,301	1,794,596	1,712,031	82,565
Salaries of secretarial and clerical assistants	1,445,172	17,699	1,462,871	1,462,871	
Other Purchased Services (400-500 series)	66,766	101,963	168,729	40,853	127,876
Supplies and Materials	113,174	40,814	153,988	140,892	13,096
Other objects	148,018	6,573	154,591	145,814	8,777
Total support services school administration	7,135,400	239,350	7,374,750	6,999,187	375,563

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central Services:					
Salaries	\$ 1,428,867	\$ 25,000	\$ 1,453,867	\$ 1,426,133	\$ 27,734
Purchased professional services	5,000		5,000	1,200	3,800
Purchased technical services	27,310		27,310	24,776	2,534
Misc. purchased services (400-500 series)	98,800	57	98,857	85,297	13,560
Supplies and materials	49,282	(3,642)	45,640	27,529	18,111
Interest on Lease Purchase Agreement	51,653		51,653	51,653	
Miscellaneous expenditures	9,550		9,550	7,248	2,302
Total central services	1,670,462	21,415	1,691,877	1,623,836	68,041
Administrative Information Technology:					
Salaries	855,854		945,854	868,817	77,037
Purchased technical services	908,300		983,354	970,500	12,854
Other purchased services (400-500 series)	455,344		577,344	502,195	75,149
Supplies and Materials	200,833		239,833	166,437	73,396
Total Administrative Information Technology	2,420,331	326,054	2,746,385	2,507,949	238,436
Required Maintenance for School Facilities:					
Salaries	896,324		896,324	804,370	91,954
Cleaning, Repair and Maintenance Services	1,569,855		1,849,305	1,758,594	90,711
Misc. purchased services (400-500 series)	4,395	7,489	11,884	11,884	
General supplies	349,803	(171,352)	178,451	158,665	19,786
Other objects	31,000	10,985	41,985	40,895	1,090
Total Required Maintenance for School Facilities	2,851,377	126,572	2,977,949	2,774,408	203,541

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Custodial Services :					
Salaries	\$ 4,500,849	\$	4,500,849	4,398,362	\$ 102,487
Purchased professional and technical services	346,961	3,377	350,338	334,393	15,945
Cleaning, repair and maintenance services	165,775	(23,771)	142,004	125,008	16,996
Rental of land and building - other than lease purchase agreement	342,500		342,500	334,463	8,037
Lease Purchase Payments-Energy Savings Improvement Prog.	1,289,426		1,289,426	1,289,426	
Other purchased property services	250,000		250,000	234,065	15,935
Insurance	456,321	(660)	455,661	451,222	4,439
General supplies	459,742	(15,050)	444,692	442,850	1,842
Energy (Natural Gas)	600,000	255,000	855,000	850,317	4,683
Energy (Electricity)	1,400,000		1,400,000	1,369,002	30,998
Energy (Gasoline)	625,000	162,200	787,200	771,588	15,612
Total custodial services	10,436,574	381,096	10,817,670	10,600,696	216,974
Care & Upkeep of Grounds:					
Salaries	648,014		648,014	519,311	128,703
Cleaning, Repair and Maintenance Services	424,409	(38,937)	385,472	384,364	1,108
General supplies	180,930	(49,156)	131,774	115,152	16,622
Total Care and Upkeep of Grounds	1,253,353	(88,093)	1,165,260	1,018,827	146,433
Security:					
Salaries	486,985		486,985	461,632	25,353
Purchased Professional & Technical Services (300-500)	349,000	3,533	352,533	270,562	81,971
Cleaning, Repair and Maintenance Services	6,000	(400)	5,600	3,600	2,000
General Supplies	7,025	(2,318)	4,707	4,651	56
Total Security	849,010	815	849,825	740,445	109,380
Total operation and maintenance of plant services	15,390,314	420,390	15,810,704	15,134,376	676,328

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Student transportation services:					
Salaries of Non-Instructional Aides	\$ 207,410	\$ 3,000	\$ 210,410	\$ 199,739	\$ 10,671
Salaries for pupil transportation (between home and school)-regular	2,889,023	167,267	3,056,290	3,056,285	5
Salaries for pupil transportation (between home and school)-Special Ed	668,248	67,700	735,948	732,743	3,205
Salaries for pupil transportation (other than between home & school)	475,000	(170,257)	304,743	301,367	3,376
Management Fee - ESC & CTSA transportation programs	288,750	(75,011)	213,739	213,730	9
Other Purchased professional and technical services	273,000	(51,400)	221,600	190,982	30,618
Cleaning, Repair and Maintenance Services	845,000	(11,285)	833,715	831,443	2,272
Rental of school buses		88,200	88,200	88,200	
Lease Purchase Payments - School Buses	733,097		733,097	733,097	
Contracted Services - between home and school vendors	5,601,085	429,890	6,030,975	6,027,077	3,898
Contracted services (other than btw home & school)-vendors	202,700	(172,700)	30,000	17,347	12,653
Contract. Serv. (btw home and Sch) Joint Agreements					
Contract. Serv. (spec ed students)-vendors	40,000		40,000	24,242	15,758
Contract. Serv. (spec ed students)-Joint Agreements	40,000	(40,000)			
Contracted services (regular students) - ESCs & CTSA	250,000	(191,297)	58,703	57,691	1,012
Contracted services (spec ed students) - ESCs & CTSA	5,000,000	(287,292)	4,712,708	4,656,813	55,895
Contract. Serv - Aid in Lieu Pymis-Non-Public Schools	510,000	81,285	591,285	584,835	6,450
Travel	2,000		2,000	700	1,300
Miscellaneous purchased services - Transportation(580-590)	189,713		189,713	189,115	598
General supplies	5,000		5,000	4,943	57
Transportation Supplies	715,000		715,000	649,292	65,708
Other objects	2,000		2,000	825	1,175
Total student transportation services	18,937,026	(161,900)	18,775,126	18,560,466	214,660

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 2,100,000	\$	2,100,000	1,996,045	\$ 103,955
Other retirement contributions - PERS	2,910,000	(17,340)	2,892,660	2,869,581	23,079
Unemployment Compensation	9,000		9,000	8,874	126
Workers Compensation	412,314	500,000	912,314	905,925	6,389
Health Benefits	32,259,428	(1,478,312)	30,781,116	23,039,998	7,741,118
Tuition Reimbursements	212,050		212,050	81,225	130,825
Other Employee Benefits	270,000		270,000	174,327	95,673
Total Unallocated Benefits - Employee Benefits:	38,172,792	(995,652)	37,177,140	29,075,975	8,101,165
On-behalf TPAF Pension (non-budgeted)				29,234,086	(29,234,086)
On-behalf TPAF non-contributory insurance (non-budgeted)				412,452	(412,452)
On-behalf TPAF Post Retirement Contributions (non-budgeted)				6,926,630	(6,926,630)
On-behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				8,725	(8,725)
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,775,259	(5,775,259)
Total On-behalf contributions				42,357,152	(42,357,152)
Total personal services	38,172,792	(995,652)	37,177,140	71,433,127	(34,255,987)
Total Undistributed Expenditures	121,306,065	(50,140)	121,255,925	150,277,233	(29,021,308)
TOTAL EXPENDITURES - GENERAL CURRENT EXPENSE FUND 11	197,934,967	(252,869)	197,682,098	225,464,351	(27,782,253)

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, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
CAPITAL OUTLAY:					
Equipment:					
Regular program - Instruction	\$ 31,000	\$ 140,133	\$ 171,133	\$ 145,446	\$ 25,687
Grades 9-12					
Special education					
Resource Room					
School sponsored and other instructional program	41,570	78,126	119,696	113,707	5,989
Undistributed Expenditures					
Child Study Team			6,000		6,000
General Admin.		2,207	2,207	2,165	42
School Admin.		3,193	3,193	3,193	
Central Services		3,585	3,585	3,585	
Maintenance of school facility		11,000	11,000	10,772	228
Care & upkeep grounds		14,625	14,625	14,625	
Total Equipment	<u>78,570</u>	<u>252,869</u>	<u>331,439</u>	<u>293,493</u>	<u>37,946</u>
Facilities acquisition and construction services:					
Construction services	208,101		208,101	140,922	67,179
Total facilities acquis. and const. services	<u>208,101</u>		<u>208,101</u>	<u>140,922</u>	<u>67,179</u>
Assets acquired under leases (non-budgeted)					
Transportation - Buildings				1,653,744	(1,653,744)
Total assets acquired under leases (non-budgeted)				<u>1,653,744</u>	<u>(1,653,744)</u>
Assets acquired under installment purchase contracts (non-budgeted)					
Undistributed expenditures:					
Technology				412,634	(412,634)
Maintenance Equipment				11,550	(11,550)
Transportation				1,548,090	(1,548,090)
Total assets acquired under installment purchase contracts (non-budgeted)				<u>1,972,274</u>	<u>(1,972,274)</u>
TOTAL CAPITAL OUTLAY	<u>286,671</u>	<u>252,869</u>	<u>539,540</u>	<u>4,060,433</u>	<u>(3,520,893)</u>
TOTAL EXPENDITURES	<u>\$ 198,221,638</u>	<u>\$</u>	<u>\$ 198,221,638</u>	<u>\$ 229,524,784</u>	<u>\$ (31,303,146)</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, 2022

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Excess (deficiency) of revenues over (under) expenditures	(17,394,514) \$		(17,394,514) \$	(2,966,324) \$	14,428,190
Other financing sources/(uses)					
Leases (non-budgeted)				1,653,744	1,653,744
Installment purchase contracts (non-budgeted)				1,972,274	1,972,274
Total other financing sources				<u>3,626,018</u>	<u>3,626,018</u>
Excess of Revenues and other Financing Sources Over Expenditures and Other Expenditures and other Financing Sources	(17,394,514)		(17,394,514)	659,694	18,054,208
Fund balances, July 1	<u>47,469,539</u>		<u>47,469,539</u>	<u>47,469,539</u>	
Fund balances, June 30	<u>30,075,025</u>		<u>30,075,025</u> \$	<u>48,129,233</u> \$	<u>18,054,208</u>
Recapitulation:					
Restricted:					
Excess Surplus - Designated for Subsequent Year's Expenditures			\$	13,303,766	
Excess Surplus - Current Year				10,552,614	
Maintenance Reserve				1,335,161	
Capital Reserve				7,776,402	
Emergency Reserve				8,303	
State Unemployment Insurance				1,072,680	
Assigned:					
Designated for Subsequent Year's Expenditures				5,575,000	
Encumbrances				324,912	
Unassigned				<u>8,180,395</u>	
				<u>48,129,233</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: Last Two State Aid Payments not recognized on GAAP basis				<u>3,316,157</u>	
Fund Balance per Governmental Funds (GAAP)			\$	<u><u>44,813,076</u></u>	

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Federal sources	\$ 5,180,080	\$ 1,752,658	\$ 6,932,738	\$ 5,912,089	\$ (1,020,649)
State sources	100,251	334,639	434,890	424,999	(9,891)
Other sources	184,089	2,581,664	2,765,753	2,724,129	(41,624)
Total revenues	5,464,420	4,668,961	10,133,381	9,061,217	(1,072,164)
EXPENDITURES:					
Instruction:					
Salaries of teachers	60,000	3,207	63,207	52,964	10,243
Other salaries	292,000	12,271	304,271	245,470	58,801
Other purchased professional-educational services	280,000	2,374	282,374	261,490	20,884
Other purchased services	50,000	5,243	55,243	39,725	15,518
Tuition	1,509,505	1,327,824	2,837,329	2,601,786	235,543
Supplies and materials	2,300,000	244,858	2,544,858	2,189,407	355,451
Textbooks	17,915	4,952	22,867	21,563	1,304
Miscellaneous expenditures	5,000	1,752	6,752	1,676	5,076
Total instruction	4,514,420	1,602,481	6,116,901	5,414,081	702,820
Support services:					
Other salaries	300,000	48,194	348,194	187,114	161,080
Personal services - employee benefits	60,000	18,823	78,823	56,107	22,716
Purchased professional - educational services	150,000	62,736	212,736	157,700	55,036
Purchased technical services	90,000	1,048	91,048	85,833	5,215
Other purchased services	100,000	62,684	162,684	107,125	55,559
Supplies and materials	180,000	36,983	216,983	158,259	58,724
Miscellaneous expenditures	20,000	2,503,107	2,523,107	2,523,107	
Total support services	900,000	2,733,575	3,633,575	3,275,245	358,330
Facilities acquisition and construction services:					
Construction Services	-	293,799	293,799	293,799	
Instructional equipment	50,000	15,974	65,974	56,240	9,734
Non-Instructional equipment	-	10,000	10,000	8,720	1,280
Total facilities acquisition and construction serv.	50,000	319,773	369,773	358,759	11,014
Total expenditures	5,464,420	4,655,829	10,120,249	9,048,085	1,072,164
Excess (deficiency) of revenues over (under) expenditures	\$	\$ 13,132	\$ 13,132	\$ 13,132	\$
Fund Balance, July 1				1,724,760.00	
Fund Balance, June 30			\$	1,737,892.00	

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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	\$ 226,558,460	\$ 9,061,217
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		(480,051)
Prior Year		17,718
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(3,316,157)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	3,961,659	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	227,203,962	8,598,884
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	229,524,784	9,048,085
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		17,718
Less current year encumbrances		(480,051)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 229,524,784	\$ 8,585,752

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

	Measurement Date Ending June 30, 2021	Measurement Date Ending June 30, 2020	Measurement Date Ending June 30, 2019	Measurement Date Ending June 30, 2018	Measurement Date Ending June 30, 2017	Measurement Date Ending June 30, 2016	Measurement Date Ending June 30, 2015	Measurement Date Ending June 30, 2014	Measurement Date Ending June 30, 2013
District's proportion of the net pension liability (asset)	28,407,281.00	39,348,657.00	44,831,547.00	50,489,491.00	58,818,449.00	74,990,423.00	56,425,018.00	48,771,057.00	47,401,295.00
District's proportionate share of the net pension liability (asset)	0.2397947309%	0.2412934827%	0.2493625419%	0.2564284900%	0.2526739183%	0.2531994782%	0.2513632728%	0.2604910930%	0.2480186673%
District's covered-employee payroll	16,349,754	17,377,680	17,147,638	17,759,374	17,667,039	17,291,154	17,223,313	16,998,122	17,091,600
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	173.75%	226.43%	262.03%	284.30%	332.93%	433.69%	327.61%	286.92%	277.34%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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

	Fiscal Year Ending June 30, 2022	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2017	Fiscal Year Ending June 30, 2016	Fiscal Year Ending June 30, 2015	Fiscal Year Ending June 30, 2014
Contractually required contribution	\$ 2,808,275	\$ 2,639,631	\$ 2,425,563	\$ 2,550,635	\$ 2,340,754	\$ 2,249,388	\$ 2,161,050	\$ 2,147,451	\$ 1,868,770
Contributions in relation to the contractually required contribution	2,808,275	2,639,631	2,425,563	2,550,635	2,340,754	2,249,388	2,161,050	2,147,451	1,868,770
Contribution deficiency (excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered-employee payroll	16,256,234	16,349,754	17,377,580	17,147,638	17,759,374	17,667,039	17,291,154	17,223,313	16,998,122
Contributions as a percentage of covered-employee payroll	17.26%	16.14%	13.96%	14.87%	13.18%	12.73%	12.50%	12.47%	10.99%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is 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

	Measurement Date Ending June 30, 2021	Measurement Date Ending June 30, 2020	Measurement Date Ending June 30, 2019	Measurement Date Ending June 30, 2018	Measurement Date Ending June 30, 2017	Measurement Date Ending June 30, 2016	Measurement Date Ending June 30, 2015	Measurement Date Ending June 30, 2014	Measurement Date Ending June 30, 2013
District's proportion of the net pension liability (asset)	0.7233908690%	0.7366738416%	0.7412775633%	0.7465411736%	0.7487609350%	0.7355013065%	0.7216320523%	0.7258543595%	0.6964971070%
State's proportionate share of the net pension liability (asset) associated with the District	\$347,771,525	\$485,090,861	\$454,929,037	\$474,933,459	\$504,841,622	\$578,592,157	\$456,102,273	\$387,945,531	\$352,004,160
District's covered-employee payroll	78,283,057	77,081,579	77,953,020	75,957,485	76,773,797	76,690,024	76,215,735	73,554,631	71,284,377
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	444.25%	629.32%	583.59%	625.26%	657.57%	754.46%	598.44%	527.43%	493.80%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	28.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

FREEHOLD REGIONAL TOWNSHIP SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending	Discount Rate	Long-Term Expected Rate of Return	Actuarial Experience Study Period
June 30, 2021	7.00%	7.00%	07/01/14-06/30/18
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending	Discount Rate	Long-Term Expected Rate of Return	Actuarial Experience Study Period
June 30, 2021	7.00%	7.00%	07/01/15-06/30/18
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

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,			
	2021	2020	2019	2017
Changes for the year:				
Service cost	\$19,076,256	\$10,822,032	\$10,681,794	\$12,065,686
Interest	10,191,398	9,728,193	11,802,170	12,633,063
Changes of benefit terms	(418,160)			
Differences between expected and actual experience	(64,383,606)	72,212,559	(45,960,962)	-
Changes in assumptions or other inputs	387,594	79,602,301	4,037,248	(63,349,626)
Membership Contributions	260,544	229,949	246,389	275,658
Benefit Payments - Net	(8,027,967)	(7,586,597)	(8,311,925)	(7,972,348.00)
Net changes	(42,913,941)	165,008,437	(27,505,286)	(46,351,075)
Beginning Balance	\$435,781,480	\$270,773,043	\$298,278,329	344,629,404
Ending Balance	\$392,867,539	\$435,781,480	\$270,773,043	\$298,278,329
Covered Employee Payroll	94,632,811	94,459,159	95,100,658	93,716,859
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-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	415.15%	461.34%	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
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Change in benefit terms: None

The implementation of Chapter 44 Plan and contribution strategy affecting pre-Medicare future and current retirees and dependents who enroll in the New Jersey Educator Health Plan option upon retirement and were not grandfathered under Chapter 78 (fewer than 20 years of service as of July 1, 2011) is reflected for the Fiscal Year Ending June 30, 2022 as a Plan change.

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

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, 2022

	TITLE I	TITLE I.PY	TITLE II.A	TITLE II.A.PY	TITLE III	TITLE III IMMIGRANT	TITLE IV
REVENUES:							
Federal sources	\$ 339,002	\$ 39,705	\$ 160,676	\$ 21,024	\$ 8,713	\$ 11,385	\$ 55,073
State sources							
Other sources							
Total revenues	\$ 339,002	\$ 39,705	\$ 160,676	\$ 21,024	\$ 8,713	\$ 11,385	\$ 55,073
EXPENDITURES:							
Instruction:							
Salaries of teachers	52,964						8,886
Other salaries		21,400				2,000	24,366
Other purchased professional-educational services	60,306						
Other purchased services							
Tuition	162,729	7,000					16,650
Supplies and materials							
Textbooks	796						880
Miscellaneous expenditures							
Total instruction	276,795	28,400				2,000	50,782
Support services:							
Other Salaries	1,950	8,981	65,750	19,530	6,700		
Personal services - employee benefits	33,612	2,324	5,030	1,484	513		680
Purchased professional - educational services			4,200				1,500
Purchased technical services			21,079		1,500	8,385	
Other purchased services	770		9,659				
Supplies and materials	1,882		54,958			1,000	2,111
Miscellaneous expenditures							
Total support services	38,214	11,305	160,676	21,024	8,713	9,385	4,291
Facilities acquisition and construction serv:							
Construction Services							
Instructional equipment	23,993						
Non-Instructional equipment							
Total facilities acquisition and construction serv.	23,993						
Total expenditures	\$ 339,002	\$ 39,705	\$ 160,676	\$ 21,024	\$ 8,713	\$ 11,385	\$ 55,073
Excess (Deficiency) of Revenues Over (Under) Expenditures							
Fund Balance, July 1							
Fund Balance, June 30							

(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, 2022

	IDEA PART B	IDEA PART B	CARL D.	JROTC	CRSA	CRSA	CRSA	CRSA
	PY	PY	PERKINS		ESSELI	LEARNING	ACCELERATION	MENTAL
								HEALTH
REVENUES:								
Federal sources								
State sources	\$ 2,148,017	\$ 27,879	\$ 68,244	\$ 45,122	\$ 1,994,901	\$ 135,913	\$ 50,286	
Other sources								
Total revenues	\$ 2,148,017	\$ 27,879	\$ 68,244	\$ 45,122	\$ 1,994,901	\$ 135,913	\$ 50,286	
EXPENDITURES:								
Instruction:								
Salaries of teachers								
Other salaries	27,020		12,481				52,859	
Other purchased professional-educational services	100,500			39,725			59,412	
Other purchased services								
Tuition	1,873,890		33,672		1,944,672		9,940	
Supplies and materials								
Textbooks								
Miscellaneous expenditures								
Total instruction	2,001,410		46,153	39,725	1,944,672		122,211	
Support services:								
Other salaries								
Personal services - employee benefits	2,067		2,500		46,660		2,000	
Purchased professional - educational services	129,090		191		3,569		4,197	
Purchased technical services							4,125	
Other purchased services	12,000		2,550				3,380	
Supplies and materials	3,450							
Miscellaneous expenditures								
Total support services	146,607	27,879	5,241		50,229		13,702	50,286
Facilities acquisition and construction serv:								
Construction Services								
Instructional equipment			16,850	5,387				
Non-instructional equipment								
Total facilities acquisition and construction serv.			16,850	5,387				
Total expenditures	\$ 2,148,017	\$ 27,879	\$ 68,244	\$ 45,122	\$ 1,994,901	\$ 135,913	\$ 50,286	
Excess (Deficiency) of Revenues Over (Under) Expenditures								
Fund Balance, July 1								
Fund Balance, June 30								

(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, 2022

	ARP - STATE FISCAL RECOVERY FUND ACSES	ARP ESSER	ARP IDEA	SDA CAPITAL & EMERGENCY	NON - PUBLIC NURSING	NON - PUBLIC TEXTBOOKS	NON - PUBLIC TECHNOLOGY	NON - PUBLIC SECURITY
REVENUES:								
Federal sources	\$ 210,827	\$ 162,784	\$ 432,738	\$ 293,799	\$ 35,547	\$ 21,563	\$ 15,975	\$ 58,115
State sources								
Other sources								
Total revenues	\$ 210,827	\$ 162,784	\$ 432,738	\$ 293,799	\$ 35,547	\$ 21,563	\$ 15,975	\$ 58,115
EXPENDITURES:								
Instruction:								
Salaries of teachers								
Other salaries								
Other purchased professional-educational services							2,425	
Other purchased services	159,748	162,784	405,364			21,563	13,550	
Tuition								
Supplies and materials								
Textbooks								
Miscellaneous expenditures								
Total instruction	159,748	162,784	405,364			21,563	15,975	
Support services:								
Other salaries			16,925					
Personal services - employee benefits			1,295					
Purchased professional - educational services								
Purchased technical services			8,900		35,547			
Other purchased services	50,879		254					58,115
Supplies and materials								
Miscellaneous expenditures								
Total support services	50,879		27,374		35,547			58,115
Facilities acquisition and construction serv:								
Construction Services				293,799				
Instructional equipment								
Non-instructional equipment								
Total facilities acquisition and construction serv.				293,799				
Total expenditures	\$ 210,827	\$ 162,784	\$ 432,738	\$ 293,799	\$ 35,547	\$ 21,563	\$ 15,975	\$ 58,115
Excess (Deficiency) of Revenues Over (Under) Expenditures								
Fund Balance, July 1								
Fund Balance, June 30								

(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, 2022

	SUMMER PROGRAMS	OTHER LOCAL	COLLEGE APP-FOOTCAMP	COLLEGE FAIR	STUDENT ACTIVITIES	SCHOLARSHIPS	TOTAL
REVENUES:							
Federal sources	\$	\$	\$	\$	\$	\$	\$
State sources	122,075	35,025	14,328	16,462	2,513,249	22,990	5,912,089
Other sources							424,999
Total revenues	\$ 122,075	\$ 35,025	\$ 14,328	\$ 16,462	\$ 2,513,249	\$ 22,990	\$ 2,724,129
EXPENDITURES:							
Instruction:							
Salaries of teachers							52,964
Other salaries	122,075		13,230				245,470
Other purchased professional-educational services							261,490
Other purchased services							39,725
Tuition							2,601,786
Supplies and materials			86				2,188,299
Textbooks							21,563
Miscellaneous Expenditures							1,676
Total instruction	122,075		13,316				5,412,973
Support services:							
Other salaries		14,509		1,609			187,114
Personal services - employee benefits			1,012	123			56,107
Purchased professional - educational services							138,915
Purchased Technical Services							125,697
Other purchased services		1,796		10,187			86,045
Supplies and materials				4,543			159,368
Miscellaneous expenditures					2,467,091	56,016	2,523,107
Total support services		16,305	1,012	16,462	2,467,091	56,016	3,276,353
Facilities acquisition and construction serv:							
Construction Services							293,799
Instructional equipment		10,000					56,240
Non-instructional equipment		8,720					8,720
Total facilities acquisition and construction serv.		18,720					358,759
Total expenditures	\$ 122,075	\$ 35,025	\$ 14,328	\$ 16,462	\$ 2,467,091	\$ 56,016	\$ 9,048,085
Excess (Deficiency) of Revenues Over (Under) Expenditures					\$	(33,026)	\$ 13,132
Fund Balance, July 1					917,505	807,255	1,724,760
Fund Balance, June 30					\$ 963,663	\$ 774,229	\$ 1,737,892

**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, 2022

<u>ISSUE/PROJECT TITLE</u>	<u>ORIGINAL DATE</u>	<u>REVISED BUDGETARY APPROPRIATIONS</u>	<u>PRIOR YEAR</u>	<u>EXPENDITURES TO DATE</u>	<u>CURRENT YEAR</u>	<u>(MEMO ONLY) UNEXPENDED PROJECT BALANCE</u>
School Security Grant: Interior Door Security Upgrades - Districtwide	12/10/2020	\$ 936,207 \$	53,312		134,248 \$	748,647
Referendum: Roofing and Paving Districtwide	12/21/2021	14,460,000		1,897,162		12,562,838
Totals		\$ 15,396,207 \$	53,312 \$	2,031,410 \$		13,311,485

Fund balance - budgetary basis	13,311,485
Less: SDA Grant Not Recognized	(490,732)
Fund balance - GAAP basis	\$ 12,820,753

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, 2022

Revenues and Other Financing Sources:	
State Sources	\$
Bond Proceeds	14,460,000
Premium on Bond Sale	1,000
Interest Earnings	1,517
Total revenues	<u>14,462,517</u>
Expenditures and Other Financing Uses:	
Legal services	29,941
Architectural/engineering services	742,160
Other purchased professional and technical services	45,230
Construction services	1,214,079
Total expenditures	<u>2,031,410</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,431,107</u>
Other financing sources (uses):	
Transfers out	<u>(2,517)</u>
Total other financing sources (uses)	(2,517)
Net change in fund balance	12,428,590
Fund balance - beginning	<u>882,895</u>
Fund balance - ending	\$ <u><u>13,311,485</u></u>
Fund Balance - budgetary basis	\$ 13,311,485
SDA Grant not Recognized	<u>(490,732)</u>
Fund Balance - GAAP basis (B-1)	\$ <u><u>12,820,753</u></u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
SCHOOL SECURITY GRANT: INTERIOR DOOR SECURITY UPGRADES - DISTRICTWIDE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - School Security Grant	\$ 686,207	\$	686,207	\$ 686,207
Transfer from emergency reserve	250,000		250,000	250,000
Total revenues	<u>936,207</u>	<u>-</u>	<u>936,207</u>	<u>936,207</u>
Expenditures and Other Financing Uses:				
Architectural/engineering services	53,312	11,987	65,299	69,750
Construction services		122,261	122,261	866,457
Total expenditures	<u>53,312</u>	<u>134,248</u>	<u>187,560</u>	<u>936,207</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 882,895</u>	<u>\$ (134,248)</u>	<u>\$ 748,647</u>	<u>-</u>

Additional project information:

Project Number	1650-XXX-21-1000
Grant Date	05/17/21
Lease Authorization Date	N/A
Lease Authorized	N/A
Lease Issued	N/A
Original Authorized Cost	\$936,207
Additional Authorized Cost	-
Revised Authorized Cost	\$936,207
Percentage Increase/(decrease) over Original Authorized Cost	0.00%
Percentage completion	16.00%
Original target completion date	FY22
Revised target completion date	FY23

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
ROOFING AND PAVING AT VARIOUS SCHOOLS - REFERENDUM
FOR THE YEAR ENDED JUNE 30, 2022

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Debt Issuance	\$ -	14,460,000 \$	14,460,000 \$	14,460,000
Total revenues	-	14,460,000	14,460,000	14,460,000
Expenditures and Other Financing Uses:				
Legal services		29,941	29,941	150,000
Architectural/engineering services		730,173	730,173	977,120
Other purchased professional and technical services		45,230	45,230	608,080
Construction services		1,091,818	1,091,818	12,724,800
Total expenditures	-	1,897,162	1,897,162	14,460,000
Excess (deficiency) of revenues over (under) expenditures	\$ -	12,562,838 \$	12,562,838 \$	-

Additional project information:

Project Number	N/A
Bond Authorization Date	12/21/21
Bonds Authorized	\$14,460,000
Bonds Issued	\$14,460,000
Lease Issued	N/A
Original Authorized Cost	\$14,460,000
Additional Authorized Cost	-
Revised Authorized Cost	\$14,460,000

Percentage increase/(decrease) over Original Authorized Cost	0.00%
Percentage completion	13.00%
Original target completion date	FY24
Revised target completion date	N/A

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, 2022

	FOOD SERVICE FUND	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND EXTRA-CURRICULAR FUND - ICE HOCKEY RIHA	EXTRA-CURRICULAR FUND - MANALAPAN BOYS LACROSSE	EXTRA-CURRICULAR FUND TOTAL	TOTAL
ASSETS:					
Current assets:					
Cash and cash equivalents	\$ 100,382				\$ 100,382
Accounts receivable:					
State	4,537				4,537
Federal	212,806				212,806
Other	4,972	88,149	18,700	106,849	111,821
Interfund receivable	621,319				621,319
Inventories	32,768				32,768
Total current assets	976,784	88,149	18,700	106,849	1,083,633
Noncurrent assets:					
Furniture, machinery and equipment	1,067,726				1,067,726
Less accumulated depreciation	(755,441)				(755,441)
Total noncurrent assets	312,285				312,285
Total assets	1,289,069	88,149	18,700	106,849	1,395,918
LIABILITIES:					
Current liabilities:					
Accounts payable	172,420				172,420
Interfund payable		88,149	18,700	106,849	106,849
Lease payable	265,893				265,893
Unearned revenue	106,009				106,009
Total current liabilities	544,322	88,149	18,700	106,849	651,171
Total liabilities	544,322	88,149	18,700	106,849	651,171
NET POSITION:					
Net investment in capital assets	145,890				145,890
Unrestricted	598,857				598,857
Total net position	744,747				744,747

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, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND					TOTAL
	FOOD SERVICE FUND	EXTRA-CURRICULAR FUND - ICE HOCKEY RIHA	EXTRA-CURRICULAR FUND - HOWELL ONE VOICE	EXTRA-CURRICULAR FUND - MANALAPAN BOYS LACROSSE	EXTRA-CURRICULAR FUND TOTAL	
OPERATING REVENUES:						
Charges for services:						
Daily sales - reimbursable programs	692,060					692,060
Daily sales - non-reimbursable programs	35,989					35,989
Special functions						
Fees - individuals		238,149	8,200	18,700	265,049	265,049
Total operating revenues	728,049	238,149	8,200	18,700	265,049	993,098
OPERATING EXPENSES:						
Cost of sales - reimbursable programs	1,091,023					1,091,023
Cost of sales - non-reimbursable programs	277,527					277,527
Salaries and benefits	1,123,117	104,381	8,200	15,352	127,933	1,251,050
Supplies and materials	210,223					210,223
Management fee	131,560					131,560
Miscellaneous	141,174	4,318		3,348	7,666	148,840
Depreciation	43,095					43,095
Installment purchase contract interest	11,363					11,363
Facility rental		129,450			129,450	129,450
Total operating expenses	3,029,102	238,149	8,200	18,700	265,049	3,294,151
Operating income (loss)	(2,301,053)					(2,301,053)
NONOPERATING REVENUES (EXPENSES):						
State sources						
State school lunch program	60,624					60,624
Federal sources						
National school lunch program	2,581,737					2,581,737
School breakfast program	163,976					163,976
P-EBT Administration	6,198					6,198
National food distribution commodities	97,007					97,007
Total nonoperating revenues (expenses)	2,909,542					2,909,542
Change in net position	608,489					608,489
Total net position - beginning	136,258					136,258
Total net position - ending	744,747					744,747

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS - ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES						TOTAL
	FOOD SERVICE FUND	EXTRA-CURRICULAR FUND - ICE HOCKEY BIHA	EXTRA-CURRICULAR FUND - HOWELL ONE VOICE	EXTRA-CURRICULAR FUND - MANALAPAN BOYS LACROSSE	EXTRA-CURRICULAR FUND TOTAL		
Cash flows from operating activities:							
Receipts from customers	\$ 738,508	\$ 150,000	\$ 8,200	\$ -	\$ 158,200	\$ 896,708	
Payments to employees	(1,089,600)	(104,381)	(8,200)	-	(127,933)	(1,217,533)	
Payments for employee benefits	(33,517)			(15,352)		(33,517)	
Payments to suppliers	(1,623,707)	(133,768)		(3,348)	(137,116)	(1,760,823)	
Net cash provided by (used for) operating activities	(2,008,316)	(88,149)	-	(18,700)	(106,849)	(2,115,165)	
Cash flows from noncapital financing activities:							
State sources	56,509					56,509	
Federal sources	2,599,818					2,599,818	
Operating subsidies and transfers to other funds	(460,022)	88,149		18,700	106,849	(353,173)	
Net cash provided by noncapital financing activities	2,196,305	88,149	-	18,700	106,849	2,303,154	
Cash flows from capital and related financing activities:							
Installment purchase contract payments	(127,207)					(127,207)	
Purchases of capital assets	(12,389)					(12,389)	
Net cash provided by (used for) capital and related financing activities	(139,596)	-	-	-	-	(139,596)	
Net increase (decrease) in cash and cash equivalents	48,393	-	-	-	-	48,393	
Cash and cash equivalents, July 1, 2021	51,989	-	-	-	-	51,989	
Cash and cash equivalents, June 30, 2022	100,382	-	-	-	-	100,382	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	\$ (2,301,053)	\$ -	\$ -	\$ -	\$ -	\$ (2,301,053)	
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation	43,095					43,095	
Federal commodities	97,007					97,007	
Change in assets and liabilities:							
(Increase) decrease in accounts receivable, net	(707)	(88,149)		(18,700)	(106,849)	(107,556)	
Increase (decrease) in unearned revenue	11,563					11,563	
Increase (decrease) in accounts payable	133,974					133,974	
(Increase) decrease in inventories	7,805					7,805	
	292,737	(88,149)	-	(18,700)	(106,849)	185,888	
Net cash provided by (used for) operating activities	\$ (2,008,316)	\$ (88,149)	\$ -	\$ (18,700)	\$ (106,849)	\$ (2,115,165)	

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, Lease and Installment Purchase Contracts.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2022

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	RATE OF INTEREST	BALANCE JULY 1, 2021	ISSUED	RETIRED	BALANCE JUNE 30, 2022
Referendum: Roofing and Paving Districtwide	12/21/2021	14,460,000	8/15/2022	490,000	0.050%				
			8/15/2023	570,000	1.500%				
			8/15/2024	585,000	1.500%				
			8/15/2025	600,000	1.500%				
			8/15/2026	615,000	2.000%				
			8/15/2027	635,000	2.000%				
			8/15/2028	650,000	2.000%				
			8/15/2029	670,000	2.000%				
			8/15/2030	690,000	2.000%				
			8/15/2031	705,000	2.000%				
			8/15/2032	725,000	2.000%				
			8/15/2033	745,000	2.000%				
			8/15/2034	770,000	2.000%				
			8/15/2035	790,000	2.000%				
			8/15/2036	810,000	2.000%				
		8/15/2037	835,000	2.000%					
		8/15/2038	860,000	2.125%					
		8/15/2039	880,000	2.125%					
		8/15/2040	905,000	2.125%					
		8/15/2041	930,000	2.125%					
						\$ -	\$ 14,460,000	\$ -	\$ 14,460,000
						\$ -	\$ 14,460,000	\$ -	\$ 14,460,000

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF OBLIGATIONS UNDER LEASES
 AS OF JUNE 30, 2022

SERIES	TERM	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL LEASE	AMOUNT OUTSTANDING JUNE 30, 2021	INCREASE	DECREASE	AMOUNT OUTSTANDING JUNE 30, 2022
Governmental Funds:							
Transportation Building Lease	5 Years	0.577%	1,653,744 \$	\$	1,653,744 \$	278,992 \$	1,374,752
Grand Total			\$	\$	1,653,744 \$	278,992 \$	1,374,752

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>BUDGET</u>	<u>BUDGET</u> <u>TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Other financing sources:					
Operating Transfers in - Capital Projects	-	-	-	2,517	2,517
				2,517	2,517
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	-	-	-	2,517	2,517
	\$	\$	\$	\$	\$

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER INSTALLMENT PURCHASE CONTRACTS
AS OF JUNE 30, 2022

<u>SERIES</u>	<u>TERM</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL CONTRACT</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2021</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2022</u>
<u>Governmental Funds:</u>							
District Wide Energy Savings Improvement Plan (ESIP)	15 Years	2.890%	17,498,000	\$ 12,623,383	\$	956,235	\$ 11,667,148
School Buses, Technology & Copiers	5 Years	1.290%	3,052,000	626,147		626,147	-
School Buses, Technology & Buildings and Grounds Equipment	5 Years	1.680%	2,560,000	1,051,177		521,210	529,967
School Buses, Technology & Buildings and Grounds Equipment	5 Years	1.019%	2,160,000		2,160,000		2,160,000
School Buses, Technology, Cafeteria, and Buildings & Grounds Equipment	5 Years	2.896%	1,446,617	894,997		289,618	605,379
Total Governmental Funds				<u>15,195,704</u>	<u>2,160,000</u>	<u>2,393,210</u>	<u>14,962,494</u>
<u>Proprietary Fund - Food Service:</u>							
Cafeteria Equipment	5 Years	2.896%	635,383	393,100		127,206	265,894
Grand Total			\$	<u>15,588,804</u>	<u>2,160,000</u>	<u>2,520,416</u>	<u>15,228,388</u>

THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION - UNAUDITED

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Government Activities:										
Net investment in capital assets	\$ 85,632,787	\$ 90,306,871	\$ 93,886,105	\$ 90,858,048	\$ 89,024,727	\$ 87,207,182	\$ 80,465,572	\$ 76,758,415	\$ 74,331,409	\$ 76,397,045
Restricted	41,689,247	40,877,885	33,624,268	28,130,955	26,112,090	27,648,406	28,446,908	30,394,625	31,027,126	27,308,431
Unrestricted (deficit)	(46,367,474)	(53,868,903)	(60,708,542)	(61,144,214)	(60,745,280)	(58,575,627)	(50,667,795)	(51,292,191)	(2,056,310)	(1,962,535)
Total Government Activities Net Position	\$ 80,954,560	\$ 77,115,853	\$ 66,801,831	\$ 57,844,789	\$ 54,391,537	\$ 56,279,961	\$ 58,244,685	\$ 55,860,849	\$ 103,302,225	\$ 101,742,941
								0		
Business-Type Activities:										
Net investment in capital assets	\$ 145,890	\$ 96,991	\$ 61,045	\$ 38,228	\$ 493,155	\$ 154,865	\$ 182,315	\$ 220,747	\$ 238,357	\$ 271,952
Unrestricted	598,857	39,267	329,733	429,653	171,231	667,148	413,584	215,462	129,757	309,747
Total Business-Type Activities Net Position	\$ 744,747	\$ 136,258	\$ 390,778	\$ 467,881	\$ 664,386	\$ 822,013	\$ 595,899	\$ 436,209	\$ 368,114	\$ 581,699
District-wide:										
Net investment in capital assets	\$ 85,778,677	\$ 90,403,862	\$ 93,947,150	\$ 90,896,276	\$ 89,517,882	\$ 87,362,047	\$ 80,647,887	\$ 76,979,162	\$ 74,569,766	\$ 76,668,997
Restricted	41,689,247	40,677,885	33,624,268	22,928,142	26,112,090	27,648,406	28,446,908	30,394,625	31,027,126	27,308,431
Unrestricted (deficit)	(45,768,617)	(53,829,636)	(60,378,809)	(55,511,748)	(60,574,049)	(57,908,479)	(50,254,211)	(51,076,729)	(1,926,553)	(1,652,788)
Total District Net Position	\$ 81,699,307	\$ 77,252,111	\$ 67,192,609	\$ 58,312,670	\$ 55,055,923	\$ 57,101,974	\$ 58,840,584	\$ 56,297,068	\$ 103,670,339	\$ 102,324,640

* 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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Instruction:										
Regular	\$ 94,817,192	\$ 104,469,262	\$ 94,361,836	\$ 98,763,606	\$ 106,525,172	\$ 102,658,266	\$ 92,343,959	\$ 87,514,868	\$ 75,200,178	\$ 80,476,846
Special Education	23,716,724	26,584,929	24,537,780	24,953,884	27,318,294	27,929,556	25,759,425	24,439,970	20,497,345	17,229,076
Other Special Education	9,381,910	10,220,402	10,090,114	11,215,656	12,400,211	11,747,407	10,604,135	9,659,065	8,306,182	8,998,877
Support Services:										
Tuition	15,298,871	15,945,591	14,887,892	15,448,387	15,600,095	15,076,881	14,980,357	14,711,492	14,104,095	13,343,824
Student & instruction related services	29,290,265	30,945,020	27,900,105	29,530,211	32,227,254	30,730,390	27,893,131	25,721,936	21,748,968	19,632,989
General Administrative Services	2,149,596	1,936,692	1,926,591	2,278,719	1,835,507	1,893,992	1,716,518	1,701,177	1,675,898	9,448,283
School Administrative Services	11,357,949	13,135,988	11,409,076	12,261,778	12,800,205	12,330,132	11,230,302	10,673,330	9,221,080	2,011,069
Central Services/Admin. Information Technology	3,829,106	4,511,837	4,556,840	5,074,147	5,681,925	4,719,869	4,644,456	4,544,456	3,690,894	4,122,564
Plant Operations and Maintenance	14,029,136	14,456,372	15,927,843	17,844,146	19,473,749	20,976,707	17,069,282	15,943,060	15,679,073	15,303,296
Pupil Transportation Services	16,238,852	13,981,765	15,612,449	17,281,025	17,235,383	16,630,574	16,804,098	17,118,697	16,740,367	16,297,004
Interest on Long-Term Debt	316,205	8,101	192,408	445,263	741,084	936,851	1,159,719	1,353,737	1,546,571	1,699,266
Unallocated Depreciation and Amortization	5,612,880	5,678,590	5,978,678	5,884,013	5,324,671	4,917,067	4,887,161	4,881,749	4,836,889	34,303
	\$ 226,038,686	\$ 241,674,649	\$ 227,381,612	\$ 240,980,845	\$ 257,163,550	\$ 252,095,989	\$ 229,167,956	\$ 218,563,537	\$ 193,249,548	\$ 188,597,397
Food Service	3,029,102	402,686	1,896,771	2,723,536	3,593,671	3,201,580	3,167,975	3,096,810	3,211,871	3,433,767
Extra Curricular Fund	265,049	110,152	214,318	212,545	233,962	240,311	256,688	227,246	236,788	213,993
	\$ 3,294,151	\$ 512,838	\$ 2,111,089	\$ 2,936,081	\$ 3,817,633	\$ 3,441,891	\$ 3,424,663	\$ 3,324,056	\$ 3,448,659	\$ 3,647,760
	\$ 229,332,837	\$ 242,387,487	\$ 229,492,701	\$ 243,916,926	\$ 260,981,183	\$ 255,537,880	\$ 232,592,619	\$ 221,887,593	\$ 196,698,207	\$ 182,245,157
Governmental Activities:										
Charges for Services:										
Instruction	\$ 2,794,096	\$ 1,584,920	\$ 448,194	\$ 345,797	\$ 212,475	\$ 230,377	\$ 289,578	\$ 319,039	\$ 257,418	\$ 159,313
Operating Grants and Contributions	41,861,404	61,523,780	42,287,847	50,051,482	64,954,154	59,693,390	43,912,263	35,821,867	16,856,815	426,007
	\$ 44,655,500	\$ 63,108,700	\$ 42,736,041	\$ 50,397,279	\$ 65,166,629	\$ 59,923,767	\$ 44,201,841	\$ 36,140,906	\$ 17,114,233	\$ 585,320
Business-Type Activities:										
Charges for Services:										
Food Service	728,049	18,105	1,334,895	1,987,015	2,760,504	2,761,404	2,691,559	2,559,607	2,527,739	2,642,037
Extra Curricular Fund	265,049	110,152	214,318	212,545	233,962	240,311	256,688	227,246	236,788	190,193
SAT Prep Program	2,909,542	130,061	484,773	540,016	665,540	666,290	636,106	605,298	470,547	486,782
Operating Grants and Contributions	3,902,640	258,318	2,033,966	2,739,576	3,660,006	3,668,005	3,584,353	3,392,151	3,235,074	3,319,012
	\$ 48,558,140	\$ 63,367,018	\$ 44,770,027	\$ 53,136,855	\$ 68,826,635	\$ 63,591,772	\$ 47,786,194	\$ 39,533,057	\$ 20,349,307	\$ 3,904,332
	\$ (181,383,186)	\$ (178,765,949)	\$ (184,645,571)	\$ (190,583,566)	\$ (191,996,921)	\$ (192,172,222)	\$ (184,966,115)	\$ (182,422,631)	\$ (176,135,315)	\$ (188,012,077)
Governmental Activities	608,489	(254,520)	(77,103)	(196,505)	(157,627)	226,114	159,690	68,095	(213,585)	(328,748)
Business-Type Activities	\$ (180,774,697)	\$ (179,020,469)	\$ (184,722,674)	\$ (190,780,071)	\$ (192,154,548)	\$ (191,946,108)	\$ (184,806,425)	\$ (182,354,556)	\$ (176,348,900)	\$ (188,340,825)

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 143,186,894	\$ 140,379,308	\$ 137,626,773	\$ 134,270,320	\$ 131,637,569	\$ 128,147,673	\$ 125,634,974	\$ 121,473,208	\$ 119,091,381	\$ 116,756,256
Taxes Levied for Debt Service	40,347,800	45,440,258	4,136,159	4,122,537	4,114,779	4,105,698	4,099,644	4,093,210	4,086,778	4,076,750
Unrestricted Grants and Contributions	153,413	144,564	1,297,399	1,290,740	1,221,659	1,161,898	54,224,317	54,428,665	54,015,433	68,350,311
Restricted Grants and Contributions	1,033,786	76,611	686,794	872,300	459,661	2,082,760	2,651,166	2,239,175	1,088,884	3,808,529
Miscellaneous Income							782,770	148,292	303,863	576,640
Gain/(Loss) on Sale of Equipment							(42,920)			
	184,721,893	186,040,741	193,602,613	194,036,818	191,796,494	190,207,498	187,349,951	182,382,550	178,586,339	193,568,486
	\$ 184,721,893	\$ 186,040,741	\$ 193,602,613	\$ 194,036,818	\$ 191,796,494	\$ 190,207,498	\$ 187,349,951	\$ 182,382,550	\$ 178,586,339	\$ 193,568,486
Governmental Activities	3,338,707	7,274,792	8,957,042	3,453,252	(200,427)	(1,964,724)	2,363,836	(40,081)	2,451,024	5,556,409
Business-Type Activities	608,489	(254,520)	(77,103)	(186,505)	(157,627)	226,114	159,690	68,095	(213,585)	(328,748)
	3,947,196	7,020,272	8,879,939	3,266,747	(358,054)	(1,738,610)	2,543,526	28,014	2,237,439	5,227,661
	\$ 3,947,196	\$ 7,020,272	\$ 8,879,939	\$ 3,266,747	\$ (358,054)	\$ (1,738,610)	\$ 2,543,526	\$ 28,014	\$ 2,237,439	\$ 5,227,661

* 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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 34,048,926	\$ 36,432,413	\$ 32,631,926	\$ 27,299,540	\$ 25,235,695	\$ 26,692,872	\$ 27,823,998	\$ 29,394,625	\$ 31,027,126	\$ 27,073,450
Assigned	5,899,912	2,520,712	992,452	824,245	592,262	755,534		1,450,900	763,915	1,000,000
Unassigned	4,864,238	4,554,755		7,170	284,133					
Total General Fund	\$ 44,813,076	\$ 43,507,880	\$ 33,624,378	\$ 28,130,955	\$ 26,112,090	\$ 27,648,406	\$ 27,823,998	\$ 30,845,525	\$ 31,791,041	\$ 28,073,450
All Other Governmental Funds:										
Restricted										
Special Revenue Fund	\$ 1,737,892	\$ 1,724,760	\$	\$	\$	\$	\$	\$	\$	\$
Capital Projects Fund	12,820,753	293,764	1,357,994	1,357,460	1,677,239	2,218,778	5,975,849	19,440,653	20,198,471	
Debt Service Fund	2,517									
Total All Other Governmental Fund	\$ 14,561,162	\$ 2,018,524	\$ 1,357,994	\$ 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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:											
Tax Levy	\$ 143,186,894	\$ 140,379,008	\$ 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
Tuition Charges	136,301	145,788	251,164	197,903	50,275	66,286	70,929	124,280	72,563	62,177	166,772
Transportation Fees	33,097	75,536	94,101	844,978	450,268	2,074,962	776,317	135,277	294,534	36,974	38,940
Miscellaneous	3,874,451	1,841,632	951,407	347,725	422,844	395,828	451,783	327,157	311,734	636,802	917,144
State Sources	82,832,922	79,398,311	79,508,106	82,174,400	79,967,728	77,088,133	75,427,943	72,570,063	68,952,756	69,676,088	63,795,249
Federal Sources	5,840,097	4,590,047	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
Total Revenues	235,903,762	226,430,622	225,695,226	225,169,074	219,687,227	215,080,202	209,634,272	201,552,002	195,700,572	194,153,806	185,774,957
Expenditures:											
Instruction:											
Regular	58,818,185	56,630,881	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
Special	15,619,801	15,125,452	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
Other	6,044,924	5,761,604	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
Support Services:											
Tuition	15,298,871	15,945,591	14,887,892	15,448,397	15,800,095	15,076,681	14,980,357	14,711,492	14,104,095	13,343,824	13,994,362
Student & Instruction related services	20,159,938	18,881,771	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
School Administrative Services	6,999,187	6,960,556	6,821,982	6,877,808	6,713,490	6,600,419	6,607,803	6,579,123	6,507,814	6,558,728	6,550,897
General Administrative Services	1,807,561	1,835,642	1,825,983	2,151,455	1,635,198	1,642,388	1,556,498	1,581,794	1,535,368	1,817,374	1,985,654
General and Central Services	4,131,785	3,798,679	3,637,387	3,917,286	3,742,376	3,463,722	3,221,782	3,277,294	2,594,840	2,792,121	2,680,101
Central Services/Admin. Information Tech	15,134,376	13,314,931	14,265,710	15,518,081	16,221,433	16,898,948	14,563,778	13,621,691	13,908,423	12,570,393	12,971,617
Plant Operations and Maintenance	18,580,466	14,889,180	16,957,590	18,508,314	18,147,561	17,144,259	16,812,407	16,052,557	14,960,904	14,006,185	13,896,574
Student Transportation Services	71,433,127	63,411,394	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
Unallocated Employee Benefits											0
Special Schools											29,312
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
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
Capital Outlay	6,133,725	2,369,439	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
Total Expenditures	240,141,946	218,925,220	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
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(4,238,184)	7,505,402	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
Other Financing Sources/(Uses):											
Installment Purchase Contracts leases (non-bud	1,972,274			1,415,946	2,078,988	2,511,142	1,648,018	3,581,100	2,957,597		
Leases (non-budgeted)	1,653,744							(2,251)			
Transfers Out											
Bond Proceeds	14,460,000								17,500,000		
Proceeds from energy savings obligations (ESIP)											
Total Other Financing Sources/(Uses)	18,086,018			1,415,946	2,078,988	2,511,142	1,648,018	3,581,100	20,457,597		
Net Change in Fund Balances	\$ 13,847,834	\$ 7,505,402	\$ 5,493,357	\$ 1,699,066	\$ (2,077,855)	\$ (3,932,663)	\$ (16,486,331)	\$ (1,703,334)	\$ 23,681,082	\$ 4,062,943	\$ 7,674,555
Debt Service as a Percentage of Noncapital Expenditures	N/A	N/A	2.50%	2.45%	2.47%	2.54%	2.63%	2.71%	2.83%	2.87%	2.97%

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	
2022	\$ 77,479	\$ 33,970	\$ 685,085	\$ 344,606	\$ 1,141,140
2021*	-	-	58,886	215,138	274,024
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

Source: District records

* No Athletic Fees or Facility Rental revenue in 2021 as a result of COVID-19

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
UNAUDITED

	Vacant Land	Residential	Farm Req.	Claim	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													
2022	\$ 40,597,500	\$ 2,882,838,700	\$ 189,924,100	\$ 3,289,600	\$ 171,035,900	\$ -	\$ -	\$ 3,297,685,800	\$ -	\$ 4,587,243	\$ 3,302,243,043	0.344	\$ 3,305,514,879
2021	35,294,400	2,860,186,500	207,364,800	3,747,200	169,635,300	-	-	3,076,228,200	-	4,486,457	3,080,714,657	0.374	3,107,278,138
2020	34,048,800	2,575,335,600	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	2,683,155,800	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	0.466	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	257,805,800	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
Englishtown													
2022	\$ 1,389,300	\$ 257,450,400	\$ -	\$ -	\$ 39,489,700	\$ 8,700,500	\$ 17,044,200	\$ 324,074,100	\$ -	\$ -	\$ 324,074,100	0.326	\$ 275,448,502
2021	1,315,500	213,226,400	-	-	37,974,100	7,939,100	16,343,100	276,798,200	-	-	276,798,200	0.362	259,441,744
2020	1,272,700	201,065,800	-	-	37,968,100	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	15,711,000	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	248,186,600	-	-	248,186,600	0.414	238,958,085
2017	1,348,800	185,500,700	-	-	36,071,000	6,393,900	13,302,100	242,616,500	-	-	242,616,500	0.414	253,041,801
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	206,535,500	-	-	35,332,500	7,617,200	1,262,100	254,020,900	-	-	254,020,900	0.404	231,103,589
Farmingdale													
2022	\$ 1,151,900	\$ 139,337,600	\$ 28,700	\$ 16,300	\$ 28,547,600	\$ 4,564,200	\$ 18,084,900	\$ 191,731,200	\$ -	\$ -	\$ 191,731,200	0.341	\$ 187,872,671
2021	1,085,100	125,358,200	26,400	16,300	27,368,900	4,564,200	19,083,000	177,502,100	-	-	177,502,100	0.377	175,392,966
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	26,860,000	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	149,668,560
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	111,706,900	721,700	14,200	20,320,000	2,742,800	13,947,400	151,317,900	-	-	151,317,900	0.397	145,089,919

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

LAST TEN FISCAL YEARS
UNAUDITED

	Vacant Land	Residential	Farm Reg.	Clam	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													
2022	\$ 9,457,000	\$ 950,045,300	\$ -	\$ -	\$ 257,186,100	\$ 26,783,500	\$ 43,843,200	\$ 1,287,415,100	\$ 1,354,400	\$ -	\$ 1,287,415,100	0.363	\$ 1,228,447,510
2021	9,459,200	817,015,000	-	-	243,698,000	25,370,200	42,155,600	1,137,898,000	1,351,400	-	1,137,898,000	0.364	1,153,639,663
2020	8,678,000	790,539,300	-	-	239,787,500	25,327,700	41,548,500	1,105,879,000	2,285,900	-	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	1,049,992,001
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	2,476,800	-	1,062,376,800	0.321	1,025,327,919
Freehold Township													
2022	\$ 72,531,700	\$ 5,689,466,100	\$ 34,120,300	\$ 1,445,000	\$ 1,384,100,100	\$ 186,909,000	\$ 103,968,000	\$ 7,482,540,200	\$ 837,600	\$ -	\$ 7,482,540,200	0.391	\$ 7,284,810,776
2021	52,455,300	5,103,047,500	32,672,100	1,480,000	1,399,760,900	176,972,900	101,720,900	6,868,119,600	3,969,600	-	6,866,119,600	0.412	7,050,941,430
2020	54,964,900	4,883,717,000	32,314,100	1,508,500	1,492,227,500	154,144,100	98,553,800	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	33,788,900	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	4,688,492,600	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	29,662,700	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	6,589,292,504
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	56,094,900	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
Howell													
2022	\$ 131,910,000	\$ 7,261,628,700	\$ 101,652,900	\$ 2,157,300	\$ 747,709,900	\$ 146,580,800	\$ 59,059,300	\$ 8,450,898,900	\$ -	\$ -	\$ 8,450,898,900	0.404	\$ 8,512,281,895
2021	113,286,200	6,449,143,300	103,553,500	2,349,700	713,280,800	124,388,400	40,138,000	7,546,137,900	-	-	7,546,137,900	0.428	7,754,650,084
2020	101,852,000	6,316,620,400	102,076,600	2,432,200	710,135,200	113,617,300	39,900,900	7,388,630,600	-	-	7,388,630,600	0.432	7,644,399,392
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	117,774,900	5,875,284,700	98,123,400	2,694,800	688,590,600	105,865,100	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	2,791,000	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	4,623,662,700	89,384,800	2,673,500	611,874,200	101,664,900	-	5,966,754,000	-	7,632,229	5,874,386,229	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

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

	Vacant Land	Residential	Farm Reg.	Charm	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													
2022	\$ 62,548,100	\$ 7,708,575,500	\$ 47,521,700	\$ 1,740,000	\$ 562,635,200	\$ 26,881,900	\$ -	\$ 8,409,902,400	\$ -	\$ -	\$ 8,409,902,400	0.358	\$ 7,810,466,972
2021	37,215,500	6,536,009,200	41,063,800	1,874,800	524,132,500	25,026,600	-	7,165,322,400	-	-	7,165,322,400	0.427	7,477,540,523
2020	34,613,800	6,436,528,600	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	6,362,922,900	37,983,500	1,832,700	478,389,600	23,998,000	-	6,944,410,400	-	-	6,944,410,400	0.420	7,316,476,259
2018	36,604,600	6,071,386,900	37,978,200	1,885,900	467,772,800	23,587,100	-	6,641,165,500	-	-	6,641,165,500	0.415	6,692,366,754
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	34,267,100	2,250,500	387,171,100	20,451,600	-	6,140,599,850	-	-	6,140,599,850	0.420	6,234,359,701
2014	47,848,600	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
Marlboro													
2022	\$ 59,702,650	\$ 6,574,691,270	\$ 31,813,500	\$ 876,700	\$ 502,928,400	\$ 80,779,900	\$ 50,753,900	\$ 7,301,546,320	\$ 48,000	\$ -	\$ 7,301,546,320	0.480	\$ 8,604,380,031
2021	53,886,350	6,586,454,270	31,805,300	905,600	497,299,500	80,779,900	50,753,900	7,281,886,820	48,000	-	7,281,886,820	0.472	8,223,019,294
2020	55,280,200	6,556,863,800	32,671,400	914,600	490,911,300	80,779,900	27,860,900	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	465,848,300	80,779,900	13,253,900	7,198,738,900	48,000	-	7,198,738,900	0.474	7,999,685,860
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	37,757,200	1,094,700	444,223,200	82,478,300	21,756,900	7,096,747,024	-	-	7,096,747,024	0.445	7,186,558,937
2014	77,822,900	6,099,931,774	35,205,200	1,036,800	428,732,400	84,673,900	18,619,900	6,746,022,874	-	-	6,746,022,874	0.447	7,013,277,224
2013	85,204,500	6,098,106,500	36,036,300	1,036,500	424,031,300	86,543,000	18,619,900	6,749,578,000	-	-	6,749,578,000	0.433	7,085,446,679

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								
2022	0.344	-	0.344	0.773	0.274	0.012	0.258	1.661
2021	0.374	-	0.374	0.813	0.269	0.012	0.278	1.746
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
Englishtown								
2022	0.326	-	0.326	0.762	0.548	-	0.223	1.859
2021	0.362	-	0.362	0.878	0.648	-	0.264	2.152
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
Farmingdale								
2022	0.341	-	0.341	1.246	0.308	-	0.257	2.152
2021	0.377	-	0.377	1.321	0.318	-	0.278	2.294
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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
UNAUDITED

(RATE PER \$100 OF ASSESSED VALUATION)

	Freehold Regional			Overlapping Rates				Total Direct & Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Elementary School	Local Purpose	Library/ Other	Monmouth County	
Freehold Borough								
2022	0.363	-	0.363	0.813	0.919	0.032	0.230	2.357
2021	0.364	-	0.364	0.941	1.022	0.034	0.262	2.623
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
Freehold Township								
2022	0.391	-	0.391	0.992	0.317	0.030	0.251	1.981
2021	0.412	-	0.412	1.060	0.335	0.030	0.284	2.121
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
Howell								
2022	0.404	-	0.404	0.974	0.358	0.020	0.264	2.020
2021	0.428	-	0.428	1.089	0.387	0.020	0.289	2.213
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

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>General Obligation Basic Rate</u>	<u>Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
Manalapan								
2022	0.358	-	0.358	0.826	0.307	0.020	0.239	1.750
2021	0.427	-	0.427	0.948	0.351	0.020	0.286	2.032
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
Marlboro								
2022	0.480	-	0.480	1.106	0.409	0.010	0.308	2.313
2021	0.472	-	0.472	1.088	0.401	0.010	0.316	2.287
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

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

		2022		2013	
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	0.97%	Trump National Golf Club	\$ 31,006,800	1.02%
Due Process Golf & Horse Stables, LLC	19,941,700	0.60%	Due Process Golf & Horse Stables, LLC	21,000,000	0.69%
Wellspring Stables Florida, LLC	12,272,100	0.37%	Individual Taxpayer 1	11,173,500	0.37%
G & F Realty of Richmond, LLC	11,150,700	0.34%	Wellspring Stables Florida, LLC	10,934,700	0.36%
Individual Taxpayer 1	10,173,400	0.31%	Individual Taxpayer 2	9,017,400	0.30%
Individual Taxpayer 2	8,253,700	0.25%	24 Realty, LLC	8,507,400	0.28%
Individual Taxpayer 3	6,735,900	0.20%	Laird & Co. Inc.	8,000,000	0.26%
Individual Taxpayer 4	6,374,600	0.19%	36 Highway 34 South Associates, LLC	6,809,700	0.22%
Colts Neck Shopping Center Associates	5,696,800	0.17%	Pegasus Properties LLC	5,970,000	0.20%
36 Highway 34 South Associates LLC	5,634,400	0.17%	Colts Neck Shopping Center Associates	5,967,400	0.20%
Total	\$ 118,240,100	3.59%	Total	\$ 118,386,900	3.90%
Englishtown					
Stamford Square LLC	\$ 14,911,300	4.60%	Stamford Square, LLC	\$ 10,223,500	4.02%
BAL Governor's Crossing LLC	5,096,000	1.57%	BTR Englishtown LLC	7,229,300	2.85%
Three Corners Ventures LLC	4,278,500	1.32%	BAL Governor's Crossing LLC	4,200,000	1.65%
Village Center Associates, LLC	3,753,200	1.16%	Village Center Associates LLC	3,165,700	1.25%
Arbe Holding, LLC	3,358,300	1.04%	Wemacs, LLC	2,400,000	0.94%
Wemacs LLC	3,025,000	0.93%	Dorothy Leo, Inc.	2,200,000	0.87%
Brooklawn Gardens	2,301,200	0.71%	DCD LLC	2,150,300	0.85%
Five South Main Street LLC	2,300,600	0.71%	Brooklawn Gardens Inc	2,021,800	0.80%
DCD LLC	2,279,500	0.70%	K&K Englishtown, Inc.	1,782,800	0.70%
Degiacomo Realty LLC	1,673,500	0.52%	Moskowitz, K Trust & Berger, V Trust	1,374,700	0.54%
Total	\$ 42,977,100	13.26%	Total	\$ 36,748,100	14.47%

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

		2022		2013	
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
Farmingdale					
Farmingdale Garden Apartments, LLC	\$ 15,176,100	7.92%	Farmingdale Garden Apartments, LLC	\$ 11,500,000	7.60%
30 Southard Ave, Farmingdale LLC	7,799,400	4.07%	30 Southard Ave, Farmingdale LLC	3,795,400	2.51%
Farmingdale Shopping Center, LLC	3,766,800	1.96%	Farmingdale Shopping Center, LLC	2,442,200	1.61%
32 Chestnut Realty LLC	3,641,500	1.90%	R.T. Equities LLC	2,107,200	1.39%
Academy Apartments LLC	1,707,200	0.89%	Individual Taxpayer 1	1,476,600	0.98%
KP Farmingdale, LLC	1,654,700	0.86%	Academy Apartments, LLC	1,400,000	0.93%
Farmingdale BP	1,546,500	0.81%	Individual Taxpayer 2	1,297,000	0.86%
Bell Atlantic	1,050,300	0.55%	Farmingdale Train Station, LLC	1,190,000	0.79%
Roadside Holdings, LLC	859,500	0.45%	Bell Atlantic	992,800	0.66%
Individual Taxpayer 1	773,000	0.40%	Farmingdale BP JFD Associates	904,100	0.60%
Total	\$ 37,975,000	19.81%	Total	\$ 27,105,300	17.93%
Freehold Borough					
Nestle USA	\$ 25,004,000	1.94%	Freehold Racing Association	\$ 29,225,300	2.75%
Freehold Racing Association	22,040,600	1.71%	Nestle USA	23,674,400	2.23%
Bridge-Brookside LLC	18,062,100	1.40%	AEW Brookside	14,269,000	1.34%
East Coast Post & Coach LLC	12,284,300	0.95%	East Coast Post & Coach	6,495,700	0.61%
Freefern Associates	9,578,700	0.74%	Park Plaza Shopping	5,560,900	0.52%
Tower Spring Terrace LLC	7,605,800	0.59%	Freefern Associates	4,565,000	0.43%
Monmouth Apartments LLC	5,203,200	0.40%	18-20 E. Main Street LLC	3,960,600	0.37%
18-20 E. Main Street LLC	4,557,000	0.35%	Spring Terrace Apartments, LLC	3,000,000	0.00%
Bio Investment Group, LLC	4,327,100	0.34%	Bell Atlantic	3,000,000	0.28%
597 Park Avenue, LLC	3,515,700	0.27%	Chiu's Property Inc.	2,650,000	0.25%
Total	\$ 112,178,500	8.71%	Total	\$ 96,400,900	8.78%

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

		2022		2013	
		Taxable Assessed Value	As a % of Community's Net Assessed Valuation	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Community/Taxpayer					
Freehold Twp.					
Freemall Associates, LLC		\$ 300,000,000	4.01%	\$ 300,654,600	5.48%
100 Lambert LLC/Eagle Rock Advisors		71,500,000	0.96%	47,933,400	0.87%
Iron Mountain, Inc.		47,990,700	0.64%	45,393,900	0.83%
Center for Aging DBA/Appplewood		37,420,600	0.50%	44,595,700	0.81%
Ushpzin Associates, LLC		30,220,900	0.40%	25,254,900	0.46%
Freemall Associates, LLC		29,304,000	0.39%	22,998,900	0.42%
Aspen Rt 9 LLC		24,837,400	0.33%	22,573,200	0.41%
Raintreetowne Center Associates, LP		24,000,000	0.32%	22,558,600	0.41%
Ronardi Freehold Enterprises, LLC		23,707,500	0.32%	21,984,700	0.40%
3561 Route 6 Realities, LLC		23,000,000	<u>0.31%</u>	20,000,000	<u>0.36%</u>
Total		\$ 611,981,100	8.18%	\$ 573,947,900	<u>10.45%</u>
Howell					
Howell Verdana LLC & Verdonna, LLC		40,138,000	0.47%	45,138,000	0.82%
Buffalo-Parkton & Feuerstein & Wainco		37,012,300	0.44%	22,921,200	0.41%
Toil NJ XII LP		23,723,900	0.28%	22,105,600	0.40%
Howell Friendship Real Estate Co.		21,639,500	0.26%	17,466,500	0.32%
Eagle Golf Enterprises, LLC		16,944,500	0.20%	16,171,000	0.29%
DS & DJ Realty, LLC		16,067,900	0.19%	15,305,700	0.28%
NJ American Water Co, Inc.		15,464,000	0.18%	13,800,000	0.25%
Home Depot USA Inc.		15,412,400	0.18%	13,714,600	0.25%
Lowe's Home Centers, Inc.		15,120,000	0.18%	13,259,300	0.24%
Wal-Mart Stores, Inc.		14,374,600	<u>0.17%</u>	12,437,600	<u>0.23%</u>
Total		\$ 215,897,100	2.55%	\$ 192,319,500	3.49%

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

	2022		2013	
Community/Taxpayer	Taxable Assessed Value	As a % of Community's Net Assessed Valuation	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan				
Manalapan Realty	\$ 66,036,100	0.79%	\$ 42,593,600	0.74%
Manalapan VF	35,765,500	0.43%	29,989,700	0.52%
Meridian Living at Manalapan LLC	21,815,900	0.26%	11,387,600	0.20%
Towne Pointe Associates	17,108,300	0.20%	9,694,600	0.17%
Fields of Dreams Real Estate, LLC	15,926,200	0.19%	7,593,400	0.13%
Trans Equity Realty, LLC	11,945,000	0.14%	7,356,000	0.13%
Tennent 9 Plaza, LLC	11,644,400	0.14%	7,200,000	0.12%
Welltower NNN Group, LLC	9,653,000	0.11%	6,359,200	0.11%
GAC Catering Inc.	9,310,900	0.11%	6,218,700	0.11%
Gordons Corner Realty, LLC	9,118,900	0.11%	6,044,800	0.10%
Total	\$ 208,324,200	2.48%	\$ 134,437,600	2.33%
Marlboro				
Marlboro Plaza	\$ 45,843,100	0.63%	\$ 45,642,400	0.68%
Camelot West At Marlboro	37,500,000	0.51%	30,549,100	0.45%
Union Hill Nine Associates LLC	30,549,100	0.42%	22,500,000	0.33%
TMC Marlboro LLC	22,500,000	0.31%	20,718,500	0.31%
American Plaza, LLC	17,468,100	0.24%	12,700,000	0.19%
480 Route 9 Realities, LLC	13,700,000	0.19%	12,501,900	0.19%
Marlboro Commons LLC	12,713,100	0.17%	11,400,000	0.17%
Marlboro Lowe's	12,501,900	0.17%	11,043,800	0.16%
CRP Royal Pines LLC	12,132,100	0.17%	9,446,400	0.14%
Brooks Edge Plaza, LLC	11,776,200	0.16%	9,300,000	0.14%
Total	\$ 216,683,600	2.97%	\$ 185,802,100	2.76%

Source: Municipal Tax Assessors

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTION

LAST TEN FISCAL YEARS

UNAUDITED

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2022	\$ 143,186,894	\$ 143,186,894	100.00%	\$ -
2021	140,379,308	140,379,308	100.00%	-
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%	-

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					Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Leases	Installment Purchase Contracts	Bond Anticipation Notes (BANs)			
2022	\$ 14,460,000	-	\$ 1,374,752	\$ 14,962,494	-	\$ 30,797,246	N/A	\$ 155
2021	-	-	-	15,195,704	-	15,195,704	N/A	80
2020	-	-	-	17,553,355	-	17,553,355	0.11%	92
2019	5,205,000	-	-	20,900,189	-	26,105,189	0.17%	137
2018	10,145,000	-	-	23,203,372	-	33,348,372	0.22%	175
2017	14,840,000	-	-	24,833,670	-	39,673,670	0.27%	208
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

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

Source: District ACFR Schedules I-1, I-2, I-4

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 (b)</u>	<u>Net Assessed Value Taxable (a)</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2022	\$ 14,460,000	n/a	\$ 36,750,351,263	0.04%	\$ -
2021	-	198,163	33,534,379,677	0.00%	-
2020	-	190,292	32,955,860,107	0.00%	-
2019	5,205,000	190,598	32,463,608,007	0.02%	27
2018	10,145,000	191,140	31,566,390,063	0.03%	53
2017	14,840,000	191,721	30,801,298,214	0.05%	77
2016	19,300,000	193,282	30,272,553,831	0.06%	100
2015	23,540,000	192,454	29,832,515,460	0.08%	122
2014	27,570,000	192,804	28,113,985,730	0.10%	143
2013	31,400,000	192,610	28,077,229,720	0.11%	163

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

- n/a** not available at the date the report was published
- 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 DECEMBER 31, 2021
 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	\$ 27,710,047		100.000%	\$ 27,710,047
Englishtown Borough	2,598,629		100.000%	2,598,629
Borough of Farmingdale	666,552		100.000%	666,552
Borough of Freehold	18,111,138		100.000%	18,111,138
Freehold Township	68,068,080		100.000%	68,068,080
Howell Township	75,461,749		100.000%	75,461,749
Manalapan Township	16,099,792		100.000%	16,099,792
Marlboro Township	60,373,378		100.000%	60,373,378
Other debt				
Monmouth County	469,997,108	<u>Net Valuation</u>		
Colts Neck Township		3,302,243,043	2.245%	10,552,851
Englishtown Borough		324,074,100	0.220%	1,035,631
Borough of Farmingdale		191,731,200	0.130%	612,708
Borough of Freehold		1,287,415,100	0.875%	4,114,143
Freehold Township		7,482,540,200	5.088%	23,911,666
Howell Township		8,450,898,900	5.746%	27,006,213
Manalapan Township		8,409,902,400	5.718%	26,875,202
Marlboro Township		7,301,546,320	4.965%	23,333,271
Subtotal, overlapping debt				386,531,051
		<u>County Total Net Valuation</u>		
		147,073,491,126		
Freehold Regional High School District Direct Debt				<u>14,460,000</u>
Total Direct and Overlapping Debt				<u>\$ 400,991,051</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,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 1,041,747,520	\$ 1,038,154,328	\$ 757,521,604	\$ 948,278,226	\$ 943,338,226	\$ 916,523,946	\$ 890,826,085	\$ 893,432,552	\$ 897,823,311	\$ 919,819,452
Total Net Debt Applicable to Limit	14,460,000	-	-	5,205,000	10,145,000	14,840,000	19,300,000	23,540,000	27,570,000	31,400,000
Legal Debt Margin	\$ 1,027,287,520	\$ 1,038,154,328	\$ 757,521,604	\$ 943,073,226	\$ 933,193,226	\$ 901,683,946	\$ 871,526,085	\$ 869,892,552	\$ 870,253,311	\$ 884,784,452
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.41%	0.00%	0.00%	0.55%	1.09%	1.65%	2.21%	2.71%	3.17%	3.55%

Year	Equalized Valuation Basis
2020	34,013,971,000
2021	34,398,557,968
2022	37,207,223,036
[A]	\$ 105,620,752,004
[A/3]	\$ 35,206,917,335

Average Equalized Valuation of Taxable Property

Debt limit (3% of average)	[B] \$ 1,056,207,520
Net bonded school debt as of June 30, 2022	[C] 14,460,000
Legal debt margin	[B-C] \$ 1,041,747,520

Source: Abstract of Retables and District Records.

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

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

Fiscal Year Ended June 30,	Community	School District Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^{d,e}
2021	Colts Neck	9,953	N/A	N/A	4.8%
	Englishtown	2,355	N/A	N/A	6.7%
	Farmingdale	1,502	N/A	N/A	6.3%
	Freehold Borough	12,532	N/A	N/A	5.1%
	Freehold Twp.	35,596	N/A	N/A	5.1%
	Howell	53,801	N/A	N/A	5.6%
	Manalapan	40,877	N/A	N/A	5.1%
	Marlboro	41,547	N/A	N/A	4.6%
2020	Colts Neck	9,841	\$ 847,221,531	\$ 86,091	7.9%
	Englishtown	1,908	164,261,628	86,091	10.0%
	Farmingdale	1,351	116,308,941	86,091	10.6%
	Freehold Borough	11,658	1,003,648,878	86,091	7.8%
	Freehold Twp.	34,679	2,985,549,789	86,091	8.7%
	Howell	52,006	4,477,248,546	86,091	9.1%
	Manalapan	39,225	3,376,919,475	86,091	9.0%
	Marlboro	39,624	3,411,269,784	86,091	7.6%
2019	Colts Neck	9,831	\$ 808,796,370	\$ 82,270	2.7%
	Englishtown	1,914	157,464,780	82,270	2.9%
	Farmingdale	1,356	111,558,120	82,270	3.6%
	Freehold Borough	11,700	962,559,000	82,270	2.8%
	Freehold Twp.	34,685	2,853,534,950	82,270	2.9%
	Howell	52,029	4,280,425,830	82,270	3.2%
	Manalapan	39,384	3,240,121,680	82,270	2.8%
	Marlboro	39,699	3,266,036,730	82,270	2.7%
2018	Colts Neck	9,869	\$ 782,108,381	\$ 79,249	2.9%
	Englishtown	1,924	152,475,076	79,249	3.5%
	Farmingdale	1,321	104,687,929	79,249	4.9%
	Freehold Borough	11,759	931,888,991	79,249	3.3%
	Freehold Twp.	34,741	2,753,189,509	79,249	3.5%
	Howell	52,087	4,127,842,663	79,249	3.7%
	Manalapan	39,582	3,136,833,918	79,249	3.3%
	Marlboro	39,857	3,158,627,393	79,249	3.0%

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
2017	Colts Neck	9,898	\$ 751,020,648	\$ 75,876	3.3%
	Englishtown	1,931	146,516,556	75,876	4.2%
	Farmingdale	1,289	97,804,164	75,876	4.9%
	Freehold Borough	11,815	896,474,940	75,876	3.8%
	Freehold Twp.	34,851	2,644,354,476	75,876	3.9%
	Howell	52,125	3,955,036,500	75,876	4.1%
	Manalapan	39,773	3,017,816,148	75,876	3.7%
	Marlboro	40,039	3,037,999,164	75,876	3.4%
2016	Colts Neck	9,927	\$ 725,405,598	\$ 73,074	3.7%
	Englishtown	1,931	141,105,894	73,074	4.5%
	Farmingdale	1,289	94,192,386	73,074	5.5%
	Freehold Borough	11,845	865,561,530	73,074	4.1%
	Freehold Twp.	35,208	2,572,789,392	73,074	4.1%
	Howell	52,022	3,801,455,628	73,074	4.5%
	Manalapan	39,891	2,914,994,934	73,074	4.1%
	Marlboro	41,169	3,008,383,506	73,074	3.8%
2015	Colts Neck	9,980	\$ 706,244,680	\$ 70,766	4.2%
	Englishtown	1,936	137,002,976	70,766	5.4%
	Farmingdale	1,293	91,500,438	70,766	6.5%
	Freehold Borough	11,875	840,346,250	70,766	4.4%
	Freehold Twp.	35,315	2,499,101,290	70,766	4.4%
	Howell	51,777	3,664,051,182	70,766	5.1%
	Manalapan	39,998	2,830,498,468	70,766	4.4%
	Marlboro	40,280	2,850,454,480	70,766	4.0%
2014	Colts Neck	10,027	\$ 676,631,987	\$ 67,481	4.7%
	Englishtown	1,943	131,115,583	67,481	6.7%
	Farmingdale	1,299	87,657,819	67,481	8.4%
	Freehold Borough	11,926	804,778,406	67,481	5.2%
	Freehold Twp.	35,438	2,391,391,678	67,481	5.1%
	Howell	51,763	3,493,019,003	67,481	6.2%
	Manalapan	40,020	2,700,589,620	67,481	5.5%
	Marlboro	40,388	2,725,422,628	67,481	4.9%

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
2013	Colts Neck	10,074	\$ 644,464,002	\$ 63,973	3.1%
	Englishtown	1,937	123,915,701	63,973	6.4%
	Farmingdale	1,307	83,612,711	63,973	6.1%
	Freehold Borough	11,953	764,669,269	63,973	7.0%
	Freehold Twp.	35,591	2,276,863,043	63,973	6.4%
	Howell	51,431	3,290,195,363	63,973	7.6%
	Manalapan	39,893	2,552,074,889	63,973	7.0%
	Marlboro	40,424	2,586,044,552	63,973	5.9%
2012	Colts Neck	10,081	\$ 637,451,873	\$ 63,233	7.6%
	Englishtown	1,927	121,849,991	63,233	7.1%
	Farmingdale	1,307	82,645,531	63,233	5.0%
	Freehold Borough	11,965	756,582,845	63,233	12.6%
	Freehold Twp.	35,658	2,254,762,314	63,233	7.4%
	Howell	51,055	3,228,360,815	63,233	8.9%
	Manalapan	39,439	2,493,846,287	63,233	8.3%
	Marlboro	40,305	2,548,606,065	63,233	6.8%

^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

^e The sharp rise in unemployment in 2020 was the result of the COVID-19 pandemic

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

<u>2022</u>		<u>2013</u>			
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Hackensack Meridian Health, Wall	12,794	3.98%	Meridian Health System, Wall	9,200	3.05%
Saker Shoprites Inc., Freehold	3,319	1.03%	Saker Shoprites Inc., Freehold	6,850	2.27%
CentraState Healthcare Inc., Freehold	2,646	0.82%	Air Safety Equipment Inc. Holmdel	2,600	0.86%
Visiting Nurse Assoc of Central Jersey, Red Bank	2,500	0.78%	Monmouth Medical Center, Long Branch	2,100	0.70%
Commvault, Tinton Falls	2,501	0.78%	CentraState Healthcare, Freehold	1,900	0.63%
RWJ Barnabas - Monmouth Medical Center, Long Bran	1,920	0.60%	Food Circus Supermarkets Inc. Middletown	1,200	0.40%
Monmouth University, West Long Branch	1,106	0.34%	Monmouth University, West Long Branch	1,200	0.40%
NJ Resources, Wall	1,251	0.39%	Vonage Holding Corp. Holmdel	1,056	0.35%
Erickson Living - Seabrook Village, Tinton Falls	850	0.26%	Visiting Nurse Assoc of Central Jersey	1,000	0.33%
Food Circus Supermarkets Inc., Middletown	495	0.15%	CEI, Holmdel	900	0.30%
	<u>29,382</u>	<u>9.13%</u>		<u>28,006</u>	<u>9.29%</u>
Total Employment in County	321,712			301,600	

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)

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction										
Regular	566.4	587.6	590.8	593.2	596.2	597.6	616.0	619.9	620.8	619.6
Special education	141.8	151.4	156.4	157.4	170.0	193.6	180.0	177.9	168.0	168.0
Other instruction	23.9	21.7	21.7	21.7	21.7	12.5	4.0	2.0	2.0	2.0
Support Services:										
Student & Instruction Rel. Svcs	167.1	172.0	174.8	177.3	176.8	191.2	207.0	208.5	223.0	223.0
School Administrative Services	63.8	65.3	64.3	65.8	61.0	60.0	44.0	44.0	44.0	44.0
General and Central Services	28.0	28.1	28.1	28.0	31.3	31.3	36.0	36.0	36.0	36.0
Plant Operations & Maintenance	123.0	128.0	128.0	127.0	124.0	127.0	118.0	119.0	118.0	117.0
Pupil Transportation	123.0	140.0	141.0	141.0	142.0	142.0	143.0	146.0	145.0	145.0
Total	1,237.0	1,294.1	1,305.0	1,311.4	1,323.0	1,355.2	1,348.0	1,353.3	1,356.8	1,354.6

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
2022	10,288.5	234,008,221	22,745	7.76%	685	1.15.1	10,273.5	9,502.3	0.33	92.5%
2021	10,260.0	216,555,781	21,107	3.61%	693	1.14.8	10,239.8	9,846.8	(1.70)	96.2%
2020	10,449.0	212,866,523	20,372	-1.15%	723	1.14.5	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	#REF!	768	1.15.8	11,247.1	10,573.5	1.64	94.0%

Source: District records

Note: Enrollment based on Fall Enrollment Reports

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff. Source: Certificated Staff Report
- 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)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District Building										
High Schools										
Colts Neck High School (1998)										
Square Feet	219,490	219,490	219,490	219,490	219,490	219,490	219,490	219,490	219,490	219,490
Capacity (students)	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748
Enrollment	1,316	1,316	1,328	1,352	1,403	1,430	1,457	1,450	1,493	1,513
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	1,314	1,314	1,357	1,377	1,361	1,422	1,451	1,478	1,551	1,580
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	1,996	1,996	2,021	2,034	2,047	2,041	2,062	2,102	2,091	2,127
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	2,039	2,039	2,082	2,099	2,085	2,112	2,154	2,217	2,252	2,299
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	1,805	1,805	1,850	1,853	1,923	1,890	1,908	1,934	1,917	1,948
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	1,792	1,792	1,811	1,818	1,849	1,919	1,937	1,956	1,950	1,971
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, 2022										
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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	Total
Undistributed Expenditures - Required												
Maintenance for School Facilities												
11-000-261-XXX												
Colts Neck High School	NA	\$ 617,696	\$ 527,408	\$ 782,460	\$ 651,880	\$ 673,824	\$ 583,941	\$ 584,921	\$ 553,134	\$ 513,687	\$ 481,650	\$ 5,980,601
Freehold Borough High School	NA	434,098	290,398	340,255	417,559	379,280	317,779	311,401	313,838	316,229	388,514	3,509,351
Freehold Township High School	NA	425,052	385,000	416,266	427,907	389,203	435,215	374,632	390,224	446,244	413,928	4,103,671
Howell High School	NA	426,851	362,184	404,744	417,374	431,806	387,883	325,001	375,371	380,272	356,269	3,867,755
Manalapan-Englishtown High School	NA	384,541	395,715	364,038	384,036	364,386	366,303	326,996	345,078	401,235	453,715	3,786,043
Marlboro High School	NA	486,170	348,514	365,185	380,795	385,407	343,664	335,728	335,985	357,148	508,045	3,846,641
Total School Facilities		2,774,408	2,309,219	2,672,948	2,679,551	2,623,906	2,434,785	2,258,679	2,313,630	2,414,815	2,612,121	25,094,062
Other Facilities		-	-	-	-	-	-	-	-	-	-	-
Grand Total		\$ 2,774,408	\$ 2,309,219	\$ 2,672,948	\$ 2,679,551	\$ 2,623,906	\$ 2,434,785	\$ 2,258,679	\$ 2,313,630	\$ 2,414,815	\$ 2,612,121	\$ 25,094,062

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

Source: District records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

INSURANCE SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2022
UNAUDITED

	Coverage	Deductible/Retention
USI Insurance Services		
Property	\$356,841,272	\$
Equipment Breakdown (Included in Property)		
General Liability	\$3,000,000 General Aggregate	25,000 Flood, each occurrence
School District and Educators Legal Liability	\$1,000,000 Each Wrongful Act or Offense / \$3,000,000 Aggregate	25,000 Earthquake, each occurrence
Employment Practices	\$1,000,000 per occurrence/aggregate	5,000 Other losses
Cyber	\$250,000 limit	-
Commercial Umbrella/ Excess Liability	\$10,000,000	10,000
Crime	\$100K-\$400K, depending on type	10,000
Automobile	\$1,000,000	1,000 Comprehensive deductible
Environmental Impairment Liability	\$1,000,000 per occurrence/\$3,000,000 aggregate	1,000 Collision deductible
Board Secretary	\$700,000	50,000 or 75,000 depending on condition
Workers Compensation - Self-Insured with PMA as TPA	Statutory	1,000
		N/A

Source: District Records

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

**INDEPENDENT AUDITOR'S REPORT 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, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and incompliance with 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 and each major fund of the Freehold Regional High School District (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 7, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. 2389

March 7, 2023



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

**INDEPENDENT AUDITOR'S REPORT 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

Opinion on Each Major Federal and State Program

We have audited Freehold Regional High School District, County of Monmouth, State of New Jersey (the "District") compliance with the types of compliance requirements identified as subject to audit in the Federal *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2022. 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.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the *New Jersey OMB State Grant Compliance Supplement*. Our responsibilities under those standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

SUPLEE, CLOONEY & COMPANY

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB State Grant Compliance Supplement, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

SUPLEE, CLOONEY & COMPANY

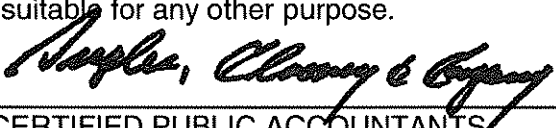
Report on Internal Control over Compliance

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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the New Jersey OMB State Grant Compliance Supplement. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 2389

March 7, 2023

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE GRANT/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS:		BALANCE JUNE 30, 2022		BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
				UNEARNED REVENUE (ACCS, BSC)	DUE STATE			REPAIRS OF PRIOR YEARS BALANCES	UNEARNED REVENUE (ACCOUNTS RECEIVABLE)	DEARND	DUE GRANTOR		
State Department of Education													
State Aid Public Charter													
Categorical Special Education Aid	22-465-034-5120-069	7,000,185	7/1/2021	\$ -	\$ -	\$ 5,345,509	\$ 17,000,185	\$ 694,678	\$ -	\$ -	\$ -	\$ 694,678	\$ 7,000,185
Equilibrium Aid	22-465-034-5120-076	24,467,794	7/1/2021	-	-	22,004,854	24,467,794	2,362,940	-	-	-	2,362,940	24,467,794
Categorical Security Aid	735,594	735,594	7/1/2021	-	-	863,854	735,594	71,840	-	-	-	71,840	735,594
Statewide Special Education Aid	22-034-5120-465-114	1,822,264	7/1/2021	-	-	1,922,264	1,822,264	(80,755)	-	-	-	1,822,264	1,822,264
Categorical Special Education Aid	7,000,185	7,000,185	7/1/2020	-	-	893,795	7,000,185	(80,755)	-	-	-	812,040	7,000,185
Equilibrium Aid	31,150,531	31,150,531	7/1/2020	-	-	3,029,688	31,150,531	(3,029,688)	-	-	-	-	31,150,531
Categorical Security Aid	735,594	735,594	7/1/2020	-	-	71,544	735,594	(71,544)	-	-	-	-	735,594
Total State Aid Public Charter													
Categorical Transportation Aid	22-465-034-5120-014	1,816,396	7/1/2021	-	-	34,801,578	1,816,396	(845,741)	-	-	-	3,136,256	73,072,147
Categorical Transportation Aid	1,816,396	1,816,396	7/1/2020	-	-	1,639,494	1,816,396	176,902	-	-	-	176,902	1,816,396
Extrordinary Special Education Costs Aid	3-433,702	3,433,702	7/1/2021	(3,775,268)	-	176,862	0,433,702	(176,862)	-	-	-	3,433,702	3,433,702
Extrordinary Special Education Costs Aid	3,775,268	3,775,268	7/1/2020	(189,790)	-	3,775,268	3,775,268	-	-	-	-	-	3,775,268
Non-Public Transportation Costs Aid	189,790	189,790	7/1/2020	-	-	189,790	189,790	-	-	-	-	-	189,790
Non-Public Transportation Costs Aid	200,029	200,029	7/1/2021	-	-	8,725	200,029	(200,029)	-	-	-	200,029	200,029
On-behalf Long-term Disability Insurance	22-100-034-5120-068	412,452	7/1/2021	-	-	412,452	412,452	-	-	-	-	-	412,452
On-behalf Long-term Disability Insurance	22-100-034-5120-068	412,452	7/1/2020	-	-	29,234,098	412,452	-	-	-	-	-	412,452
On-behalf TP4F Post Retirement Medical	22-465-034-5094-004	29,234,098	7/1/2021	-	-	8,528,630	29,234,098	(8,528,630)	-	-	-	-	29,234,098
On-behalf TP4F Post Retirement Medical	8,528,630	8,528,630	7/1/2021	-	-	5,465,316	8,528,630	(8,528,630)	-	-	-	-	8,528,630
On-behalf TP4F Social Security	5,775,259	5,775,259	7/1/2021	(3,864,866)	-	82,659,341	5,775,259	(845,501)	(3,818,074)	-	-	779,943	5,775,259
Total Overall Funds													126,665,618
Special Revenue Fund													
N.J. Nonpublic Aid													
Textbook Aid	22-100-034-5120-064	22,867	7/1/2021	-	6,889	22,867	22,867	-	-	1,304	-	-	22,867
Textbook Aid	21,077	21,077	7/1/2020	-	-	(21,560)	21,077	(8,869)	-	-	-	-	21,077
Nursing Services	42,872	42,872	7/1/2021	-	10,752	42,872	42,872	-	-	7,125	-	-	42,872
Nursing Services	35,190	35,190	7/1/2020	-	-	16,002	35,190	(10,752)	-	-	-	-	35,190
Textbook Aid	86,875	86,875	7/1/2021	-	-	66,875	86,875	-	-	8,560	-	-	86,875
Textbook Aid	86,875	86,875	7/1/2020	-	-	(58,115)	86,875	(58,115)	-	-	-	-	86,875
Security Aid	60,375	60,375	7/1/2020	-	18,550	18,550	60,375	-	-	-	-	-	60,375
Security Aid	1,300	1,300	7/1/2020	(10,980)	1,170	10,980	1,300	(1,170)	-	-	-	-	1,300
Capital Classification	21-100-034-5120-068	99,954	3/1/2020	-	-	299,202	99,954	-	-	-	-	-	99,954
Capital Classification	21-100-034-5120-068	260,799	7/1/2021	(10,980)	37,461	452,905	260,799	(37,461)	(124,899)	-	-	17,916	260,799
SDA - Emergent and Capital Maintenance Needs	22-100-034-5120-519												
Total Special Revenue Fund													658,911
Enterprise Fund													
National School Lunch Program (State Share)	22-100-010-3300-022	60,624	7/1/2021	-	-	56,067	60,624	-	(4,537)	-	-	4,537	60,624
National School Lunch Program (State Share) - COVID	190	190	7/1/2020	(160)	-	230	190	-	-	-	-	-	190
National School Lunch Program (State Share)	1,684	1,684	7/1/2020	(421)	-	56,549	1,684	-	(4,537)	-	-	4,537	1,684
Total Enterprise Fund													62,494
Capital Projects Fund													
New Jersey State Development Authority													
School Security Project	1850-001-21-1020	696,207	7/1/2020	(67,076)	37,461	83,169,445	696,207	(62,862)	(4,118,666)	-	-	7,625,574	696,207
School Security Project													
Total Capital Projects Fund													696,207
Total State Financial Assistance													127,465,300
Less: On-behalf amounts not utilized for determination of Major Programs													
On-behalf Long-term Disability Insurance	22-465-034-5094-004												
On-behalf TP4F non-compulsory insurance	22-465-034-5094-002												
On-behalf TP4F Pension	22-465-034-5094-002												
On-behalf TP4F post retirement medical	22-465-034-5094-001												
Total State Financial Assistance Subject to Single Audit													127,465,300

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, 2022

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, 2022

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$645,501) for the general fund and \$467,421 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	\$91,335	\$82,613,617	\$82,704,952
Special Revenue Fund	5,748,762	120,906	5,869,668
Capital Projects Fund		98,399	98,399
Food Service Fund	2,848,918	60,624	2,909,542
	<u>8,689,015</u>	<u>82,893,546</u>	<u>91,582,561</u>
GAAP Adjustments:			
State Aid		(645,501)	(645,501)
Encumbrances (net)	163,327	304,093	467,421
Total Awards & Financial Assistance	<u>\$8,852,342</u>	<u>\$82,552,138</u>	<u>\$91,404,481</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, 2022. 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, 2022.

Freehold Regional High School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

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>AL#</u>
I.D.E.A. Part B Basic	84.027
I.D.E.A. Part B Basic - ARP	84,027x
Title II	84.367
CRRSA - ESSER II	84.425d
ARP - ESSER	84.425u

- | | | |
|-----|---|-----|
| (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, 2022

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

State Program(s)

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No
- (4) Identification of Major State Program(s):
- | <u>Program Title</u> | <u>Project Number</u> |
|-----------------------------------|-----------------------|
| Equalization Aid | 495-034-5120-078 |
| Categorical Special Education Aid | 495-034-5120-089 |
| Categorical Security Aid | 495-034-5120-084 |
| Extraordinary Aid | 495-034-5120-044 |
- (5) Program Threshold Determination:
Type A State Program Threshold > \$1,379,107.00
Type B State Program Threshold <= \$1,379,107.00
- (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, 2022

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

