

Annual Comprehensive Financial Report

of the

Freehold Regional High School District

County of Monmouth

Englishtown, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

FRHSD Business Office

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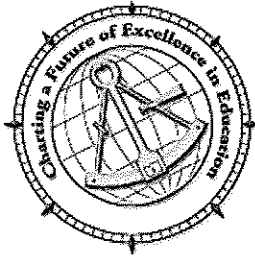
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INTRODUCTORY SECTION



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

*Administration Building
11 Pine Street Englishtown NJ 07726*

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

January 9, 2024

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, 2023. 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.

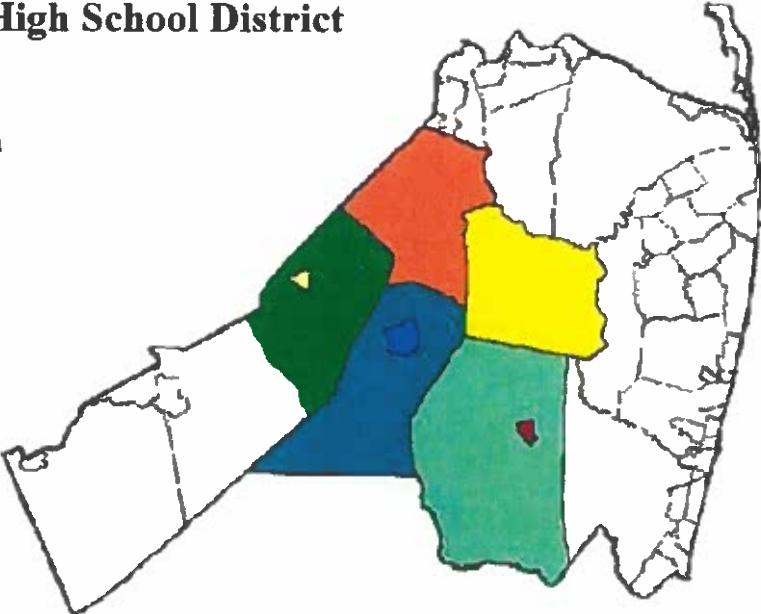
The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Assistant Superintendent for Business/Board Secretary is the chief financial officer of the School District, responsible to the Board for maintaining all 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 2023 student count, there were 10,317.5 resident students. Of these resident students, 10,170.5 students are enrolled in one of the Freehold Regional High School District's six high schools. District enrollment continues to decline.

Freehold Regional High School District

-  **Colts Neck Township**
-  **Englishtown Borough**
-  **Farmingdale Borough**
-  **Freehold Borough**
-  **Freehold Township**
-  **Howell Township**
-  **Manalapan Township**
-  **Marlboro Township**

**Monmouth County
New Jersey**



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 had its Unrestricted State Aid reduced by a cumulative almost \$76 million over six years. S2 cuts have culminated in the District's budget being more than \$20 million below adequacy. District leadership fiercely advocated for years to have the funding formula reevaluated. In June 2023, legislation was introduced, and later passed, that restored the District's state aid cut for the 2024 budget year and eliminated the last year of the S2 funding cut. While we are grateful to the legislators that sponsored this, the damage from the six years of cuts created a structural budget deficit that will continue to erode the scope and quality of District programs and services. 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. In fact, the need for programs introduced as a result of the pandemic continue so general fund budget dollars will have to be allocated for these programs, forcing the District to cut other appropriations. 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 Service 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.

The District also offers additional Pathway Programs at select schools to prepare students for careers in high demand professional fields such as web design, health professions, and cybersecurity.

Major Initiatives

Strategic Planning

Compass 3.0 was launched in 2023 and will continue to enhance the work commenced in the 2012-17 and 2018-2022 strategic plans. This updated plan for 2023-2028 focuses on building upon the core areas developed in the previous plans. 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

As the final phase of referendum work will be completed this summer, the District will begin a new approach to funding capital projects that will include the following:

- **Establish a Facility Reserve Floor** – outside of a \$5 million deposit from Covid savings in FY21 and \$2 million in one-time state budget appropriations, the District has not systematically deposited funds into the facility reserves since prior to S2. From FY19 through FY24, the District has withdrawn \$5 million from the facility reserves for various smaller scale projects. The administration will work with the Finance Committee to develop a plan to maintain the facility reserves at appropriate levels for appropriate uses.
- **Optimize Capital Funding Opportunities through State Facility Grants** – The state periodically makes facility grant funds available to schools for targeted areas of need. The board authorized the submission of project applications for funding currently available at the January 2023 meeting. The state will pay 40% of the project cost, while the District funds the remaining 60% from the facility reserves.
- **Prioritize Facility Projects for Periodic/Limited Scope Referendum Strategy** –The November 2021 referendum only covered Priority 1 roofing and paving projects. Priority 2 roofing and paving projects will be merged with a broader assessment of the facilities to be performed over the next 12 to 18 months. This assessment will serve as the basis for future referendum.

Acknowledgements

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.



Nicole Hazel
Superintendent of Schools



Sean Boyce, CPA
Assistant Superintendent for Business

FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION
ENGLISHTOWN, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Peter Bruno, President	2024
Michael Messinger, Vice President	2023
Jamie Bruno	2024
Diana Cappiello	2025
Debra Fanelli	2023
Elizabeth Higley	2023
Kathie Lavin	2025
Amanda McCobb	2023
Marc Parisi	2025

Other Officials

Charles Sampson, Superintendent of Schools, through October 31, 2023

Nicole Hazel, Superintendent of Schools, effective November 1, 2023

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, 2023**

Audit Firm

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

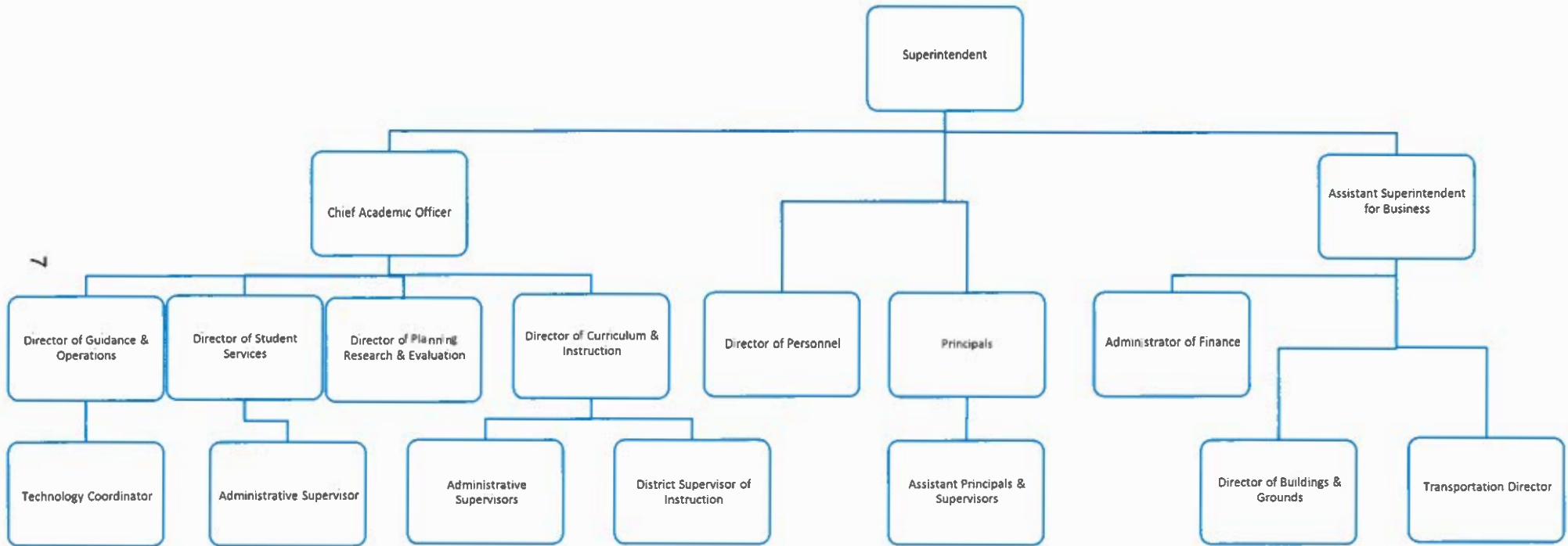
Attorney

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



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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

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

Report on the 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, 2023, 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, 2023, 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.

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, for the year ended June 30, 2023, the District adopted Governmental Accounting Standards Board Statement No. 96, "Subscription Based Information Technology Agreements". 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 January 9, 2024, 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

January 9, 2024

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, 2023
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, 2023. 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 (2022-2023) and the prior fiscal year (2021-2022) is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

- After years of advocacy, the 2023 fiscal year ended on a positive note with the introduction of legislation that would restore a portion of Senate Bill 2 (S2) cuts to regional districts meeting certain criteria. This legislation, that later was adopted into law, restored Freehold Regional's FY24 cut and eliminated the remaining cut planned for the FY25 year. FRHSD will continue to combat the compounding effect of the previous state aid cuts that amounted to over \$76 million over six years. These cuts created a structural budget deficit that will continue to erode the scope and quality of programs and services offered by FRHSD.
- Net Position of governmental activities increased \$1,820,975, which represents a 2.25% increase from 2022.
- Net Position of business-type activities increased \$628,651 mainly due to Supply Chain Assistance (SCA) received from the United States Department of Agriculture, Food and Nutrition Service. SCA was designed to help school districts defray the rapid increases in food costs. Three rounds of SCA were received in FY 2023 and the district expects to receive a fourth round in FY 2024.
- Property taxes continue to provide the majority of revenue for the Governmental Funds accounting for 60.4% in 2023. Property tax increases at the 2% cap failed to keep pace with state aid cuts during the S2 phase out period.
- Governmental Fund expenses (exclusive of the Capital Projects Fund and on-behalf contributions) increased by \$7,854,883 which represents a 3.3% increase from 2022. A staggering \$4.1 million of this increase is attributable to transportation costs that skyrocketed due to contractors not renewing routes, forcing the District to go out to bid on a significant number of routes.

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, 2023
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 2023?" 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, 2023
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 2023 and 2022.

**TABLE 1
Net Position**

	2022-23			2021-22		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
ASSETS						
Current & Other Assets	\$63,443,387	\$1,481,738	\$64,925,125	\$73,867,756	\$1,083,633	\$74,951,389
Capital Assets	106,553,709	317,468	106,871,177	102,000,323	312,285	102,312,608
Total Assets	169,997,096	1,799,206	171,796,302	175,868,079	1,395,918	177,263,997
DEFERRED OUTFLOWS OF RESOURCES:						
Loss on Refunding of Long Term Debt	-	-	-	-	-	-
Pension Related	4,703,810		4,703,810	3,649,499		3,649,499
Total Deferred Outflow of Resources	4,703,810	-	4,703,810	3,649,499	-	3,649,499
LIABILITIES						
Long-Term Liabilities	63,088,305	-	63,088,305	59,504,975	135,004	59,639,979
Other Liabilities	20,644,890	425,808	21,070,698	20,516,623	516,167	21,032,790
Total Liabilities	83,733,195	425,808	84,159,003	80,021,598	651,171	80,672,769
DEFERRED INFLOWS OF RESOURCES:						
Pension Related	9,184,414		9,184,414	19,864,415		19,864,415
Total Deferred Inflow of Resources	9,184,414	-	9,184,414	19,864,415	-	19,864,415
NET POSITION						
Net Investment in Capital Assets	83,415,476	232,983	83,648,459	85,632,787	145,890	85,778,677
Restricted	38,578,857		38,578,857	41,689,247		41,689,247
Unrestricted (Deficit)						-
Pension Related	(40,960,491)		(40,960,491)	(47,430,557)		(47,430,557)
Other	1,741,693	1,140,415	2,882,108	1,063,083	598,857	1,661,940
Total Net Position	\$82,775,535	\$1,373,398	\$84,148,933	\$80,954,560	\$744,747	\$81,699,307

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Table 2 details the changes in Net Position for fiscal year 2023 and 2022.

**TABLE 2
CHANGES IN NET POSITION**

	2022-23			2021-22		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$3,340,828	\$2,266,777	\$5,607,605	\$2,794,096	\$993,098	\$3,787,194
Operating Grants & Contributions	34,052,539	1,292,243	35,344,782	41,861,404	2,909,542	44,770,946
General Revenues			-			-
Property Taxes	146,582,118		146,582,118	143,186,894		143,186,894
Grants (includes State Aid) and Entitlements	41,333,014		41,333,014	40,501,213		40,501,213
Other Revenues	1,186,149	-	1,186,149	1,033,786	-	1,033,786
	<u>\$226,494,648</u>	<u>\$3,559,020</u>	<u>\$230,053,668</u>	<u>\$229,377,393</u>	<u>\$3,902,640</u>	<u>\$233,280,033</u>
Expenses:						
Instruction	136,822,959		136,822,959	127,915,826		127,915,826
Tuition, Student and Instruction Related Services	31,237,875		31,237,875	44,589,136		44,589,136
General Administration, School Administration, Central Services			-			-
Information Technology & Maintenance	31,483,042		31,483,042	31,365,787		31,365,787
Transportation	20,171,512		20,171,512	16,238,852		16,238,852
Interest on Long-Term Debt Business-Type	150,168	2,930,369	2,930,369	316,205	3,294,151	3,294,151
Other	4,808,117		4,808,117	5,112,880		5,112,880
Total Expenses	<u>\$224,673,673</u>	<u>\$2,930,369</u>	<u>\$227,604,042</u>	<u>\$225,538,686</u>	<u>\$3,294,151</u>	<u>\$228,832,837</u>
Change in Net Position	\$1,820,975	\$628,651	\$2,449,626	\$3,838,707	\$608,489	\$4,447,196
Net Position July 1	80,954,560	744,747	81,699,307	77,115,853	136,258	77,252,111
Net Position June 30,	<u>\$82,775,535</u>	<u>\$1,373,398</u>	<u>\$84,148,933</u>	<u>\$80,954,560</u>	<u>\$744,747</u>	<u>\$81,699,307</u>

The presentation of net position in the District's June 30, 2023 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, 2023
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>2023</u>	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2023</u>	Net Cost of Services <u>2022</u>
Instruction	\$136,822,959	\$127,915,826	\$110,871,186	\$95,194,802
Tuition, Student and Instruction Related Services	\$31,237,875	44,589,136	21,969,782	36,148,650
General Administration, School Administration, Central Services Information Technology & Maintenance	\$31,483,042	31,365,787	29,340,838	28,122,983
Transportation	\$20,171,512	16,238,852	20,140,215	15,987,666
Interest on Long-Term Debt	\$150,168	316,205	150,168	316,205
Business-Type	\$2,930,369	3,294,151	(628,651)	(608,489)
Other	\$4,808,117	5,112,880	4,808,117	5,112,880
Total Expenses	<u>\$227,604,042</u>	<u>\$228,832,837</u>	<u>\$186,651,655</u>	<u>\$180,274,697</u>

As noted above, the presentation of position in the District's June 30, 2023 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 2023,

- 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. Tuition amounts were reallocated to Instruction in FY23, so these amounts are not individually comparable to last year.
- 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, 2023
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, federal and state reimbursements and Supply Chain Assistance (SCA). SCA was designed to help school districts defray the rapid increases in food costs and other costs of goods sold. Three rounds of SCA were received in FY 2023 and it the District expects to receive a fourth round in FY 2024. When factoring in reimbursements from the federal and state government for free and reduced eligible meals, the food service operation was profitable. A main concern is that in FY24 the federal government will no longer reimburse the extra \$.40 per meal under the Keep Kids Fed Act of 2022 which expires June 30, 2023. Ongoing concerns for the food service program continue to be labor shortages and uncollectable student balances.

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 \$242,826,348 and expenditures were \$245,965,419. The net change in fund balance was a decrease of \$1,990,961. 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.

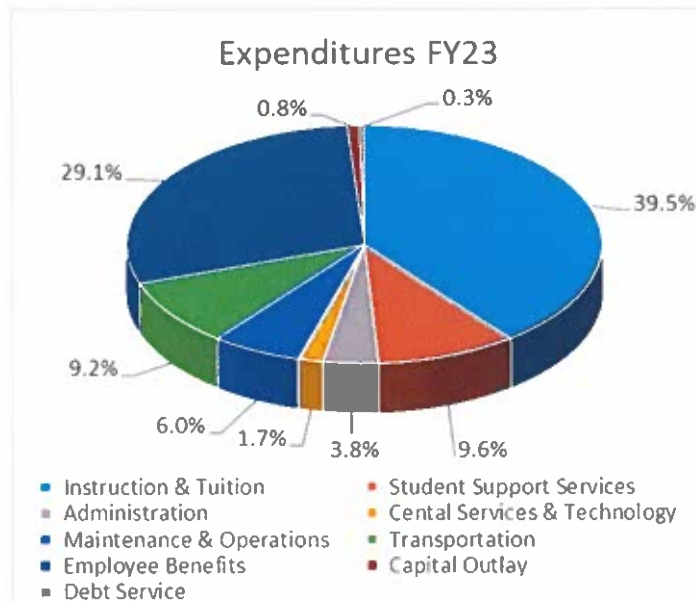
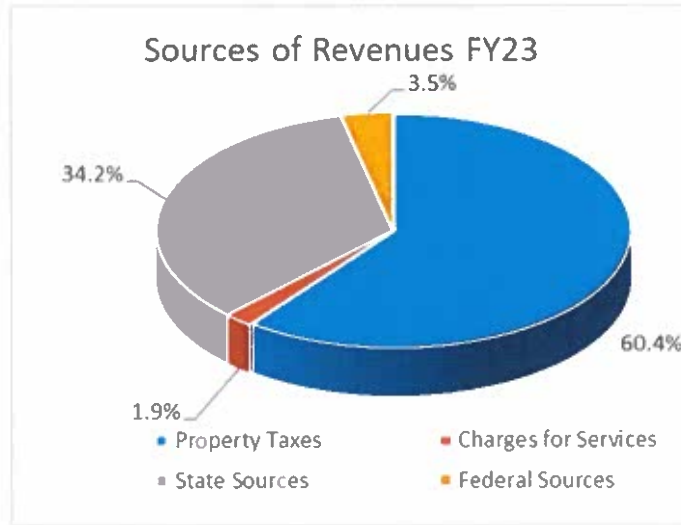
**Table 4
Governmental Funds Revenues and Expenditures
(Exclusive of Capital Projects)**

REVENUES:	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2022</u>	<u>Percentage Change</u>
Property Taxes	\$146,582,118	60.37	\$3,395,224	2.37
Charges for Services	\$4,688,227	1.93	\$646,895	16.01
State Sources	82,997,681	34.18	\$263,158	0.32
Federal Sources	8,558,322	3.52	2,718,225	46.54
Total	\$242,826,348	100.00	\$7,023,502	2.98
EXPENDITURES:	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2022</u>	<u>Percentage Change</u>
Instruction & Tuition	\$97,075,377	39.47	\$1,293,596	1.35
Student Support Services	23,594,590	9.59	3,434,652	17.04
Administration	9,249,446	3.76	442,698	5.03
Central Services & Technology	4,194,859	1.71	63,074	1.53
Maintenance & Operations	14,764,976	6.00	(369,400)	(2.44)
Transportation	22,661,236	9.21	4,100,770	22.09
Employee Benefits	71,600,746	29.11	167,619	0.23
Capital Outlay	2,018,908	0.82	(2,083,407)	(50.79)
Debt Service	805,281	0.33	805,281	100.00
Total	\$245,965,419	100.00	\$7,854,883	3.30

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
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, 2023
UNAUDITED (CONTINUED)**

Highlights include the following:

- Property Taxes increased by 2.37% and includes the first year of debt service on the referendum bonds. The slight increase in state revenue was due to the receipt of Supplemental Stabilization Aid and Debt Service Aid, offset by the reduction in Equalization Aid legislated by S2. The increase in Charges for Services results from increases in student activities and scholarships which are recorded now in the governmental funds as a result of GASB 84. The increase in Federal sources was a result of coronavirus relief funding.
- Expenses for instruction slightly increased from FY22 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 contributing to the increase were costs associated with the District reestablishing RAISE Academy, using federal ARP funds.
- The Operations and Maintenance of Plant Services section of the budget decreased by 2% primarily due to the area having a mild winter. There were minimal snow removal costs in FY23.
- Transportation costs increased an alarming \$4.1 million or 22% from FY22. Costs skyrocketed due to contractors not renewing routes, forcing the District to go out to bid on a significant percentage of routes. The costs of providing transportation for special education students who attend out of district placements also greatly increased. 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 increased by only 1% from last year. The District's experience and claim history continue to be positive following the change to a self-insured funding model in July 2021.
- Capital Outlay represents a public address system upgrade at Manalapan High School, an emergency generator at Freehold Township High School and equipment procured 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 and Planning

As the final phase of referendum work will be completed this summer, the District will begin a new approach to funding capital projects that will include the following:

- **Establish a Facility Reserve Floor** – outside of a \$5 million deposit from Covid savings in FY21 and \$2 million in one-time state budget appropriations, the District has not systematically deposited funds into the facility reserves since prior to S2. From FY19 through FY24, the District has withdrawn \$5 million from the facility reserves for various smaller scale projects. The administration will work with the Finance Committee to develop a plan to maintain the facility reserves at appropriate levels for appropriate uses.
- **Optimize Capital Funding Opportunities through State Facility Grants** – The state periodically makes facility grant funds available to schools for targeted areas of need. The board authorized the submission of project applications for funding currently available at the January 2023 meeting. The state will pay 40% of the project cost, while the District funds the remaining 60% from the facility reserves.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Capital Projects (continued)

- **Prioritize Facility Projects for Periodic/Limited Scope Referendum Strategy** –The November 2021 referendum only covered Priority 1 roofing and paving projects. Priority 2 roofing and paving projects will be merged with a broader assessment of the facilities to be performed over the next 12 to 18 months. This assessment will serve as the basis for future referendum.

CAPITAL ASSETS

The ongoing work on the referendum and school security projects increased the balance of Construction in Progress. These projects are expected to be completed in FY24. The District made equipment purchases under installment purchase contracts including various technology infrastructure/equipment upgrades, a school bus, and buildings and grounds equipment. Table 5 shows the FY23 Capital Asset activity of the District.

**Table 5
Capital Assets for the Fiscal Year Ended June 30, 2023**

	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	2,084,722	\$ 9,476,015		11,560,737
Total capital assets not being depreciated	2,531,210	9,476,015	-	12,007,225
<i>Capital assets being depreciated:</i>				
Site improvements	17,918,633			17,918,633
Building and improvements	234,529,111	122,500		234,651,611
Equipment	24,206,849	1,308,470	(1,115,629)	24,399,690
Total capital assets being depreciated	276,654,593	1,430,970	(1,115,629)	276,969,934
Total Gross Assets (Memo Only)	279,185,803	10,906,985	(1,115,629)	288,977,159
Less accumulated depreciation for:				
Site improvements	(11,521,720)	(825,516)		(12,347,236)
Building and improvements	(145,514,064)	(4,436,098)		(149,950,162)
Equipment	(20,149,696)	(1,091,985)	1,115,629	(20,126,052)
Total accumulated depreciation	(177,185,480)	(6,353,599)	1,115,629	(182,423,450)
Total capital assets being depreciated, net	99,469,113	(4,922,629)	-	94,546,484
Government activities capital assets, net	\$ 102,000,323	\$ 4,553,386	\$ -	\$ 106,553,709
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 1,067,726	\$ 42,344		\$ 1,110,070
Less accumulated depreciation	(755,441)	(37,161)		(792,602)
Business-type capital assets, net	\$ 312,285	\$ 5,183	\$ -	\$ 317,468

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED (CONCLUDED)**

DEBT ADMINISTRATION

Among the District's outstanding liabilities at June 30, 2023, \$13,970,000 is for bonds payable, \$3,479,502 is for compensated absences, \$1,065,862 is for leases, and \$14,096,406 is for obligations under installment purchase contracts.

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, 2023

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, 2023

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$ 46,382,250	\$ 216,520	\$ 46,598,770
Receivables, net	7,493,476	1,235,467	8,728,943
Inventory		29,751	29,751
Restricted assets:			
Restricted cash and cash equivalents	9,567,661		9,567,661
Right to Use Leased Assets,			
Net of Amortization	992,238		992,238
Capital assets:			
Land and construction in progress	12,007,225		12,007,225
Other capital assets, net of depreciation	94,546,484	317,468	94,863,952
Total Assets	<u>170,989,334</u>	<u>1,799,206</u>	<u>172,788,540</u>
DEFERRED OUTFLOW OF RESOURCES:			
Pension related	<u>4,703,810</u>		<u>4,703,810</u>
LIABILITIES:			
Accounts payable	4,510,401	147,007	4,657,408
Payroll deductions payable	4,043,960		4,043,960
Interfund payable	1,038,307	71,154	1,109,461
State unemployment insurance payable	10,086		10,086
Payable to state government	18,998		18,998
Unearned revenue	946,912	72,644	1,019,556
Other current liabilities	21,436		21,436
Accrued interest payable	102,757		102,757
Accrued liability for insurance claims	6,820,000		6,820,000
Noncurrent liabilities:			
Due within one year:			
Bonds, leases and installment purchase contracts payable	3,132,033	135,003	3,267,036
Due beyond one year:			
Compensated absences payable	3,479,502		3,479,502
Bonds, leases and installment purchase contracts payable	26,000,235		26,000,235
Net pension liability	33,608,568		33,608,568
Total liabilities	<u>83,733,195</u>	<u>425,808</u>	<u>84,159,003</u>
DEFERRED INFLOW OF RESOURCES:			
Pension related	<u>9,184,414</u>		<u>9,184,414</u>
NET POSITION:			
Net investment in capital assets	83,415,476	232,983	83,648,459
Restricted for:			
Capital projects fund	1,934,819		1,934,819
Debt service fund	137,224		137,224
Other purposes	36,506,814		36,506,814
Unrestricted (deficit)	<u>(39,218,798)</u>	<u>1,140,415</u>	<u>(38,078,383)</u>
Total net position	<u>\$ 82,775,535</u>	<u>\$ 1,373,398</u>	<u>\$ 84,148,933</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, 2023

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	\$ 53,123,455	\$ 40,046,704	\$ 80,854	\$ 16,108,972	\$ (76,980,333)		\$ (76,980,333)
Special	25,739,500	9,133,695		8,327,536	(26,545,659)		(26,545,659)
Other instruction	5,080,063	3,699,542	74,914	1,359,497	(7,345,194)		(7,345,194)
Support services:							
Student & instruction related services	21,099,987	10,137,888	3,126,370	6,141,723	(21,969,782)		(21,969,782)
General administrative services	1,783,464	339,607		121,352	(2,001,719)		(2,001,719)
School administrative services	6,110,883	5,125,022		1,895,312	(9,340,593)		(9,340,593)
Central service	923,755	426,932		11,517	(1,339,170)		(1,339,170)
Admin information technology	2,584,649	429,671		7,261	(3,007,059)		(3,007,059)
Plant operations and maintenance	11,656,828	2,102,231	58,690	48,072	(13,652,297)		(13,652,297)
Pupil transportation	18,357,494	1,814,018		31,297	(20,140,215)		(20,140,215)
Unallocated benefits	71,709,828	(71,709,828)					
Interest on long-term debt	150,168				(150,168)		(150,168)
Unallocated depreciation	6,353,599	(1,545,482)			(4,808,117)		(4,808,117)
Total governmental activities	224,673,673		3,340,828	34,052,539	(187,280,306)		(187,280,306)
Business-type activities							
Food service	2,785,355		2,121,763	1,292,243		628,651	628,651
Extra-curricular	145,014		145,014				
Total business-type activities	2,930,369		2,266,777	1,292,243		628,651	628,651
Total primary government	\$ 227,604,042		\$ 5,607,605	\$ 35,344,782	\$ (187,280,306)	\$ 628,651	\$ (186,651,655)
General Revenues:							
Taxes:							
					\$ 146,050,632		\$ 146,050,632
					40,163,193		40,163,193
					1,169,821		1,169,821
					1,186,149		1,186,149
					189,101,281		189,101,281
					1,820,975	628,651	2,449,626
					80,954,560	744,747	81,699,307
					\$ 82,775,535	\$ 1,373,398	\$ 84,148,933

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, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash and cash equivalents	\$ 49,038,254	\$ 1,851,568	\$ 4,870,537	\$ 202	\$ 55,760,561
Cash with fiscal agents	189,350				189,350
Other receivables	99,724	11,732			111,456
Due from other funds	9,265,266			137,224	9,402,490
Receivables from other governments	4,353,481	2,975,227	53,312		7,382,020
Total assets	\$ 62,946,075	\$ 4,838,527	\$ 4,923,849	\$ 137,426	\$ 72,845,877
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	890,090	291,053	444,543		1,625,686
Payroll deductions payable	4,043,960				4,043,960
State unemployment insurance payable	23,482				23,482
Payable to state government	246	18,752			18,998
Interfund payables	7,872,480	2,431,093	137,224		10,440,797
Unearned revenue	700,578	246,132		202	946,912
Other current liabilities	21,436				21,436
Accrued liability for insurance claims	6,820,000				6,820,000
Total liabilities	20,372,272	2,987,030	581,767	202	23,941,271
Fund balances:					
Restricted:					
Capital reserve account	7,797,602				7,797,602
Emergency reserve account	8,423				8,423
Maintenance reserve account	1,572,286				1,572,286
Excess surplus designated for subsequent years expenditures	10,552,614				10,552,614
Excess surplus	9,612,193				9,612,193
Capital projects fund			1,934,819		1,934,819
Debt service fund				137,224	137,224
State unemployment insurance	1,072,680				1,072,680
Student activities		1,092,584			1,092,584
Scholarships		758,913			758,913
Assigned:					
Designated for subsequent years expenditures	5,672,386				5,672,386
Encumbrances	301,952		2,407,263		2,709,215
Unassigned	5,983,667				5,983,667
Total fund balances	42,573,803	1,851,497	4,342,082	137,224	48,904,606
Total liabilities and fund balances	\$ 62,946,075	\$ 4,838,527	\$ 4,923,849	\$ 137,426	\$ 72,845,877

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, 2023

Total Fund Balances (Brought Forward)	\$	48,904,606
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	\$ 288,977,159	
Accumulated Depreciation	<u>(182,423,450)</u>	106,553,709
Right to Use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
		992,238
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	(33,608,568)	
Compensated Absences	(3,479,502)	
Leases Payable	(1,065,862)	
Installment Purchase Contracts Payable	(14,096,406)	
Bonds Payable	<u>(13,970,000)</u>	(66,220,338)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Deferred Outflows:		
Pension related	\$ 1,832,491	
Employer Contribution related to pensions	<u>2,871,319</u>	
	4,703,810	4,703,810
Deferred Inflows:		
Pension related		(9,184,414)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension Related	(2,871,319)	
Accrued Interest Payable	<u>(102,757.00)</u>	<u>(2,974,076)</u>
Net Position of Governmental Activities	\$	<u><u>82,775,535</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, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local Tax Levy	\$ 146,050,632			\$ 531,486	\$ 146,582,118
Tuition From Individuals	12,954				12,954
Tuition -LEAs Within State	46,176				46,176
Transportation Fees Other LEA's	21,724				21,724
Unrestricted Miscellaneous Revenue	918,864		134,707		1,053,571
Interest Earned on Emergency Reserve	120				120
Interest Earned on Maintenance Reserve	19,409				19,409
Interest Earned on Capital Reserve Funds	113,049				113,049
Other Restricted Miscellaneous Revenue	133,604	3,422,327			3,555,931
Total - local sources	147,316,532	3,422,327	134,707	531,486	151,405,052
State sources	82,000,407	723,479	417,507	273,795	83,415,188
Federal sources	141,658	8,416,664			8,558,322
Total revenues	229,458,597	12,562,470	552,214	805,281	243,378,562
EXPENDITURES:					
Current expense:					
Regular instruction	57,055,285	1,315,687			58,370,972
Special instruction	13,231,710	4,938,689			18,170,399
Other instruction	5,993,759				5,993,759
Support services:					
Tuition	14,540,247				14,540,247
Student & instruction related services	18,038,810	5,555,780			23,594,590
General administrative services	1,864,925				1,864,925
School administrative services	7,384,521				7,384,521
Central service	1,663,550				1,663,550
Administrative information technology services	2,531,309				2,531,309
Plant operations and maintenance	14,764,976				14,764,976
Pupil transportation	22,661,236				22,661,236
Unallocated benefits	71,600,746				71,600,746
Debt Service:					
Principal				490,000	490,000
Interest				315,281	315,281
Capital outlay	1,380,199	638,709	8,896,178		10,915,086
Total expenditures	232,711,273	12,448,865	8,896,178	805,281	254,861,597
Excess (deficiency) of revenues over (under) expenditures	(3,252,676)	113,605	(8,343,964)		(11,483,035)
Other financing sources (uses):					
Installment Purchase Contracts (non-budget)	1,013,403				1,013,403
Transfer			(134,707)	134,707	
Total other financing sources (uses)	1,013,403		(134,707)	134,707	1,013,403
Net change in fund balances	(2,239,273)	113,605	(8,478,671)	134,707	(10,469,632)
Fund balances, July 1, 2022	44,813,076	1,737,892	12,820,753	2,517	59,374,238
Fund balances, June 30, 2023	\$ 42,573,803	\$ 1,851,497	\$ 4,342,082	\$ 137,224	\$ 48,904,606

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, 2023

Total net change in fund balances - governmental funds (from B-2)	\$	(10,469,632)
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		(6,353,599)
Capital outlays, related to capital assets	\$ 10,915,086	
Less: Capital Outlays not capitalized	<u>(8,101)</u>	
		10,906,985
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.		
Amortization Expense	<u>(330,119)</u>	(330,119)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position and is not reported in the statement of activities.		
		490,000
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.		
Installment Purchase Contracts - Current Year		(1,405,000)
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		308,890
Payment of installment purchase contracts payable		2,271,088
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.		
		41,378
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
District pension contributions	2,808,360	
Add: Pension benefit	<u>3,661,706</u>	
		6,470,066
In the statement of activities, contributed capital assets are reflected in the activity in which they are utilized whereas in the governmental funds, they are reflected as an expense. The change in net assets on the statement of activities must therefore reflect this contribution as a transfer		
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-). When the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>(109,082)</u>
Change in net position of governmental activities (A-2)	\$	<u>1,820,975</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, 2023

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>FUND</u>	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 216,520	\$	\$ 216,520
Accounts receivable:			
State	1,639		1,639
Federal	45,187		45,187
Other	8,026	71,154	79,180
Interfund receivable	1,109,461		1,109,461
Inventories	29,751		29,751
	<hr/>	<hr/>	<hr/>
Total current assets	1,410,584	71,154	1,481,738
	<hr/>	<hr/>	<hr/>
Noncurrent assets:			
Furniture, machinery and equipment	1,110,070		1,110,070
Less accumulated depreciation	(792,602)		(792,602)
	<hr/>	<hr/>	<hr/>
Total noncurrent assets	317,468		317,468
	<hr/>	<hr/>	<hr/>
Total assets	1,728,052	71,154	1,799,206
	<hr/>	<hr/>	<hr/>
LIABILITIES:			
Current liabilities:			
Accounts payable	147,007		147,007
Interfund Payables		71,154	71,154
Installment purchase contract payable	135,003		135,003
Unearned revenue	72,644		72,644
	<hr/>	<hr/>	<hr/>
Total current liabilities	354,654	71,154	425,808
	<hr/>	<hr/>	<hr/>
NET POSITION:			
Net investment in capital assets	232,983		232,983
Unrestricted	1,140,415		1,140,415
	<hr/>	<hr/>	<hr/>
Total net position	\$ 1,373,398	\$	\$ 1,373,398
	<hr/>	<hr/>	<hr/>

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, 2023

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>EXTRA-CURRICULAR</u>	
	<u>FUND</u>	<u>FUND</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Charges for services:			
Daily sales - reimbursable programs	\$ 554,193	\$	\$ 554,193
Daily sales - non-reimbursable programs	1,463,497		1,463,497
Special functions	50,270		50,270
Miscellaneous	53,803		53,803
Fees - individuals		145,014	145,014
	<hr/>	<hr/>	<hr/>
Total operating revenues	2,121,763	145,014	2,266,777
OPERATING EXPENSES:			
Cost of sales - reimbursable programs	444,103		444,103
Cost of sales - non-reimbursable programs	748,486		748,486
Salaries and benefits	1,170,016	137,808	1,307,824
Supplies and materials	103,667		103,667
Management fee	110,978		110,978
Miscellaneous	163,243	7,206	170,449
Depreciation	37,162		37,162
Installment purchase interest	7,700		7,700
	<hr/>	<hr/>	<hr/>
Total operating expenses	2,785,355	145,014	2,930,369
Operating (loss)	<hr/>	<hr/>	<hr/>
	(663,592)		(663,592)
NONOPERATING REVENUES (EXPENSES):			
State Sources			
State school lunch program	24,701		24,701
State school breakfast program	784		784
Federal Sources			
National school lunch program	587,896		587,896
HHFKA	22,548		22,548
School breakfast program	44,795		44,795
Emergency operational costs			
reimbursement program	3,256		3,256
Supply chain assistance	477,132		477,132
National food distribution commodities	131,131		131,131
Total nonoperating revenues (expenses)	<hr/>	<hr/>	<hr/>
	1,292,243		1,292,243
Change in net position	628,651		628,651
Total net position - beginning	<hr/>	<hr/>	<hr/>
	744,747		744,747
Total net position - ending	<hr/>	<hr/>	<hr/>
	\$ 1,373,398	\$	\$ 1,373,398

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, 2023

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>FOOD SERVICE FUND</u>	<u>EXTRA-CURRICULAR FUND</u>	
Cash flows from operating activities:			
Receipts from customers	\$ 2,082,098	\$ 82,500	\$ 2,164,598
Payments to employees	(1,098,193)	(137,181)	(1,235,374)
Payments for employee benefits	(71,822)	(627)	(72,449)
Payments to suppliers	(1,466,198)	(7,206)	(1,473,404)
Net cash provided by (used for) operating activities	<u>(554,115)</u>	<u>(62,514)</u>	<u>(616,629)</u>
Cash flows from noncapital financing activities:			
State sources	28,383		28,383
Federal sources	1,303,247		1,303,247
Operating subsidies and transfers to other funds	(488,143)	62,514	(425,629)
Net cash provided by noncapital financing activities	<u>843,487</u>	<u>62,514</u>	<u>906,001</u>
Cash flows from capital and related financing activities:			
Installment purchase contract payment	(130,890)		(130,890)
Purchases of capital assets	(42,344)		(42,344)
Net cash provided by (used for) capital and related financing activities	<u>(173,234)</u>		<u>(173,234)</u>
Net increase (decrease) in cash and cash equivalents	116,138		116,138
Cash and cash equivalents, July 1, 2022	<u>100,382</u>		<u>100,382</u>
Cash and cash equivalents, June 30, 2023	<u>\$ 216,520</u>	<u>\$</u>	<u>\$ 216,520</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (663,592)	\$	\$ (663,592)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	37,162		37,162
Federal commodities	131,131		131,131
Change in assets and liabilities:			
(Increase) decrease in accounts receivable, net	(3,055)	(62,514)	(65,569)
Increase (decrease) in unearned revenue	(33,365)		(33,365)
Increase (decrease) in accounts payable	(25,412)		(25,412)
(Increase) decrease in inventories	3,016		3,016
	<u>109,477</u>	<u>(62,514)</u>	<u>46,963</u>
Net cash provided by (used for) operating activities	<u>\$ (554,115)</u>	<u>\$ (62,514)</u>	<u>\$ (616,629)</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, 2023

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, 2023

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, 2023

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

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

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023

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. Budget amendments during the year ended June 30, 2023 totaled \$178,000.

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, Scholarships 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, 2023

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.

Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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, 2023

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, 2023

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, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Accounting Pronouncements

Beginning with the year ended June 30, 2023, the District has implemented GASB Statement 96, *Subscription-Based Information Technology Arrangements (SBITA's)*. GASB Statement 96.

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, 2023

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, 2023:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 64,264,257
Proprietary Funds	217,526
Total Cash in Bank	\$ <u>64,481,783</u>
Less: Reconciling Items	<u>(8,315,352)</u>
	<u>\$ 56,166,431</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2023, 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 \$64,481,783, \$750,000 was covered by Federal Depository Insurance, and \$63,731,783 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, 2023

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, 2023

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, 2023 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	\$ 4,182,210	\$ 4,182,210
Federal Aid	2,384,964	2,384,964
Interfunds	9,402,490	
Other	926,302	926,302
Gross Receivables	<u>16,895,966</u>	<u>7,493,476</u>
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u>\$16,895,966</u>	<u>\$7,493,476</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 4: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023, 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	2,084,722	\$ 9,476,015		11,560,737
Total capital assets not being depreciated	2,531,210	9,476,015	-	12,007,225
<i>Capital assets being depreciated:</i>				
Site improvements	17,918,633			17,918,633
Building and improvements	234,529,111	122,500		234,651,611
Equipment	24,206,849	1,308,470	(1,115,629)	24,399,690
Total capital assets being depreciated	276,654,593	1,430,970	(1,115,629)	276,969,934
Total Gross Assets (Memo Only)	279,185,803	10,906,985	(1,115,629)	288,977,159
Less accumulated depreciation for:				
Site improvements	(11,521,720)	(825,516)		(12,347,236)
Building and improvements	(145,514,064)	(4,436,098)		(149,950,162)
Equipment	(20,149,696)	(1,091,985)	1,115,629	(20,126,052)
Total accumulated depreciation	(177,185,480)	(6,353,599)	1,115,629	(182,423,450)
Total capital assets being depreciated, net	99,469,113	(4,922,629)	-	94,546,484
Government activities capital assets, net	\$ 102,000,323	\$ 4,553,386	\$ -	\$ 106,553,709
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 1,067,726	\$ 42,344		\$ 1,110,070
Less accumulated depreciation	(755,441)	(37,161)		(792,602)
Business-type capital assets, net	\$ 312,285	\$ 5,183	\$ -	\$ 317,468

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 4: CAPITAL ASSETS (CONTINUED)

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

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 139,790
Other Instruction	9,548
Student & Instruction Related Services	40,572
General Administrative Services	1,520
School Administrative Services	25,228
Central Service	2,629
Administrative Technology	177,645
Plant, Operations & Maintenance	408,471
Pupil Transportation	740,079
Unallocated	4,808,117
	<u>6,353,599</u>
	<u>\$ 6,353,599</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 a leased building. The related lease is discussed in the Leases subsection of the Long-term liabilities section of these notes. The right to use lease asset is amortized on a straight-line basis over the terms of the related lease.

Right to use asset activity for the year ended June 30, 2023 was as follows:

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u> <u>Balances</u>
Governmental Funds:				
Right to Use Assets:				
Leased Buildings	\$1,322,995	_____	_____	\$1,322,995
Total Right to Use Assets	<u>1,322,995</u>	_____	_____	<u>1,322,995</u>
Less: Accumulated Amortization for:				
Leased Buildings	_____	_____	\$330,757	(330,757)
Total Accumulated Amortization	_____	_____	<u>330,757</u>	<u>(330,757)</u>
Governmental Funds - Right to Use assets, net	<u>\$1,322,995</u>	_____	<u>\$330,757</u>	<u>\$992,238</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023:

Governmental Activities:

	Balance June 30, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2023</u>	Amounts due Within <u>one year</u>
Bonds Payable	\$ 14,460,000	\$	\$ 490,000	\$ 13,970,000	\$ 570,000
Compensated Absences	3,370,420	109,082		3,479,502	
Leases	1,374,752		308,890	1,065,862	342,752
Installment Purchase Contracts	14,962,494	1,405,000	2,271,088	14,096,406	2,219,281
Pension Liability	<u>28,407,281</u>	<u>5,201,287</u>	<u></u>	<u>33,608,568</u>	<u></u>
Total	\$ <u>62,574,947</u>	\$ <u>6,715,369</u>	\$ <u>3,069,978</u>	\$ <u>66,220,338</u>	\$ <u>3,132,033</u>

Business-Type Activities

	Balance June 30, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2023</u>	Amounts due Within <u>one year</u>
Installment Purchase Contracts	\$ <u>265,894</u>	\$ <u></u>	\$ <u>130,889</u>	\$ <u>135,005</u>	\$ <u>135,005</u>
Total	\$ <u>265,894</u>	\$ <u></u>	\$ <u>130,889</u>	\$ <u>135,005</u>	\$ <u>135,005</u>

Bonds Authorized But Not Issued

As of June 30, 2023, 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, 2023

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Installment Purchase Contracts Payable

The District is contracting for various equipment and improvements totaling \$25,705,000 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
Technology, Buildings and Grounds Equipment, and Copiers	7/15/22	5 Years	2.988%	\$1,405,000

The following is a schedule of the future minimum contract payments under the contracts for Governmental Activities at June 30, 2023:

<u>Total Governmental Activities</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY2024	\$ 2,084,276	\$ 344,464	\$ 2,428,740
FY2025	1,856,825	295,054	2,151,879
FY2026	1,938,976	251,684	2,190,660
FY2027	2,025,345	206,122	2,231,467
FY2028	1,671,589	158,262	1,829,851
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>\$ 14,096,406</u>	<u>\$ 1,460,211</u>	<u>\$ 15,556,617</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023:

	Total Business-Type Activities		
	Principal	Interest	Total
FY2024	\$ 135,005	\$ 3,583	\$ 138,588
	\$135,005	\$3,583	\$138,588

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, 2023</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%	\$ 13,970,000	\$ -0-
	\$ 13,970,000	\$ -0-

Debt Service Requirements

The annual requirements to amortize all bonded debt outstanding as of June 30, 2023, including interest payments on issued debt, are as follows:

<u>Fiscal Year June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	635,000	229,044	864,044
2029-2033	3,440,000	945,170	4,385,170
2034-2038	3,950,000	576,369	4,526,369
2038-2042	3,575,000	153,895	3,728,895
	\$13,970,000	\$2,929,041	\$16,899,041

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, has 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 \$992,238 at June 30, 2023. This asset is discussed in more detail in the right to use asset section of these notes.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

Year Ended		<u>Principal</u>		<u>Interest</u>		<u>Total</u>
<u>June 30</u>						
2024	\$	342,755.44	\$	5,244.56	\$	348,000.00
2025		354,764.83		3,235.13		357,999.96
2026		368,342.00		1,152.25		369,494.25
	\$	1,065,862.27	\$	9,631.94	\$	1,075,494.21

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, 2023

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, 2023

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, 2023

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>
2023	\$2,808,360	100%	\$2,808,360
2022	\$2,808,275	100%	\$2,808,275
2021	\$2,639,629	100%	\$2,639,629

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>
2023	\$28,780,732	100%	-0-
2022	\$29,646,538	100%	-0-
2021	\$21,428,184	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, 2023, 2022 and 2021 \$5,902,896, \$5,775,259, and \$5,654,877, 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, 2023

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

Public Employees Retirement System (PERS)

At June 30, 2023, the State reported a net pension liability of \$33,608,568 for the District's proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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 employers, actuarially determined. At June 30, 2022, the District's proportion was 0.2227004802 percent, which was a decrease of 0.0170942507 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized a pension benefit of \$3,625,841 in the government-wide financial statements. This pension benefit was based on the pension plan's June 30, 2022 measurement date.

At June 30, 2023, 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	\$ 242,571	\$ 213,913
Changes of assumptions	104,130	5,032,533
Net difference between projected and actual earnings on pension plan investments	1,391,028	
Changes in proportion and differences between District contributions and proportionate share of contributions	94,762	3,937,968
District contributions subsequent to the measurement date	<u>2,871,319</u>	
	<u>\$ 4,703,810</u>	<u>\$ 9,184,414</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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

Public Employees Retirement System (PERS) (Continued)

The \$2,871,319 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, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

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>
2023	(\$3,651,550)
2024	(\$2,237,387)
2025	(1,484,920)
2026	794,008
2027	<u>(\$772,073)</u>
	<u><u>(\$7,351,922)</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. These actuarial valuations used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.75-6.55%
	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-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2022) 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 assets class included in PERS's target assets allocation as of June 30, 2022 asset are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2022. 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 in determining the total pension liability.

Sensitivity of the collective Net Pension Liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability of the participating employers as of June 30, 2022 respectively, calculated using the discount rate as disclosed above as well as what the District's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportionate share of the pension liability	\$43,177,165	\$33,608,568	\$25,465,307

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, 2023

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, 2023 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share	
associated with the District	<u>\$366,393,379</u>
	<u><u>\$366,393,379</u></u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 which was rolled forward to June 30, 2022. 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, 2022, the proportion of the TPAF net pension liability associated with the District was .7101415407% which was a decrease of .0132493283 percent from its proportion measured as of June 30, 2021.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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

Teachers Pensions and Annuity Fund (TPAF) (Continued)

For the year ended June 30, 2023, the District recognized on-behalf pension expense and revenue of \$9,304,750 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, 2022 measurement date.

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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	1.55%-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, 2023

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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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, 2022) 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, 2022 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%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.19%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2022. 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 by visiting <http://www.state.nj.us/treasury/pensions>.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,817</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	<u>329,445,452</u>
	<u><u>\$329,445,452</u></u>

The total Non-Employer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

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

For the year ended June 30, 2023, the District recognized on-behalf post-employment expense and revenue of \$9,596,778 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2022 measurement date.

At June 30, 2023, the District's proportion was .6504806707 percent, which was a decrease of .0042150766 from its proportion measured as of June 30, 2022.

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, 2023

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, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. 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, 2022</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases	2.75-4.25%*	2.75-6.55%*	3.25-16.25%*

*- 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.

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54%. 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, 2023

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, 2021 to June 30, 2022.

Balance at 6/30/21		\$392,867,539
Changes for the year:		
Service cost	\$16,786,268	
Interest	8,730,668	
Changes of Benefit Terms		
Differences between expected and actual experience	7,808,228	
Changes in assumptions or other inputs	(88,376,698)	
Membership Contributions	277,432	
Benefit payments - Net	<u>(8,647,985)</u>	
Net changes		<u>(63,422,087)</u>
Balance at 6/30/22		<u><u>\$329,445,452</u></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, 2022, 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, 2022		
	1.00% Decrease (2.54%)	At Discount Rate (3.54%)	1.00% Increase (4.54%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$387,228,474	\$329,445,452	\$283,135,248

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2022, 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, 2022		
	<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	\$272,306,803	\$329,445,452	\$404,500,538

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

At June 30, 2022, 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	\$ 58,819,081	\$ 100,583,505
Changes of assumptions	57,018,668	112,125,235
Changes in proportion	7,880,040	5,244,724
	<u>\$ 123,717,789</u>	<u>\$ 217,953,464</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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>June 30,</u>	<u>Amount</u>
2023	(\$15,846,522)
2024	(\$15,846,522)
2025	(\$15,846,522)
2026	(\$13,623,817)
2027	(\$7,564,599)
Total Thereafter	<u>(\$25,507,694)</u>
	<u><u>(\$94,235,675)</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, 2023

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.

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 2022-2023 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, 2023

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 fund for the current and previous two years:

Year Ended June 30,	Interest	Employee Contributions	Amount Reimbursed	Ending Balance	Analysis of Balance 06/30/23	
					State Unemployment Insurance Payable	Restricted Fund Balance
2023	\$ 14,409	\$ 332,250	\$ 520,910	\$ 1,096,162	\$ 23,482	\$ 1,072,680
2022	200	428,540	278,569	1,270,413	197,733	1,072,680
2021	382	443,263	396,083	1,120,242	47,562	1,072,680

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, 2023, 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 \$3,400,000 at June 30, 2023. 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, 2023

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 District's 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, 2023, a liability existed for compensated absences for governmental fund-types in the district- wide Statement of Net Position in the amount of \$3,479,502.

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, 2023 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	\$ 10,552,614		\$ 10,552,614
Excess Surplus Current Year	9,612,193		9,612,193
Maintenance Reserve	1,572,286		1,572,286
Capital Reserve	7,797,602		7,797,602
Emergency Reserve	8,423		8,423
State Unemployment Insurance	1,072,680		1,072,680
Assigned:			
Designated for Subsequent			
Year's Expenditures:	5,672,386		5,672,386
Encumbrances	301,952		301,952
Unassigned	8,957,338	(2,973,671)	5,983,667
	<u>\$ 45,547,474</u>	<u>\$ (2,973,671)</u>	<u>\$ 42,573,803</u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023		\$	232,711,273
Less:			
Installment Purchase Contracts (non-budgeted)	\$ 1,013,403		
Reimb. TPAF Social Security Contributions	5,902,896		
Reimb. TPAF Pension Contributions	<u>36,349,771</u>		
			<u>43,266,070</u>
Adjusted General Fund Expenditures			189,445,203
Excess Surplus Percentage			<u>2.00%</u>
			3,788,904
Increased by:			
Non-Public Transportation Aid (unbudgeted)	183,144		
Supplemental Stabilization Aid	4,464,057		
Extraordinary Aid (unbudgeted)	<u>521,233</u>		
			<u>5,168,434</u>
Maximum Unreserved/Undesignated General Fund Balance			8,957,338
Actual Unassigned - General Fund Balance			<u>18,569,531</u>
Excess Surplus		\$	<u><u>9,612,193</u></u>
Recapitulation of Excess Surplus, June 30, 2023:			
Restricted for Excess Surplus - Designated for Subsequent Year's Expenditure		\$	10,552,614
Restricted for Excess Surplus			<u>9,612,193</u>
		\$	<u><u>20,164,807</u></u>

As of June 30, 2023, \$10,552,614 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 2023-24 budget. \$9,612,193 is reported as Restricted Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2024-25 budget.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 15: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 9,265,266	\$ 7,872,480
Special Revenue Fund		2,431,093
Capital Projects Fund		137,224
Debt Service Fund	137,224	
Proprietary Funds	<u>1,109,461</u>	<u>71,154</u>
	<u>\$ 10,511,951</u>	<u>\$ 10,511,951</u>

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

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, 2023

NOTE 16: CAPITAL RESERVE ACCOUNT (CONTINUED)

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance, July 1, 2022	\$	7,776,402
Increased by:		
Deposit as per Board Resolution - June 29, 2023	\$	100,000
Cancel balance of Emergency Generator & Stage Lighting Projects		108,151
Interest		113,049
		321,200
		8,097,602
Decreased by:		
Budgeted Withdrawal of Capital Reserve		
Emergency Generator, PA System, Lighting		300,000
		300,000
Balance, June 30, 2023	\$	7,797,602
Recapitulation:		
Capital Reserve	\$	7,797,602
Capital Reserve - Designated for Subsequent Years Expenditure		_____
Balance, June 30, 2023	\$	7,797,602

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023, the balance of the Emergency Reserve Account was \$8,423 and is within the statutory limitations.

The activity of the emergency reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance, July 1, 2022	\$	8,303
Increased by:		
Interest		<u>120</u>
Balance, June 30, 2023	\$	<u><u>8,423</u></u>

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

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, 2023, the balance of the Maintenance Reserve Account was \$1,572,286 and is within the statutory limitations.

The activity of the emergency reserve for the July 1, 2022 to June 30, 2023, fiscal year is as follows:

Balance, July 1, 2022	\$	1,335,161
Increased by:		
Deposit Unexpended Appropriations		395,716
Interest		19,409
		1,750,286
Decreased by:		
Budgeted Withdrawal - various projects		178,000
		178,000
Balance, June 30, 2023	\$	1,572,286

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 19: INVENTORY

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food and Supplies	<u>\$29,751</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

NOTE 19: TAX ABATEMENTS

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

The District has identified tax abatement agreements that have been entered into that require disclosure under this statement. The gross dollar amount, on an accrual basis, by which the District's property tax revenues were potentially reduced during the reporting period as a result of tax abatement agreements totaled \$627,709. 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 FY2023.

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 20: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through January 9, 2024 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 August 29, 2023, the District entered into an installment purchase contract in the amount of \$892,000 for the purchase of various technology items, buildings and grounds vehicles and a copier. The installment purchase contract is for a term of five years with an interest rate of 4.44%.

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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
REVENUES					
Local sources:					
Local Tax Levy	\$ 146,050,632		\$ 146,050,632	\$ 146,050,632	
Tuition from Individuals	50,000		50,000	12,954	(37,046)
Tuition from LEA's Within State				46,176	46,176
Transportation				21,724	21,724
Unrestricted Miscellaneous Revenue	797,068		797,068	918,864	121,796
Interest Earned on Emergency Reserve	100		100	120	20
Interest Earned on Maintenance Reserve	1,900		1,900	19,409	17,509
Interest Earned on Capital Reserve Funds	3,000		3,000	113,049	110,049
Other Restricted Miscellaneous Revenue	100,000		100,000	133,604	33,604
Total - local sources	147,002,700		147,002,700	147,316,532	313,832
State sources:					
Equalization Aid	20,968,046		20,968,046	20,968,046	
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				283,144	283,144
Extraordinary Aid	2,800,000		2,800,000	3,321,233	521,233
Stabilization Aid				5,250,657	5,250,657
On-behalf TPAF Pension (non-budgeted)				28,386,896	28,386,896
On-behalf TPAF non-contributory insurance (non-budgeted)				393,836	393,836
On-behalf TPAF Post Retirement Contributions (non-budgeted)				7,560,629	7,560,629
On-behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				8,410	8,410
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,902,896	5,902,896
Total - state sources	33,350,220		33,350,220	81,657,921	48,307,701
Federal sources:					
Medicaid reimbursement	139,205		139,205	141,658	2,453
Total - federal sources	139,205		139,205	141,658	2,453
Total revenues	180,492,125		180,492,125	229,116,111	48,623,986

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, 2023

EXPENDITURES	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
CURRENT EXPENSE:					
Instruction - regular programs:					
Salaries of teachers:					
Grades 9-12	\$ 55,079,605	\$ (18,146)	\$ 55,061,459	\$ 54,857,119	\$ 204,340
Total Salaries of teachers:	<u>55,079,605</u>	<u>(18,146)</u>	<u>55,061,459</u>	<u>54,857,119</u>	<u>204,340</u>
Regular Programs - Home Instruction:					
Salaries of teachers	190,000	(50,000)	140,000	103,852	36,148
Purchased professional educational services	10,000	115,000	125,000	93,093	31,907
Total Regular Programs - Home Instruction:	<u>200,000</u>	<u>65,000</u>	<u>265,000</u>	<u>196,945</u>	<u>68,055</u>
Regular programs - undistributed instruction:					
Purchased professional educational services	16,999	17,013	34,012	34,008	4
Purchased technical services	226,471	3,247	229,718	213,302	16,416
Other purchased services(400-500 series)	341,032	(49,593)	291,439	256,799	34,640
General supplies	1,455,822	(32,138)	1,423,684	1,337,821	85,863
Textbooks	189,570	(28,549)	161,021	153,120	7,901
Other Objects	15,900	(2,355)	13,545	6,171	7,374
Total Regular programs - undistributed instruction	<u>2,245,794</u>	<u>(92,375)</u>	<u>2,153,419</u>	<u>2,001,221</u>	<u>152,198</u>
Total Regular Programs - Instruction	<u>57,525,399</u>	<u>(45,521)</u>	<u>57,479,878</u>	<u>57,055,285</u>	<u>424,593</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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Special education:					
Cognitive - Mild:					
Salaries of teachers	\$ 155,432	\$	\$ 155,432	\$ 155,432	
Other salaries for instruction	206,581		206,581	206,581	
General supplies	1,062	1,421	2,483	2,483	
Total Cognitive - Mild	<u>363,075</u>	<u>1,421</u>	<u>364,496</u>	<u>364,496</u>	
Cognitive - Moderate:					
Salaries of teachers	250,360		250,360	250,360	
Other salaries for instruction	111,816		111,816	111,816	
Other purchased services(400-500 series)	1,500	(1,500)			
General supplies	11,700	(8,841)	2,859	2,674	185
Total Cognitive - Moderate	<u>375,376</u>	<u>(10,341)</u>	<u>365,035</u>	<u>364,850</u>	<u>185</u>
Learning and / or Language Disabilities:					
Salaries of teachers	830,016		830,016	768,949	61,067
Other salaries for instruction	211,567		211,567	188,204	23,363
Other purchased services(400-500 series)	15,000		15,000		15,000
General supplies	6,872	(1,485)	5,387	5,337	50
Other Objects	300	(300)			
Total Learning and / or Language Disabilities	<u>1,063,755</u>	<u>(1,785)</u>	<u>1,061,970</u>	<u>962,490</u>	<u>99,480</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, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Behavioral Disabilities:					
Salaries of teachers	\$ 280,560	\$	\$ 280,560	\$ 279,187	\$ 1,373
Other salaries for instruction	53,408		53,408	53,408	
Purchased professional educational services	580,173		580,173	513,400	66,773
General supplies	2,500	(109)	2,391	2,035	356
Total Behavioral Disabilities:	<u>916,641</u>	<u>(109)</u>	<u>916,532</u>	<u>848,030</u>	<u>68,502</u>
Resource room/resource center:					
Salaries of teachers	10,137,078		10,137,078	10,033,244	103,834
General supplies	28,739	(5,329)	23,410	21,808	1,602
Total Resource room/resource center	<u>10,165,817</u>	<u>(5,329)</u>	<u>10,160,488</u>	<u>10,055,052</u>	<u>105,436</u>
Autism:					
Salaries of teachers	380,872		380,872	284,352	96,520
Other salaries for instruction	143,950		143,950	101,224	42,726
General supplies	13,500	(1,517)	11,983	11,750	233
Total Autism	<u>538,322.00</u>	<u>(1,517.00)</u>	<u>536,805.00</u>	<u>397,326.00</u>	<u>139,479</u>
Home Instruction:					
Salaries of teachers	100,000	62,713	162,713	162,713	
Purchased professional - educational services	125,119	20,287	145,406	76,753	68,653
Total Home Instruction:	<u>225,119</u>	<u>83,000</u>	<u>308,119</u>	<u>239,466</u>	<u>68,653</u>
Total special education	<u>13,648,105</u>	<u>65,340</u>	<u>13,713,445</u>	<u>13,231,710</u>	<u>481,735</u>
Basic skills/remedial:					
Salaries of teachers	785,088		785,088	416,257	368,831
Total basic skills/remedial	<u>785,088</u>		<u>785,088</u>	<u>416,257</u>	<u>368,831</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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Bilingual education:					
Salaries of teachers	\$ 285,560		\$ 285,560	\$ 151,601	\$ 133,959
Other purchased services (400-500 series)	1,300	(190)	1,110	1,110	
Textbooks	200	2,909	3,109	3,008	101
Total bilingual education	<u>287,060</u>	<u>2,719</u>	<u>289,779</u>	<u>155,719</u>	<u>134,060</u>
School sponsored Co-curricular and Extra-Curricular activities:					
Salaries	1,080,794	(8,000)	1,072,794	1,072,590	204
Purchased services (300-500 series)	29,500	(5,439)	24,061	18,582	5,479
Supplies and Materials	47,368	(29,383)	17,985	7,816	10,169
Other Objects	22,800	(8,482)	14,318	12,177	2,141
Total school sponsored Co-curricular and Extra-curricular activities	<u>1,180,462</u>	<u>(51,304)</u>	<u>1,129,158</u>	<u>1,111,165</u>	<u>17,993</u>
School sponsored athletics:					
Salaries	3,380,234	42,803	3,423,037	3,406,381	16,656
Purchased services (300-500 series)	584,374	(61,606)	522,768	502,204	20,564
Supplies and Materials	221,991	36,637	258,628	254,733	3,895
Other Objects	137,851	12,879	150,730	147,300	3,430
Total school sponsored athletics	<u>4,324,450</u>	<u>30,713</u>	<u>4,355,163</u>	<u>4,310,618</u>	<u>44,545</u>
Total other instructional programs	<u>6,577,060</u>	<u>(17,872)</u>	<u>6,559,188</u>	<u>5,993,759</u>	<u>565,429</u>
Total - instruction	<u>77,750,564</u>	<u>1,947</u>	<u>77,752,511</u>	<u>76,280,754</u>	<u>1,471,757</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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-regular	\$ 400,000	\$ 10,000	\$ 410,000	\$ 325,585	\$ 84,415
Tuition to other LEA's within the state-special	1,949,346		1,949,346	1,759,953	189,393
Tuition to county vocational school district-regular	4,492,152	(75,000)	4,417,152	4,368,326	48,826
Tuition to county vocational school district-special	443,040		443,040	307,381	135,659
Tuition to CSSD and regional day schools	1,342,016	(156,684)	1,185,332	928,351	256,981
Tuition to private schools for the handicapped within state	7,963,247	(491,603)	7,471,644	6,140,908	1,330,736
Tuition to private schools for the handicapped - special, out-state		569,512	569,512	568,669	843
Tuition-state facilities	103,093		103,093	103,093	
Tuition-other		37,981	37,981	37,981	
Total undistributed expenditures - instruction	<u>16,692,894</u>	<u>(105,794)</u>	<u>16,587,100</u>	<u>14,540,247</u>	<u>2,046,853</u>
Attendance and social work services:					
Salaries	744,349		744,349	731,913	12,436
Other purchased services (400-500 series)	55	4,579	4,634	4,634	
Supplies and Materials	1,300	(330)	970	869	101
Total attendance and social work services	<u>745,704</u>	<u>4,249</u>	<u>749,953</u>	<u>737,416</u>	<u>12,537</u>
Health services:					
Salaries	1,258,163	31,998	1,290,161	1,290,161	
Purchased professional and technical services	128,877	5,000	133,877	124,230	9,647
Other Purchased Services (400-500 series)	950	(40)	910	251	659
Supplies and materials	15,500	(367)	15,133	14,022	1,111
Other Objects	100	(100)			
Total health services	<u>1,403,590</u>	<u>36,491</u>	<u>1,440,081</u>	<u>1,428,664</u>	<u>11,417</u>
Other support services - speech, OT, PT & related services:					
Salaries	633,258		633,258	627,887	5,371
Purchased professional - Educational services	197,600	76,511	274,111	252,739	21,372
Supplies and materials	510		510	510	
Total other support services - speech, OT, PT & related services	<u>831,368</u>	<u>76,511</u>	<u>907,879</u>	<u>880,626</u>	<u>27,253</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, 2023

	<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	\$ 1,564,082	\$ (31,998)	\$ 1,532,084	\$ 1,470,791	\$ 61,293
Purchased Professional - Educational Services	<u>2,868,497</u>		<u>2,868,497</u>	<u>2,508,166</u>	<u>360,331</u>
Total other support services - Extraordinary Services	<u>4,432,579</u>	<u>(31,998)</u>	<u>4,400,581</u>	<u>3,978,957</u>	<u>421,624</u>
Other support services - Guidance:					
Salaries of other professional staff	4,296,192		4,296,192	4,237,824	58,368
Salaries of secretarial and clerical assistants	726,510		726,510	717,544	8,966
Other Salaries	18,500	300	18,800	18,800	
Other Purchased Professional and Technical Services	22,000		22,000	18,798	3,202
Other Purchased Services (400-500 series)	38,959	(7,346)	31,613	19,255	12,358
Supplies and Materials	25,532	(3,690)	21,842	20,431	1,411
Other objects	<u>6,800</u>	<u>(1,300)</u>	<u>5,500</u>	<u>5,160</u>	<u>340</u>
Total other support services - Guidance	<u>5,134,493</u>	<u>(12,036)</u>	<u>5,122,457</u>	<u>5,037,812</u>	<u>84,645</u>
Other support services - child study teams:					
Salaries of other professional staff	2,889,235		2,889,235	2,772,422	116,813
Salaries of secretarial and clerical assistants	386,655		386,655	386,425	230
Purchased Professional - Educational Services	896,354	216,341	1,112,695	899,197	213,498
Other Purchased Professional and Technical Services	1,000		1,000	998	2
Other Purchased Services (400-500 series)	7,612	1,353	8,965	3,724	5,241
Supplies and Materials	<u>90,630</u>	<u>659</u>	<u>91,289</u>	<u>71,831</u>	<u>19,458</u>
Total other support services - child study teams	<u>4,271,486</u>	<u>218,353</u>	<u>4,489,839</u>	<u>4,134,597</u>	<u>355,242</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, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Improvement of instructional services:					
Salaries of Supervisors of Instruction	\$ 865,175	\$ (69,200)	\$ 795,975	\$ 692,645	\$ 103,330
Salaries of secretarial and clerical assistants	233,346		233,346	233,346	
Other Salaries	276,342		276,342	145,968	130,374
Other Purchased Services (400-500)	57,760	(20,000)	37,760	21,339	16,421
Supplies and Materials	27,335	1,680	29,015	23,686	5,329
Other objects	34,050		34,050	31,007	3,043
Total Improvement of instructional services:	1,494,008	(87,520)	1,406,488	1,147,991	258,497
Educational media services/school library:					
Salaries	178,280		178,280	119,833	58,447
Purchased Professional and Technical Services	20,300	(9,301)	10,999	10,995	4
Other Purchased Services (400-500)	10,500	(5,500)	5,000	4,073	927
Supplies and Materials	2,000	(1,499)	501	483	18
Total educational media services/school library	211,080	(16,300)	194,780	135,384	59,396
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	398,442		398,442	334,327	64,115
Salaries of secretarial and clerical assistants	36,498		36,498	36,498	
Purchased Professional - Educational Services	28,000	172,370	200,370	130,821	69,549
Other Purchased Services (400-500)	66,006	22,582	88,588	51,968	36,620
Supplies and Materials	19,102	(500)	18,602	3,380	15,222
Other objects	3,500		3,500	369	3,131
Total instructional staff training services:	551,548	194,452	746,000	557,363	188,637

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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Support services general administration:					
Salaries	\$ 448,744	\$ 6,025	\$ 454,769	\$ 454,768	1
Legal services	426,579	180,000	606,579	509,038	97,541
Audit Fees	66,000		66,000	63,000	3,000
Architectural/Engineering Services	15,000		15,000	7,060	7,940
Other purchased professional services	6,302		6,302	1,400	4,902
Purchased technical services	18,230		18,230	12,064	6,166
Communications/telephone	721,951	(131,000)	590,951	569,266	21,685
BOE Other purchased services(580-585)	5,000		5,000	2,656	2,344
Misc. purchased services (400-500 Series, other than 530 & 585)	194,004	28,354	222,358	194,303	28,055
General supplies	15,000		15,000	11,577	3,423
BOE in-house training/meeting supplies	4,000		4,000	76	3,924
Judgments against the school district	104,413	(104,413)			
Miscellaneous expenditures	15,359	(460)	14,899	13,054	1,845
BOE membership dues and fees	27,000		27,000	26,663	337
Total support services general administration	<u>2,067,582</u>	<u>(21,494)</u>	<u>2,046,088</u>	<u>1,864,925</u>	<u>181,163</u>
Support services school administration:					
Salaries of principals/asst. principals	3,740,044	75,616	3,815,660	3,815,611	49
Salaries of other professional staff	1,738,504	(12,441)	1,726,063	1,722,805	3,258
Salaries of secretarial and clerical assistants	1,507,582		1,507,582	1,500,043	7,539
Other Purchased Services (400-500 series)	71,523	12,640	84,163	68,410	15,753
Supplies and Materials	122,305	9,203	131,508	120,235	11,273
Other objects	147,577	21,493	169,070	157,417	11,653
Total support services school administration	<u>7,327,535</u>	<u>106,511</u>	<u>7,434,046</u>	<u>7,384,521</u>	<u>49,525</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, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Central Services:					
Salaries	\$ 1,473,742	\$	\$ 1,473,742	\$ 1,465,580	\$ 8,162
Purchased professional services	4,000	2,300	6,300	3,400	2,900
Purchased technical services	27,310		27,310	26,111	1,199
Misc. purchased services (400-500 series)	102,103		102,103	79,560	22,543
Supplies and materials	46,500	(2,300)	44,200	35,896	8,304
Interest on Lease Purchase Agreement	48,444	(1,217)	47,227	45,288	1,939
Miscellaneous expenditures	9,550		9,550	7,715	1,835
Total central services	1,711,649	(1,217)	1,710,432	1,663,550	46,882
Administrative Information Technology:					
Salaries	946,100		946,100	923,544	22,556
Purchased technical services	961,500	26,000	987,500	982,795	4,705
Other purchased services (400-500 series)	348,189	48,242	396,431	389,532	6,899
Supplies and Materials	191,122	46,000	237,122	235,438	1,684
Total Administrative Information Technology	2,446,911	120,242	2,567,153	2,531,309	35,844
Required Maintenance for School Facilities:					
Salaries	670,036		670,036	623,738	46,298
Cleaning, Repair and Maintenance Services	1,429,616	314,500	1,744,116	1,549,642	194,474
Misc. purchased services (400-500 series)	3,500		3,500	75	3,425
General supplies	336,393	(75,000)	261,393	197,602	63,791
Other objects	47,000	920	47,920	46,308	1,612
Total Required Maintenance for School Facilities	2,486,545	240,420	2,726,965	2,417,365	309,600

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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Custodial Services :					
Salaries	\$ 4,820,264		\$ 4,820,264	\$ 4,507,775	\$ 312,489
Purchased professional and technical services	357,595	14,100	371,695	311,776	59,919
Cleaning, repair and maintenance services	167,331		167,331	144,674	22,657
Rental of land and building - other than lease purchase agreement	371,000		371,000	367,261	3,739
Lease Purchase Payments-Energy Savings Improvement Prog.	1,325,667		1,325,667	1,325,667	
Other purchased property services	250,000	(43,395)	206,605	206,604	1
Insurance	449,231	(10,802)	438,429	428,987	9,442
Miscellaneous purchased services		8,080	8,080	3,970	4,110
General supplies	371,841		371,841	356,504	15,337
Energy (Natural Gas)	603,507	193,000	796,507	796,454	53
Energy (Electricity)	1,400,000	192,455	1,592,455	1,568,772	23,683
Energy (Gasoline)	750,000	(16,531)	733,469	626,616	106,853
Total custodial services	<u>10,866,436</u>	<u>336,907</u>	<u>11,203,343</u>	<u>10,645,060</u>	<u>558,283</u>
Care & Upkeep of Grounds:					
Salaries	531,688		531,688	514,141	17,547
Cleaning, Repair and Maintenance Services	420,000	(97,000)	323,000	247,713	75,287
General supplies	170,000	(5,600)	164,400	130,309	34,091
Total Care and Upkeep of Grounds	<u>1,121,688</u>	<u>(102,600)</u>	<u>1,019,088</u>	<u>892,163</u>	<u>126,925</u>
Security:					
Salaries	476,210	5,531	481,741	481,741	
Purchased Professional & Technical Services (300-500)	372,839	(38,103)	334,736	305,945	28,791
Cleaning, Repair and Maintenance Services	6,000	7,197	13,197	13,194	3
General Supplies	7,600	1,910	9,510	9,508	2
Total Security	<u>862,649</u>	<u>(23,465)</u>	<u>839,184</u>	<u>810,388</u>	<u>28,796</u>
Total operation and maintenance of plant services	<u>15,337,318</u>	<u>451,262</u>	<u>15,788,580</u>	<u>14,764,976</u>	<u>1,023,604</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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Student transportation services:					
Salaries of Non-Instructional Aides	\$ 202,803	\$ 8,202	\$ 211,005	\$ 211,005	
Salaries for pupil transportation (between home and school)-regular	2,950,563	(180,189)	2,770,374	2,770,161	213
Salaries for pupil transportation (between home and school)-Special Ed	668,324	13,922	682,246	674,897	7,349
Salaries for pupil transportation (other than between home & school)	450,000	(97,275)	352,725	333,644	19,081
Management Fee - ESC & CTSA transportation programs	250,009	50,000	300,009	293,745	6,264
Other Purchased professional and technical services	258,561	94,500	353,061	298,652	54,409
Cleaning, Repair and Maintenance Services	884,724	46,436	931,160	929,060	2,100
Rental of school buses					
Lease Purchase Payments - School Buses	836,087	975	837,062	837,062	
Contracted Services - between home and school vendors	7,000,000	2,267,370	9,267,370	9,267,355	15
Contracted services (other than btw home & school)-vendors	102,700	138,981	241,681	237,102	4,579
Contract. Serv. (btw home and Sch) Joint Agreements					
Contract. Serv. (spec ed students)-vendors	40,000	(21,560)	18,440	15,110	3,330
Contract. Serv. (spec ed students)-Joint Agreements	40,000	(12,725)	27,275	27,259	16
Contracted services (regular students) - ESCs & CTSA	151,012	(53,500)	97,512	64,965	32,547
Contracted services (spec ed students) - ESCs & CTSA	5,004,989	547,475	5,552,464	5,386,413	166,051
Contract. Serv - Aid in Lieu Pymts-Non-Public Schools	560,000	12,500	572,500	572,383	117
Travel	2,174		2,174	420	1,754
Miscellaneous purchased services - Transportation(580-590)	192,470	10,000	202,470	196,639	5,831
General supplies	5,000		5,000	4,410	590
Transportation Supplies	731,988	(21,475)	710,513	539,955	170,558
Other objects	2,000		2,000	999	1,001
Total student transportation services	<u>20,333,404</u>	<u>2,803,637</u>	<u>23,137,041</u>	<u>22,661,236</u>	<u>475,805</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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 2,100,000		\$ 2,100,000	\$ 1,999,901	\$ 100,099
Other retirement contributions - PERS	3,530,000	(632,500)	2,897,500	2,808,360	89,140
Unemployment Compensation	10,106		10,106	6,924	3,182
Workers Compensation	981,212	343,500	1,324,712	1,324,539	173
Health Benefits	29,730,880	(3,393,762)	26,337,118	22,982,786	3,354,332
Tuition Reimbursements	205,426		205,426	56,195	149,231
Other Employee Benefits	270,000		270,000	169,374	100,626
Total Unallocated Benefits - Employee Benefits:	<u>36,827,624</u>	<u>(3,682,762)</u>	<u>33,144,862</u>	<u>29,348,079</u>	<u>3,796,783</u>
On-behalf TPAF Pension (non-budgeted)				28,386,896	(28,386,896)
On-behalf TPAF non-contributory insurance (non-budgeted)				393,836	(393,836)
On-behalf TPAF Post Retirement Contributions (non-budgeted)				7,560,629	(7,560,629)
On-behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				8,410	(8,410)
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,902,896	(5,902,896)
Total On-behalf contributions				<u>42,252,667</u>	<u>(42,252,667)</u>
Total personal services	<u>36,827,624</u>	<u>(3,682,762)</u>	<u>33,144,862</u>	<u>71,600,746</u>	<u>(38,455,884)</u>
Total Undistributed Expenditures	<u>121,820,773</u>	<u>52,587</u>	<u>121,873,360</u>	<u>155,050,320</u>	<u>(33,176,960)</u>
TOTAL EXPENDITURES - GENERAL CURRENT EXPENSE FUND 11	<u>199,571,337</u>	<u>54,534</u>	<u>199,625,871</u>	<u>231,331,074</u>	<u>(31,705,203)</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, 2023

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
CAPITAL OUTLAY:					
Equipment:					
Regular program - Instruction					
Grades 9-12	\$ 46,526	\$ 43,247	\$ 89,773	\$ 65,123	\$ 24,650
School sponsored and other instructional program	22,588	30,017	52,605	52,548	57
Undistributed Expenditures					
Child Study Team	6,000		6,000		6,000
School Admin.		8,602	8,602	8,277	325
Administrative Information Technology		14,000	14,000	13,705	295
Care & upkeep grounds		27,600	27,600	27,491	109
Total Equipment	<u>75,114</u>	<u>123,466</u>	<u>198,580</u>	<u>167,144</u>	<u>31,436</u>
Facilities acquisition and construction services:					
Construction services	<u>344,352</u>		<u>344,352</u>	<u>199,652</u>	<u>144,700</u>
Total facilities acquis. and const. services	<u>344,352</u>		<u>344,352</u>	<u>199,652</u>	<u>144,700</u>
Assets acquired under installment purchase contracts (non-budgeted)					
Undistributed expenditures:					
Technology				652,184	(652,184)
Maintenance Equipment				274,678	(274,678)
Transportation				86,541	(86,541)
Total assets acquired under installment purchase contracts (non-budgeted)				<u>1,013,403</u>	<u>(1,013,403)</u>
TOTAL CAPITAL OUTLAY	<u>419,466</u>	<u>123,466</u>	<u>542,932</u>	<u>1,380,199</u>	<u>(837,267)</u>
TOTAL EXPENDITURES	\$ <u>199,990,803</u>	\$ <u>178,000</u>	\$ <u>200,168,803</u>	\$ <u>232,711,273</u>	\$ <u>(32,542,470)</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, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Excess (deficiency) of revenues over (under) expenditures	\$ (19,498,678)	\$ (178,000)	\$ (19,676,678)	\$ (3,595,162)	16,081,516
Other financing sources/(uses)					
Installment purchase contracts (non-budgeted)				1,013,403	1,013,403
Total other financing sources				1,013,403	1,013,403
Excess of Revenues and other Financing Sources Over Expenditures and Other Expenditures and other Financing Sources	(19,498,678)	(178,000)	(19,676,678)	(2,581,759)	17,094,919
Fund balances, July 1	48,129,233		48,129,233	48,129,233	
Fund balances, June 30	\$ 28,630,555	(178,000)	\$ 28,452,555	\$ 45,547,474	17,094,919
Recapitulation:					
Restricted:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 10,552,614	
Excess Surplus - Current Year				9,612,193	
Maintenance Reserve				1,572,286	
Capital Reserve				7,797,602	
Emergency Reserve				8,423	
State Unemployment Insurance				1,072,680	
Assigned:					
Designated for Subsequent Year's Expenditures				5,672,386	
Encumbrances				301,952	
Unassigned				8,957,338	
				<u>45,547,474</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: Last Two State Aid Payments not recognized on GAAP basis				<u>2,973,671</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 42,573,803</u>	

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Federal sources	\$ 8,146,877	\$ 2,900,571	\$ 11,047,448	\$ 8,338,224	\$ (2,709,224)
State sources	125,984	330,054	456,038	437,286	(18,752)
Other sources	184,449	3,508,352	3,692,801	3,460,100	(232,701)
Total revenues	8,457,310	6,738,977	15,196,287	12,235,610	(2,960,677)
EXPENDITURES:					
Instruction:					
Salaries of teachers	305,854	346,130	651,984	371,108	280,876
Other salaries	96,737	248,500	345,237	213,487	131,750
Other purchased professional-educational services	55,124	157,678	212,802	144,936	67,866
Other purchased services	110,000	4,198	114,198	112,941	1,257
Tuition	6,279,269	7,906	6,287,175	4,938,689	1,348,486
Supplies and materials	439,955	223,277	663,232	380,294	282,938
Textbooks	19,437	14,963	34,400	27,290	7,110
Miscellaneous expenditures	5,000	318	5,318	1,325	3,993
Total instruction	7,311,376	1,002,970	8,314,346	6,190,070	2,124,276
Support services:					
Other salaries	941,391	543,785	1,485,176	909,859	575,317
Personal services - employee benefits	20,000	489,305	509,305	366,283	143,022
Purchased professional - educational services	45,000	64,086	109,086	95,795	13,291
Purchased technical services	36,271	132,290	168,561	110,532	58,029
Purchased property services		309,111	309,111	288,524	20,587
Other purchased services	26,598	588,013	614,611	614,611	
Supplies and materials	56,674	110,866	167,540	136,815	30,725
Miscellaneous expenditures	20,000	3,032,400	3,052,400	3,052,400	
Total support services	1,145,934	5,269,856	6,415,790	5,574,819	840,971
Facilities acquisition and construction services:					
Construction Services	-	286,038	286,038	286,038	
Instructional equipment		35,794	35,794	35,794	
Non-Instructional equipment	-	35,284	35,284	35,284	
Total facilities acquisition and construction serv.		357,116	357,116	357,116	
Total expenditures	8,457,310	6,629,942	15,087,252	12,122,005	2,965,247
Excess (deficiency) of revenues over (under) expenditures	\$	\$ 109,035	\$ 109,035	\$ 113,605	\$ 4,570
Fund Balance, July 1				1,737,892	
Fund Balance, June 30			\$	1,851,497	
<u>Analysis of Balance</u>					
Student activities			\$	1,092,584	
Scholarships				758,913	
			\$	1,851,497	

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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	\$ 229,116,111	\$ 12,235,610
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Adjust for Encumbrances:		
Current Year		(153,191)
Prior Year		480,051
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(2,973,671)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	3,316,157	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	229,458,597	12,562,470
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	232,711,273	12,122,005
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:		
Current Year		480,051
Prior Year		(153,191)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 232,711,273	\$ 12,448,865

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, 2022	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)	\$ 33,608,568	\$ 28,407,281	\$ 39,348,657	\$ 44,931,347	\$ 50,489,491	\$ 58,818,449	\$ 74,990,423	\$ 56,426,018	\$ 48,771,057	\$ 47,401,295
District's proportionate share of the net pension liability (asset)	0.2227004802%	0.2397947309%	0.2412934827%	0.2493625419%	0.2564284900%	0.2526739183%	0.2531994782%	0.2513632728%	0.2604910930%	0.2480186673%
District's covered-employee payroll	\$ 15,763,356	\$ 16,349,754	\$ 17,377,580	\$ 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	213.21%	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	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

	Fiscal Year Ending June 30, <u>2023</u>	Fiscal Year Ending June 30, <u>2022</u>	Fiscal Year Ending June 30, <u>2021</u>	Fiscal Year Ending June 30, <u>2020</u>	Fiscal Year Ending June 30, <u>2019</u>	Fiscal Year Ending June 30, <u>2018</u>	Fiscal Year Ending June 30, <u>2017</u>	Fiscal Year Ending June 30, <u>2016</u>	Fiscal Year Ending June 30, <u>2015</u>	Fiscal Year Ending June 30, <u>2014</u>
Contractually required contribution	\$ 2,808,360	\$ 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	<u>2,808,360</u>	<u>2,808,275</u>	<u>2,639,631</u>	<u>2,425,563</u>	<u>2,550,635</u>	<u>2,340,754</u>	<u>2,249,388</u>	<u>2,161,050</u>	<u>2,147,451</u>	<u>1,868,770</u>
Contribution deficiency (excess)	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	<u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
District's covered-employee payroll	15,763,356	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	17.82%	17.28%	16.14%	13.96%	14.87%	13.18%	12.73%	12.50%	12.47%	10.99%

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, 2022	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)	0.7101415407%	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	\$366,393,379	\$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	79,367,810	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%	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	461.64%	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	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

FREEHOLD REGIONAL TOWNSHIP SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 June 30,	Discount Rate	Long-Term Expected Rate of Return	Actuarial Experience Study Period
2022	7.00%	7.00%	07/01/18-06/30/21
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 June 30,	Discount Rate	Long-Term Expected Rate of Return	Actuarial Experience Study Period
2022	7.00%	7.00%	07/01/18-06/30/21
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,					
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Changes for the year:						
Service cost	\$16,786,268	\$19,076,256	\$10,822,032	\$10,681,794	\$12,065,686	14,557,134
Interest	8,730,668	10,191,398	9,728,193	11,802,170	12,633,063	10,916,077
Changes of benefit terms		(418,160)			-	
Differences between expected and actual experience	7,808,228	(64,383,606)	72,212,559	(45,960,962)	-	
Changes in assumptions or other inputs	(88,376,698)	387,594	79,602,301	4,037,248	(63,349,626)	(45,435,718)
Membership Contributions	277,432	260,544	229,949	246,389	275,658	293,930
Benefit Payments - Net	(8,647,985)	(8,027,967)	(7,586,597)	(8,311,925)	(7,975,856)	(7,972,348)
Net changes	<u>(63,422,087)</u>	<u>(42,913,941)</u>	<u>165,008,437</u>	<u>(27,505,286)</u>	<u>(46,351,075)</u>	<u>(27,640,925)</u>
Beginning Balance	<u>\$392,867,539</u>	<u>\$435,781,480</u>	<u>\$270,773,043</u>	<u>\$298,278,329</u>	<u>344,629,404</u>	<u>372,280,329</u>
Ending Balance	<u>\$329,445,452</u>	<u>\$392,867,539</u>	<u>\$435,781,480</u>	<u>\$270,773,043</u>	<u>\$298,278,329</u>	<u>\$344,639,404</u>
Covered Employee Payroll	95,131,166	94,632,811	94,459,159	95,100,658	93,716,859	94,440,836
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-	-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	346.31%	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, 2023

Change in benefit terms: None

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>
2022	3.54%
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, 2023

	TITLE I	TITLE I PY	TITLE II A	TITLE II A PY	TITLE III	TITLE III PY	TITLE III IMMIGRANT
REVENUES:							
Federal sources	\$ 349,611	\$ 59,369	\$ 188,891	22,567	\$ 6,463	\$ 12,591	\$ 17,539
State sources							
Other sources							
Total revenues	\$ 349,611	\$ 59,369	\$ 188,891	\$ 22,567	\$ 6,463	\$ 12,591	\$ 17,539
EXPENDITURES:							
Instruction:							
Salaries of teachers	94,290						
Other salaries	5,706	19,000				9,200	
Other purchased professional-educational services	74,650				652		5,600
Other purchased services							
Tuition							
Supplies and materials	53,252	10,664			2,297		1,786
Textbooks							
Miscellaneous expenditures							
Total instruction	227,898	29,664			2,949	9,200	7,386
Support services:							
Other Salaries	2,650	10,991	85,575	18,000	1,700	2,496	500
Personal services - employee benefits	53,492	2,294	6,547	1,377	130	895	38
Purchased professional - educational services			22,900				9,000
Purchased technical services							
Purchased property services	59,111						
Other purchased services			66,929	3,190			
Supplies and materials	6,460	506	6,940		1,684		
Miscellaneous expenditures							615
Total support services	121,713	13,791	188,891	22,567	3,514	3,391	10,153
Facilities acquisition and construction serv:							
Construction Services							
Instructional equipment		15,914					
Non-Instructional equipment							
Total facilities acquisition and construction serv.		15,914					
Total expenditures	\$ 349,611	\$ 59,369	\$ 188,891	\$ 22,567	\$ 6,463	\$ 12,591	\$ 17,539
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, 2023

	TITLE III IMMIGRANT PY	TITLE IV	IDEA PART B	IDEA PART B FY	CARL D. PERKINS	JROTC	CRRSA ESSER II
REVENUES:							
Federal sources	\$ 538	\$ 28,631	\$ 2,366,644	\$ 1,841	\$ 87,629	\$ 107,779	\$ 203,474
State sources							
Other sources							
Total revenues	\$ 538	\$ 28,631	\$ 2,366,644	\$ 1,841	\$ 87,629	\$ 107,779	\$ 203,474
EXPENDITURES:							
Instruction:							
Salaries of teachers							
Other salaries		9,108					
Other purchased professional-educational services		11,950			10,430		
Other purchased services						107,779	
Tuition			2,316,958				
Supplies and materials		5,551			47,833		203,474
Textbooks							
Miscellaneous expenditures		1,325					
Total instruction		27,934	2,316,958		58,263	107,779	203,474
Support services:							
Other salaries	500		20,507				
Personal services - employee benefits	38	697	1,569				
Purchased professional - educational services			24,110				
Purchased technical services					905		
Purchased property services							
Other purchased services			2,000		8,581		
Supplies and materials			1,500	1,841			
Miscellaneous expenditures							
Total support services	538	697	49,686	1,841	9,486		
Facilities acquisition and construction serv:							
Construction Services							
Instructional equipment					19,880		
Non-Instructional equipment							
Total facilities acquisition and construction serv.					19,880		
Total expenditures	\$ 538	\$ 28,631	\$ 2,366,644	\$ 1,841	\$ 87,629	\$ 107,779	\$ 203,474
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, 2023

	CRRSA LEARNING ACCELERATION	CRRSA MENTAL HEALTH	ARP - STATE FISCAL RECOVERY FUND ACSERS	ARP ESSER	ACCELERATED LEARNING COACH	BEYOND THE SCHOOL DAY	MENTAL HEALTH SUPPORT
REVENUES:							
Federal sources	\$ 5,167	\$ 5,215	\$ 1,357,218	\$ 2,867,416	\$ 512,120	\$ 53,574	\$ 39,785
State sources							
Other sources							
Total revenues	<u>5,167</u>	<u>5,215</u>	<u>1,357,218</u>	<u>2,867,416</u>	<u>512,120</u>	<u>53,574</u>	<u>39,785</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers				276,818			
Other salaries	4,800					13,581	
Other purchased professional-educational services				2,700		38,954	
Other purchased services							
Tuition			811,431	1,810,300			
Supplies and materials							
Textbooks							
Miscellaneous expenditures							
Total instruction	<u>4,800</u>		<u>811,431</u>	<u>2,089,818</u>		<u>52,535</u>	
Support services:							
Other salaries				421,820	303,560		
Personal services - employee benefits	367			85,534	208,560	1,039	
Purchased professional - educational services							39,785
Purchased technical services		5,215	62,200				
Purchased property services				229,413			
Other purchased services			483,391	40,710			
Supplies and materials			196	121			
Miscellaneous expenditures							
Total support services	<u>367</u>	<u>5,215</u>	<u>545,787</u>	<u>777,598</u>	<u>512,120</u>	<u>1,039</u>	<u>39,785</u>
Facilities acquisition and construction serv:							
Construction Services							
Instructional equipment							
Non-Instructional equipment							
Total facilities acquisition and construction serv.							
Total expenditures	<u>\$ 5,167</u>	<u>\$ 5,215</u>	<u>\$ 1,357,218</u>	<u>\$ 2,867,416</u>	<u>\$ 512,120</u>	<u>\$ 53,574</u>	<u>\$ 39,785</u>
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, 2023

	ARP IDEA	SDA CAPITAL & EMERGENT	NON - PUBLIC NURSING	NON - PUBLIC TEXTBOOKS	NON - PUBLIC TECHNOLOGY	NON - PUBLIC SECURITY	SUMMER PROGRAMS
REVENUES:							
Federal sources	\$ 44,162						
State sources		\$ 286,038	\$ 42,212	\$ 19,494	\$ 12,251	\$ 77,291	
Other sources							\$ 123,742
Total revenues	\$ 44,162	\$ 286,038	\$ 42,212	\$ 19,494	\$ 12,251	\$ 77,291	\$ 123,742
EXPENDITURES:							
Instruction:							
Salaries of teachers							
Other salaries							123,742
Other purchased professional-educational services							
Other purchased services							
Tuition							
Supplies and materials					12,251		
Textbooks				19,494			
Miscellaneous Expenditures							
Total instruction				19,494	12,251		123,742
Support services:							
Other salaries	40,935						
Personal services - employee benefits	3,132						
Purchased professional - educational services							
Purchased Technical Services			42,212				
Purchased property services							
Other purchased services							
Supplies and materials	95					77,291	
Miscellaneous expenditures							
Total support services	44,162		42,212			77,291	
Facilities acquisition and construction serv.:							
Construction Services		286,038					
Instructional equipment							
Non-Instructional equipment							
Total facilities acquisition and construction serv.		286,038					
Total expenditures	\$ 44,162	\$ 286,038	\$ 42,212	\$ 19,494	\$ 12,251	\$ 77,291	\$ 123,742
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, 2023

	OTHER LOCAL	COLLEGE APP BOOTCAMP	COLLEGE FAIR	SAT PREP COURSE	STUDENT ACTIVITIES	SCHOLARSHIPS	TOTAL
REVENUES:							
Federal sources							\$ 8,338,224
State sources							437,286
Other sources	\$ 127,003	\$ 12,500	\$ 15,319	\$ 16,146	\$ 3,126,370	\$ 39,020	3,460,100
Total revenues	\$ 127,003	\$ 12,500	\$ 15,319	\$ 16,146	\$ 3,126,370	\$ 39,020	\$ 12,235,610
EXPENDITURES:							
Instruction:							
Salaries of teachers							371,108
Other salaries	7,500	12,500		8,350			213,487
Other purchased professional-educational services							144,936
Other purchased services	5,162						112,941
Tuition							4,938,689
Supplies and materials	43,186						380,294
Textbooks				7,796			27,290
Miscellaneous Expenditures							1,325
Total instruction	55,848	12,500		16,146			6,190,070
Support services:							
Other salaries			625				909,859
Personal services - employee benefits	574						365,283
Purchased professional - educational services							95,795
Purchased Technical Services							110,532
Purchased property services							288,524
Other purchased services	750		9,060				614,611
Supplies and materials	34,547		5,634				136,815
Miscellaneous expenditures					2,997,449	54,336	3,052,400
Total support services	35,871		15,319		2,997,449	54,336	5,574,819
Facilities acquisition and construction serv:							
Construction Services							286,038
Instructional equipment							35,794
Non-Instructional equipment	35,284						35,284
Total facilities acquisition and construction serv.	35,284						357,116
Total expenditures	\$ 127,003	\$ 12,500	\$ 15,319	\$ 16,146	\$ 2,997,449	\$ 54,336	\$ 12,122,005
Excess (Deficiency) of Revenues Over (Under) Expenditures					\$ 128,921	\$ (15,316)	\$ 113,605
Fund Balance, July 1					963,663	774,229	1,737,892
Fund Balance, June 30					\$ 1,092,584	\$ 758,913	\$ 1,851,497

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
AS OF JUNE 30, 2023

<u>ISSUE/PROJECT TITLE</u>	<u>ORIGINAL DATE</u>	<u>REVISED BUDGETARY APPROPRIATIONS</u>	<u>EXPENDITURES TO DATE</u>		<u>(MEMO ONLY) UNEXPENDED PROJECT BALANCE</u>
			<u>PRIOR YEAR</u>	<u>CURRENT YEAR</u>	
School Security Grant: Interior Door Security Upgrades - Districtwide	12/10/2020	\$ 936,207 \$	187,560 \$	425,422 \$	323,225
Referendum: Roofing and Paving Districtwide	12/21/2021	<u>14,460,000</u>	<u>1,897,162</u>	<u>8,470,756</u>	<u>4,092,082</u>
Totals		\$ <u>15,396,207</u> \$	\$ <u>2,084,722</u> \$	\$ <u>8,896,178</u> \$	<u>4,415,307</u>

Fund balance - budgetary basis	4,415,307
Less: SDA Grant Not Recognized	<u>(73,225)</u>
Fund balance - GAAP basis	<u>\$ 4,342,082</u>

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, 2023

Revenues and Other Financing Sources:	
Interest Earnings	\$ 134,707
Total revenues	<u>134,707</u>
Expenditures and Other Financing Uses:	
Architectural/engineering services	258,688
Construction services	8,637,490
Total expenditures	<u>8,896,178</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,761,471)</u>
Other financing sources (uses):	
Transfers out	<u>(134,707)</u>
Total other financing sources (uses)	<u>(134,707)</u>
Net change in fund balance	(8,896,178)
Fund balance - beginning	<u>13,311,485</u>
Fund balance - ending	\$ <u><u>4,415,307</u></u>
Fund Balance - budgetary basis	\$ 4,415,307
SDA Grant not Recognized	<u>(73,225)</u>
Fund Balance - GAAP basis (B-1)	\$ <u><u>4,342,082</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, 2023

	<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	65,299	4,200	69,499	69,750
Construction services	122,261	421,222	543,483	866,457
Total expenditures	<u>187,560</u>	<u>425,422</u>	<u>612,982</u>	<u>936,207</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>748,647</u>	\$ <u>(425,422)</u>	\$ <u>323,225</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	89.00%			
Original target completion date	FY22			
Revised target completion date	FY24			

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, 2023

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	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Debt Issuance	\$ 14,460,000	\$ -	\$ 14,460,000	\$ 14,460,000
Total revenues	<u>14,460,000</u>	<u>-</u>	<u>14,460,000</u>	<u>14,460,000</u>
Expenditures and Other Financing Uses:				
Legal services	29,941		29,941	150,000
Architectural/engineering services	730,173	254,488	984,661	977,120
Other purchased professional and technical services	45,230		45,230	608,080
Construction services	1,091,818	8,216,268	9,308,086	12,724,800
Total expenditures	<u>1,897,162</u>	<u>8,470,756</u>	<u>10,367,918</u>	<u>14,460,000</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>12,562,838</u>	\$ <u>(8,470,756)</u>	\$ <u>4,092,082</u>	\$ <u>-</u>
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	50.00%			
Original target completion date	FY24			
Revised target completion date	FY24			

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, 2023

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND

	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	TOTAL
ASSETS:						
Current assets:						
Cash and cash equivalents	\$ 216,520					\$ 216,520
Accounts receivable:						
State	1,639					1,639
Federal	45,187					45,187
Other	8,026	\$ 45,126	\$ 1,327	\$ 24,701	\$ 71,154	79,180
Interfund receivable	1,109,461					1,109,461
Inventories	29,751					29,751
Total current assets	1,410,584	45,126	1,327	24,701	71,154	1,481,738
Noncurrent assets:						
Furniture, machinery and equipment	1,110,070					1,110,070
Less accumulated depreciation	(792,602)					(792,602)
Total noncurrent assets	317,468					317,468
Total assets	1,728,052	45,126	1,327	24,701	71,154	1,799,206
LIABILITIES:						
Current liabilities:						
Accounts payable	147,007					147,007
Interfund payable		45,126	1,327	24,701	71,154	71,154
Installment purchase payable	135,003					135,003
Unearned revenue	72,644					72,644
Total current liabilities	354,654	45,126	1,327	24,701	71,154	425,808
Total liabilities	354,654	45,126	1,327	24,701	71,154	425,808
NET POSITION:						
Net investment in capital assets	232,983					232,983
Unrestricted	1,140,415					1,140,415
Total net position	\$ 1,373,398	\$	\$	\$	\$	\$ 1,373,398

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, 2023

	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	\$ 554,193				-	\$ 554,193
Daily sales - non-reimbursable programs	1,463,497					1,463,497
Special functions	50,270					50,270
Miscellaneous	53,803					53,803
Fees - individuals		\$ 111,486	\$ 8,827	\$ 24,701	\$ 145,014	\$ 145,014
Total operating revenues	2,121,763	111,486	8,827	24,701	145,014	2,266,777
OPERATING EXPENSES:						
Cost of sales - reimbursable programs	444,103				-	444,103
Cost of sales - non-reimbursable programs	748,486				-	748,486
Salaries and benefits	1,170,016	108,161	8,827	20,820	137,808	1,307,824
Supplies and materials	103,667				-	103,667
Management fee	110,978				-	110,978
Miscellaneous	163,243	3,325		3,881	7,206	170,449
Depreciation	37,162				-	37,162
Installment purchase contract interest	7,700				-	7,700
Facility rental					-	
Total operating expenses	2,785,355	111,486	8,827	24,701	145,014	2,930,369
Operating income (loss)	(663,592)	-	-	-	-	(663,592)
NONOPERATING REVENUES (EXPENSES):						
State sources					-	
State school lunch program	24,701				-	24,701
State school breakfast program	784				-	784
Federal sources					-	
National school lunch program	587,896				-	587,896
School breakfast program	44,795				-	44,795
HHFKA	22,548				-	22,548
Supply Chain Assistance	477,132				-	477,132
P-EBT Administration	3,256				-	3,256
National food distribution commodities	131,131				-	131,131
Total nonoperating revenues (expenses)	1,292,243	-	-	-	-	1,292,243
Change in net position	628,651	-	-	-	-	628,651
Total net position - beginning	744,747				-	744,747
Total net position - ending	\$ 1,373,398	\$ -	\$ -	\$ -	\$ -	\$ 1,373,398

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES					TOTAL
	ENTERPRISE FUND					
	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	
Cash flows from operating activities:						
Receipts from customers	\$ 2,082,098	\$ 75,000	\$ 7,500	\$ -	\$ 82,500	\$ 2,164,598
Payments to employees	(1,098,193)	(108,161)	(8,200)	(20,820)	(137,181)	(1,235,374)
Payments for employee benefits	(71,822)		(627)		(627)	(72,449)
Payments to suppliers	(1,466,198)	(3,325)		(3,881)	(7,206)	(1,473,404)
Net cash provided by (used for) operating activities	(554,115)	(36,486)	(1,327)	(24,701)	(62,514)	(616,629)
Cash flows from noncapital financing activities:						
State sources	28,383					28,383
Federal sources	1,303,247					1,303,247
Operating subsidies and transfers to other funds	(488,143)	36,486	1,327.00	24,701	62,514	(425,629)
Net cash provided by noncapital financing activities	843,487	36,486	1,327	24,701	62,514	906,001
Cash flows from capital and related financing activities:						
Installment purchase contract payments	(130,890)				-	(130,890)
Purchases of capital assets	(42,344)				-	(42,344)
Net cash provided by (used for) capital and related financing activities	(173,234)	-	-	-	-	(173,234)
Net increase (decrease) in cash and cash equivalents	116,138	-	-	-	-	116,138
Cash and cash equivalents, July 1, 2022	100,382	-	-	-	-	100,382
Cash and cash equivalents, June 30, 2023	\$ 216,520	\$ -	\$ -	\$ -	\$ -	\$ 216,520
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (663,592)	\$ -	\$ -	\$ -	\$ -	\$ (663,592)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	37,162					37,162
Federal commodities	131,131					131,131
Change in assets and liabilities:						
(Increase) decrease in accounts receivable, net	(3,055)	(36,486)	(1,327)	(24,701)	(62,514)	(65,569)
Increase (decrease) in unearned revenue	(33,365)				-	(33,365)
Increase (decrease) in accounts payable	(25,412)				-	(25,412)
(Increase) decrease in inventories	3,016				-	3,016
	109,477	(36,486)	(1,327)	(24,701)	(62,514)	46,963
Net cash provided by (used for) operating activities	\$ (554,115)	\$ (36,486)	\$ (1,327)	\$ (24,701)	\$ (62,514)	\$ (616,629)

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, 2023

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>MATURITIES</u>		<u>RATE OF INTEREST</u>	<u>BALANCE JULY 1, 2022</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2023</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Referendum: Roofing and Paving Districtwide	12/21/2021	14,460,000	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	2.000%			
			8/15/2039	880,000	2.125%			
			8/15/2040	905,000	2.125%			
			8/15/2041	930,000	2.125%			
						\$ 14,460,000	\$ 490,000	\$ 13,970,000

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER LEASES
AS OF JUNE 30, 2023

<u>SERIES</u>	<u>TERM</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2022</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2023</u>
<u>Governmental Funds:</u>						
Transportion Building Lease	5 Years	0.577%	1,653,744 \$	<u>1,374,752</u>	<u>308,890</u> \$	<u>1,065,862</u>
Grand Total				<u>\$ 1,374,752</u>	<u>\$ 308,890</u>	<u>\$ 1,065,862</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Other financing sources:					-
Operating Transfers in - Capital Projects	_____	_____	_____	\$ _____ 134,707	\$ _____ 134,707
	-	-	-	134,707	134,707
Fund balance, July 1	\$ _____ 2,517	\$ _____	\$ _____ 2,517	\$ _____ 2,517	_____
Fund balance, June 30	\$ _____ <u>2,517</u>	\$ _____ <u>-</u>	\$ _____ <u>2,517</u>	\$ _____ <u>137,224</u>	\$ _____ <u>134,707</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER INSTALLMENT PURCHASE CONTRACTS
AS OF JUNE 30, 2023

<u>SERIES</u>	<u>TERM</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL CONTRACT</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2022</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2023</u>
<u>Governmental Funds:</u>							
District Wide Energy Savings Improvement Plan (ESIP)	15 Years	2.690%	\$ 17,498,000	\$ 11,667,148		\$ 1,018,615	\$ 10,648,533
School Buses, Technology & Buildings and Grounds Equipment	5 Years	1.680%	2,560,000	529,967		529,967	-
School Buses, Technology & Buildings and Grounds Equipment	5 Years	1.019%	2,160,000	2,160,000		424,502	1,735,498
Technology, Buildings & Grounds Equipment, and Copiers	5 Years	2.988%	1,405,000		1,405,000		1,405,000
School Buses, Technology, Cafeteria, and Buildings & Grounds Equipment	5 Years	2.896%	1,446,617	605,379		298,004	307,375
Total Governmental Funds				14,962,494	1,405,000	2,271,088	14,096,406
<u>Proprietary Fund - Food Service:</u>							
Cafeteria Equipment	5 Years	2.896%	635,383	265,894		130,889	135,005
Grand Total				\$ 15,228,388	\$ 1,405,000	\$ 2,401,977	\$ 14,231,411

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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Government Activities:										
Net Investment in capital assets	\$ 83,415,476	\$ 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
Restricted	38,578,857	41,689,247	40,677,885	33,624,268	28,130,955	26,112,090	27,648,406	28,446,908	30,394,625	31,027,126
Unrestricted (deficit)	(39,218,798)	(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)
Total Government Activities Net Position	\$ 82,775,535	\$ 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
Business-Type Activities:										
Net Investment in capital assets	\$ 232,983	\$ 145,890	\$ 96,991	\$ 61,045	\$ 38,228	\$ 493,155	\$ 154,865	\$ 182,315	\$ 220,747	\$ 238,357
Unrestricted	1,140,415	598,857	39,267	329,733	429,653	171,231	667,148	413,584	215,462	129,757
Total Business-Type Activities Net Position	\$ 1,373,398	\$ 744,747	\$ 136,258	\$ 390,778	\$ 467,881	\$ 664,386	\$ 822,013	\$ 595,899	\$ 436,209	\$ 368,114
District-wide:										
Net Investment in capital assets	\$ 83,648,459	\$ 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
Restricted	38,578,857	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
Unrestricted (deficit)	(38,078,383)	(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)
Total District Net Position	\$ 84,148,933	\$ 81,699,307	\$ 77,252,111	\$ 67,192,609	\$ 58,312,670	\$ 55,055,923	\$ 57,101,974	\$ 58,840,584	\$ 56,297,058	\$ 103,670,339

* 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)

	<u>2023**</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities:										
Instruction:										
Regular	\$ 93,170,159	\$ 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
Special Education	34,873,195	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
Other Special Education	8,779,605	9,381,910	10,220,402	10,090,114	11,215,656	12,400,211	11,747,407	10,804,135	9,859,065	8,306,192
Support Services:										
Tuition	0	15,298,871	15,945,591	14,887,892	15,448,397	15,600,095	15,076,681	14,980,357	14,711,492	14,104,095
Student & instruction related services	31,237,875	29,290,265	30,945,020	27,900,105	29,530,211	32,227,254	30,730,390	27,893,131	25,721,936	21,748,966
General Administrative Services	2,123,071	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
School Administrative Services	11,235,905	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
Central Services/Admin. Information Technology	4,365,007	3,829,106	4,511,937	4,556,840	5,074,147	5,681,925	6,268,366	4,719,869	4,644,456	3,690,894
Plant Operations and Maintenance	13,759,059	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
Pupil Transportation Services	20,171,512	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
Interest on Long-Term Debt	150,168	316,205	8,101	192,408	445,263	741,084	936,851	1,159,719	1,353,737	1,548,571
Unallocated Depreciation and Amortization	4,808,117	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
	<u>224,673,673</u>	<u>226,038,686</u>	<u>241,874,649</u>	<u>227,381,612</u>	<u>240,980,845</u>	<u>257,163,550</u>	<u>252,095,989</u>	<u>229,167,956</u>	<u>218,563,537</u>	<u>193,249,548</u>
Food Service	2,785,355	3,029,102	402,686	1,896,771	2,723,536	3,583,671	3,201,580	3,167,975	3,096,810	3,211,871
Extra Curricular Fund	145,014	265,049	110,152	214,318	212,545	233,962	240,311	256,688	227,246	236,788
	<u>2,930,369</u>	<u>3,294,151</u>	<u>512,838</u>	<u>2,111,089</u>	<u>2,936,081</u>	<u>3,817,633</u>	<u>3,441,891</u>	<u>3,424,663</u>	<u>3,324,056</u>	<u>3,448,659</u>
	<u>\$ 227,604,042</u>	<u>\$ 229,332,837</u>	<u>\$ 242,387,487</u>	<u>\$ 229,492,701</u>	<u>\$ 243,916,926</u>	<u>\$ 260,981,183</u>	<u>\$ 255,537,880</u>	<u>\$ 232,592,619</u>	<u>\$ 221,887,593</u>	<u>\$ 196,698,207</u>
Governmental Activities:										
Charges for Services:										
Instruction	\$ 3,340,828	\$ 2,794,096	\$ 1,584,920	\$ 448,194	\$ 345,797	\$ 212,475	\$ 230,377	\$ 289,578	\$ 319,039	\$ 257,418
Operating Grants and Contributions	34,052,539	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
	<u>37,393,367</u>	<u>44,655,500</u>	<u>63,108,700</u>	<u>42,736,041</u>	<u>50,397,279</u>	<u>65,166,629</u>	<u>59,923,767</u>	<u>44,201,841</u>	<u>36,140,906</u>	<u>17,114,233</u>
Business-Type Activities:										
Charges for Services:										
Food Service	2,121,763	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
Extra Curricular Fund	145,014	265,049	110,152	214,318	212,545	233,962	240,311	256,688	227,246	236,788
Operating Grants and Contributions	1,292,243	2,909,542	130,061	484,773	540,016	665,540	666,290	636,106	605,298	470,547
	<u>3,559,020</u>	<u>3,902,640</u>	<u>258,318</u>	<u>2,033,986</u>	<u>2,739,576</u>	<u>3,660,006</u>	<u>3,668,005</u>	<u>3,584,353</u>	<u>3,392,151</u>	<u>3,235,074</u>
	<u>\$ 40,952,387</u>	<u>\$ 48,558,140</u>	<u>\$ 63,367,018</u>	<u>\$ 44,770,027</u>	<u>\$ 53,136,855</u>	<u>\$ 68,826,635</u>	<u>\$ 63,591,772</u>	<u>\$ 47,786,194</u>	<u>\$ 39,533,057</u>	<u>\$ 20,349,307</u>
Governmental Activities	\$ (187,280,306)	\$ (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)
Business-Type Activities	628,651	608,489	(254,520)	(77,103)	(196,505)	(157,627)	226,114	159,690	68,095	(213,585)
	<u>\$ (186,651,655)</u>	<u>\$ (180,774,697)</u>	<u>\$ (179,020,469)</u>	<u>\$ (184,722,674)</u>	<u>\$ (190,780,071)</u>	<u>\$ (192,154,548)</u>	<u>\$ (191,946,108)</u>	<u>\$ (184,806,425)</u>	<u>\$ (182,354,536)</u>	<u>\$ (176,348,900)</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

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

	2023**	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 146,050,632	\$ 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
Taxes Levied for Debt Service	531,486.00	-	-	4,136,159	4,122,537	4,114,779	4,105,698	4,099,644	4,093,210	4,086,778
Unrestricted Grants and Contributions	40,163,193	40,347,800	45,440,258	49,855,488	53,480,921	54,362,826	54,709,469	54,224,317	54,428,665	54,015,433
Restricted Grants and Contributions	1,169,821	153,413	144,564	1,297,399	1,290,740	1,221,659	1,161,898	2,651,166	2,239,175	1,088,884
Miscellaneous income	1,186,149	1,033,786	76,611	686,794	872,300	459,661	2,082,760	782,770	148,292	303,863
Gain/(Loss) on Sale of Equipment								(42,920)		
	<u>189,101,281</u>	<u>184,721,893</u>	<u>186,040,741</u>	<u>193,602,613</u>	<u>194,036,818</u>	<u>191,796,494</u>	<u>190,207,498</u>	<u>187,349,951</u>	<u>182,382,550</u>	<u>178,586,339</u>
	\$ <u>189,101,281</u>	\$ <u>184,721,893</u>	\$ <u>186,040,741</u>	\$ <u>193,602,613</u>	\$ <u>194,036,818</u>	\$ <u>191,796,494</u>	\$ <u>190,207,498</u>	\$ <u>187,349,951</u>	\$ <u>182,382,550</u>	\$ <u>178,586,339</u>
Governmental Activities	\$ 1,820,975	\$ 3,338,707	\$ 7,274,792	\$ 8,957,042	\$ 3,453,252	\$ (200,427)	\$ (1,964,724)	\$ 2,383,836	\$ (40,081)	\$ 2,451,024
Business-Type Activities	<u>628,651</u>	<u>608,489</u>	<u>(254,520)</u>	<u>(77,103)</u>	<u>(196,505)</u>	<u>(157,627)</u>	<u>226,114</u>	<u>159,690</u>	<u>68,095</u>	<u>(213,585)</u>
	\$ <u>2,449,626</u>	\$ <u>3,947,196</u>	\$ <u>7,020,272</u>	\$ <u>8,879,939</u>	\$ <u>3,256,747</u>	\$ <u>(358,054)</u>	\$ <u>(1,738,610)</u>	\$ <u>2,543,526</u>	\$ <u>28,014</u>	\$ <u>2,237,439</u>

** Beginning In 2023 the District began allocating tuition costs to the associated instructional function. Prior Year have not been restated.
* 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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:										
Restricted	\$ 30,615,798	\$ 34,048,926	\$ 36,432,413	\$ 32,631,926	\$ 27,299,540	\$ 25,235,695	\$ 26,892,872	\$ 27,823,998	\$ 29,394,625	\$ 31,027,126
Assigned	5,974,338	5,899,912	2,520,712	992,452	824,245	592,262	755,534		1,450,900	763,915
Unassigned	<u>5,983,667</u>	<u>4,864,238</u>	<u>4,554,755</u>		<u>7,170</u>	<u>284,133</u>				
Total General Fund	<u>\$ 42,573,803</u>	<u>\$ 44,813,076</u>	<u>\$ 43,507,880</u>	<u>\$ 33,624,378</u>	<u>\$ 28,130,955</u>	<u>\$ 26,112,090</u>	<u>\$ 27,648,406</u>	<u>\$ 27,823,998</u>	<u>\$ 30,845,525</u>	<u>\$ 31,791,041</u>
All Other Governmental Funds:										
Restricted										
Special Revenue Fund	\$ 1,851,497	\$ 1,737,892	\$ 1,724,760	\$	\$	\$	\$	\$	\$	\$
Capital Projects Fund	4,342,082	12,820,753	293,764	1,357,394	1,357,460	1,677,239	2,218,778	5,975,849	19,440,653	20,198,471
Debt Service Fund	<u>137,224</u>	<u>2,517</u>								
Total All Other Governmental Funds	<u>\$ 6,330,803</u>	<u>\$ 14,561,162</u>	<u>\$ 2,018,524</u>	<u>\$ 1,357,394</u>	<u>\$ 1,357,460</u>	<u>\$ 1,677,239</u>	<u>\$ 2,218,778</u>	<u>\$ 5,975,849</u>	<u>\$ 19,440,653</u>	<u>\$ 20,198,471</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax Levy	\$ 146,582,118	\$ 143,186,894	\$ 140,379,308	\$ 141,762,932	\$ 138,392,857	\$ 135,752,348	\$ 132,253,371	\$ 129,734,618	\$ 125,566,418	\$ 123,178,159
Tuition Charges	59,130	136,301	145,788	251,164	197,903	50,275	66,286	70,929	124,280	72,563
Transportation Fees	21,724	33,097	75,536	94,101	844,978	450,268	2,074,962	776,317	135,277	294,534
Miscellaneous	4,742,080	3,874,451	1,841,632	951,407	347,725	422,844	385,828	451,783	327,157	311,734
State Sources	83,415,188	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
Federal Sources	8,558,322	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
Total Revenues	243,378,562	235,903,762	226,430,622	225,695,226	225,169,074	219,887,227	215,080,202	209,634,272	201,552,002	195,700,572
Expenditures:										
Instruction:										
Regular	58,370,972	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
Special	18,170,399	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
Other	5,993,759	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
Support Services:										
Tuition	14,540,247	15,298,871	15,945,591	14,887,892	15,448,397	15,600,095	15,076,681	14,980,357	14,711,492	14,104,095
Student & instruction related services	23,594,590	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
School Administrative Services	7,384,521	6,999,187	6,960,656	6,821,962	6,877,808	6,713,490	6,600,419	6,607,803	6,579,123	6,507,814
General Administrative Services	1,864,925	1,807,561	1,835,642	1,825,993	2,151,455	1,635,198	1,642,388	1,556,498	1,581,794	1,535,368
General and Central Services										
Central Services/Admin. Information Tech	4,194,859	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
Plant Operations and Maintenance	14,764,976	15,134,376	13,314,931	14,265,710	15,518,081	16,221,433	16,848,948	14,593,778	13,821,891	13,908,423
Student Transportation Services	22,661,236	18,560,466	14,889,180	16,957,590	18,508,314	18,147,561	17,144,259	16,812,407	16,052,557	14,960,904
Unallocated Employee Benefits	71,600,746	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
Debt Service:										
Principal	490,000.00	-	-	5,205,000	4,940,000	4,695,000	4,460,000	4,240,000	4,030,000	3,830,000
Interest and Other Charges	315,281.00	-	-	260,250	507,250	742,000	965,000	1,177,000	1,378,500	1,570,000
Capital Outlay	10,915,086	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
Total Expenditures	254,861,597	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
Excess/(Deficiency) of Revenues										
Over/(Under) Expenditures	(11,483,035)	(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
Other Financing Sources/(Uses):										
Installment Purchase Contracts leases (non-budgeted)	1,013,403	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								
Transfers Out	-	-	-	-	-	-	-	-	(2,251)	
Bond Proceeds	-	14,460,000								
Proceeds from energy savings obligations (ESIP)	-									17,500,000
Total Other Financing Sources/(Uses)	1,013,403	18,086,018	-	-	1,415,946	2,078,988	2,511,142	1,648,018	3,578,849	20,457,597
Net Change in Fund Balances	\$ (10,469,632)	\$ 13,847,834	\$ 7,505,402	\$ 5,493,357	\$ 1,699,086	\$ (2,077,855)	\$ (3,932,663)	\$ (16,486,331)	\$ (1,703,334)	\$ 23,681,082
Debt Service as a Percentage of Noncapital Expenditures	0.33%	N/A	N/A	2.50%	2.45%	2.47%	2.54%	2.63%	2.71%	2.83%

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	
2023	\$ 74,914	\$ 58,690	\$ 52,806	\$ 866,058	1,052,468
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

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							Total	Tax-	Public	Net	Total	Estimated
	Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Assessed	Exempt	Utilities (1)	Valuation	Direct	Actual
								Value	Property (3)		Taxable	School	(County
												Rate (2)	Equalized)
													Value
Coits Neck													
2023	\$ 40,775,500	\$ 3,266,851,000	\$ 203,637,400	\$ 3,251,000	\$ 175,209,600	\$ -	\$ -	\$ 3,689,724,500	\$ -	\$ 4,557,243	\$ 3,694,281,743	0.367	\$ 3,542,846,728
2022	40,597,500	2,892,838,700	189,924,100	3,289,600	171,035,900	-	-	3,297,685,800	-	4,557,243	3,302,243,043	0.344	3,305,514,679
2021	35,294,400	2,660,186,500	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	2,575,335,800	219,344,800	3,913,700	167,485,400	-	-	3,000,128,500	-	4,241,007	3,004,369,507	0.394	3,048,816,984
2019	35,878,300	2,583,155,800	235,671,000	4,032,700	162,699,400	-	-	3,021,437,200	-	4,241,007	3,025,678,207	0.423	3,079,828,708
2018	39,970,600	2,574,100,700	241,579,500	4,069,600	161,479,600	-	-	3,021,200,000	-	3,876,763	3,025,076,763	0.446	3,048,057,282
2017	41,407,700	2,552,994,800	232,105,700	4,045,100	164,887,600	-	-	2,995,440,900	-	3,077,794	2,998,518,694	0.466	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	257,605,800	4,125,100	164,609,600	-	-	2,968,224,000	-	3,159,066	2,971,383,066	0.454	3,041,417,551
2014	39,881,800	2,540,498,000	263,017,800	4,159,900	167,385,000	-	-	3,014,942,500	-	3,079,851	3,018,022,351	0.447	3,066,222,327
Englishtown													
2023	\$ 1,588,700	\$ 286,351,000	\$ -	\$ -	\$ 42,005,200	\$ 9,692,200	\$ 17,581,300	\$ 357,218,400	\$ -	\$ -	\$ 357,218,400	0.329	\$ 317,035,903
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	213,228,400	-	-	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	-	-	37,958,100	7,282,900	16,065,200	263,644,700	-	-	263,644,700	0.403	262,789,835
2019	1,583,000	196,430,000	-	-	36,867,300	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	248,186,000	-	-	248,186,000	0.402	253,041,801
2017	1,348,800	185,500,700	-	-	36,071,000	6,393,900	13,302,100	242,616,500	-	-	242,616,500	0.414	238,958,085
2016	1,576,900	183,420,400	-	-	35,820,000	6,452,500	13,268,100	240,537,900	-	-	240,537,900	0.380	232,973,581
2015	1,654,800	183,619,000	-	-	34,989,900	6,358,900	13,228,100	239,850,700	-	-	239,850,700	0.373	223,236,967
2014	1,867,700	200,060,300	-	-	39,188,600	7,267,200	1,262,100	249,645,900	-	-	249,645,900	0.372	221,639,386
Farmingdale													
2023	\$ 1,114,600	\$ 156,123,700	\$ 30,900	\$ 16,300	\$ 30,520,500	\$ 9,490,000	\$ 23,874,500	\$ 221,170,500	\$ -	\$ -	221,170,500	0.293	\$ 205,477,655
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	26,880,000	3,273,400	15,485,200	166,344,900	-	-	166,344,900	0.354	159,094,861
2018	984,800	120,283,900	-	17,500	26,918,700	3,311,800	15,357,900	166,874,600	-	-	166,874,600	0.339	149,658,560
2017	3,226,700	106,525,800	584,700	2,700	26,700,800	3,311,800	15,321,400	155,673,900	-	-	155,673,900	0.345	146,043,388
2016	1,898,600	105,777,400	590,000	2,700	27,171,700	3,318,200	15,315,400	154,074,000	-	-	154,074,000	0.326	145,958,075
2015	1,905,600	106,279,000	563,600	2,700	27,115,000	3,319,800	15,314,700	154,500,400	-	-	154,500,400	0.308	138,780,348
2014	1,865,300	110,869,600	600,000	14,200	20,523,500	2,742,800	13,947,400	150,562,800	-	-	150,562,800	0.298	137,417,398

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

LAST TEN FISCAL YEARS
UNAUDITED

	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property (3)	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
Freehold Boro													
2023	\$ 11,291,800	\$ 1,118,519,000	\$ -	\$ -	\$ 281,184,800	\$ 28,465,900	\$ 46,927,400	\$ 1,486,388,900	\$ 1,354,400	\$ -	\$ 1,486,388,900	0.393	\$ 1,389,546,789
2022	9,457,000	950,045,300	-	-	257,186,100	26,783,500	43,943,200	1,287,415,100	1,354,400	-	1,287,415,100	0.363	1,226,447,510
2021	9,459,200	817,015,000	-	-	243,698,000	25,570,200	42,155,600	1,137,898,000	1,351,400	-	1,137,898,000	0.364	1,163,639,683
2020	8,676,000	790,539,300	-	-	239,787,500	25,327,700	41,548,500	1,105,879,000	2,265,900	-	1,105,879,000	0.374	1,110,626,704
2019	10,783,800	771,996,400	-	-	234,733,200	25,450,200	40,897,000	1,083,860,600	2,254,600	-	1,083,860,600	0.364	1,091,828,385
2018	9,600,100	754,455,600	-	-	233,786,500	25,411,800	32,216,500	1,055,470,500	2,369,500	-	1,055,470,500	0.342	1,049,932,001
2017	9,632,800	746,201,020	-	-	231,066,700	25,373,900	32,137,100	1,044,411,520	1,181,800	-	1,044,411,520	0.343	1,032,101,092
2016	10,627,200	739,568,800	-	-	229,822,500	25,353,000	22,454,100	1,027,825,600	1,128,800	-	1,027,825,600	0.320	986,304,992
2015	10,120,100	741,225,500	-	-	230,456,500	25,345,900	22,065,400	1,029,213,400	1,390,000	-	1,029,213,400	0.295	951,845,338
2014	10,235,100	755,357,200	-	-	237,225,100	25,345,900	22,388,400	1,050,551,700	1,423,600	-	1,050,551,700	0.311	974,389,434
Freehold Township													
2023	\$ 93,866,100	\$ 6,525,385,800	\$ 39,158,600	\$ 1,370,300	\$ 1,468,978,100	\$ 233,111,600	\$ 142,719,700	\$ 8,504,590,200	\$ 837,600	\$ -	\$ 8,504,590,200	0.421	\$ 8,361,314,337
2022	72,531,700	5,699,466,100	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	1,490,000	1,399,760,900	178,972,900	101,720,900	6,868,119,800	3,969,600	-	6,868,119,800	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	98,555,800	6,717,431,900	3,969,600	-	6,717,431,900	0.408	6,710,556,698
2019	50,698,700	4,799,653,300	33,788,900	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	4,588,492,600	31,227,800	1,535,200	1,417,161,400	154,713,700	84,626,700	6,326,367,000	3,612,600	-	6,326,367,000	0.441	6,510,731,901
2017	52,922,000	4,425,631,400	29,682,700	1,444,500	1,396,897,600	154,513,500	84,791,800	6,145,883,500	3,612,600	-	6,145,883,500	0.455	6,456,448,298
2016	51,370,300	4,325,592,200	30,003,400	1,456,900	1,387,324,000	153,241,300	78,612,500	6,027,600,600	3,612,600	-	6,027,600,600	0.482	6,589,292,604
2015	55,908,800	4,266,398,600	29,970,000	1,464,900	1,320,216,200	148,905,300	71,094,300	5,893,958,100	3,612,600	-	5,893,958,100	0.452	6,095,136,631
2014	50,881,700	3,955,292,200	27,666,200	1,440,900	1,239,936,400	146,563,700	60,794,300	5,482,575,400	41,400	-	5,482,575,400	0.480	5,837,654,006
Howell													
2023	\$ 166,276,700	\$ 8,545,155,300	\$ 110,875,800	\$ 2,122,100	\$ 813,006,700	\$ 160,374,400	\$ 60,785,600	\$ 9,858,596,600	\$ -	\$ -	\$ 9,858,596,600	0.418	\$ 9,441,290,247
2022	131,910,000	7,261,628,700	101,852,900	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	103,563,500	2,349,700	713,280,800	124,386,400	40,136,000	7,546,137,900	-	-	7,546,137,900	0.428	7,754,660,084
2020	101,852,000	6,318,620,400	102,076,600	2,432,200	710,135,200	113,613,300	39,900,900	7,388,630,600	-	-	7,388,630,600	0.432	7,644,393,932
2019	112,105,800	6,149,486,400	98,207,200	2,669,500	682,217,500	111,137,700	39,843,400	7,195,667,500	-	-	7,195,667,500	0.448	7,493,685,010
2018	114,774,900	5,875,284,700	98,123,400	2,624,600	668,590,600	105,862,100	38,671,700	6,903,932,000	-	-	6,903,932,000	0.449	7,130,335,655
2017	118,523,800	5,654,440,800	98,312,200	2,397,100	626,784,300	104,535,300	37,293,500	6,642,287,000	-	-	6,642,287,000	0.436	6,760,028,111
2016	114,702,200	5,373,302,700	101,965,500	2,701,000	628,132,400	112,376,100	32,259,800	6,365,439,700	-	-	6,365,439,700	0.433	6,591,132,558
2015	127,426,600	5,157,744,800	98,908,600	2,755,700	616,492,200	107,704,400	32,259,800	6,143,292,100	-	8,470,420	6,151,762,520	0.432	6,388,597,383
2014	137,473,900	4,623,682,700	89,384,800	2,673,500	611,874,200	101,684,900	-	5,566,754,000	-	7,632,229	5,574,386,229	0.452	6,087,370,787

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

LAST TEN FISCAL YEARS
UNAUDITED

	Vacant							Total Assessed	Tax-Exempt	Public	Net Valuation	Total Direct School Tax	Estimated Actual (County Equalized)
	Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Value	Property (3)	Utilities (1)	Taxable	Rate (2)	Value
Manalapan													
2023	\$ 104,114,800	\$ 8,671,892,900	\$ 51,743,800	\$ 1,793,500	\$ 577,774,000	\$ 31,270,500	\$ -	\$ 9,438,589,400	\$ -	\$ -	\$ 9,438,589,400	0.380	\$ 8,899,367,519
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	6,436,526,600	40,985,400	1,838,300	518,889,000	25,197,400	-	7,058,050,500	-	-	7,058,050,500	0.416	7,324,554,794
2019	39,292,500	6,362,922,900	37,983,500	1,822,700	478,389,800	23,999,000	-	6,944,410,400	-	-	6,944,410,400	0.420	7,316,476,259
2018	38,604,600	6,071,386,900	37,918,200	1,895,900	467,772,800	23,587,100	-	6,641,165,500	-	-	6,641,165,500	0.415	6,692,366,754
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	47,846,600	5,359,086,800	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
Marlboro													
2023	\$ 60,443,700	\$ 6,611,024,970	\$ 31,937,000	\$ 842,300	\$ 513,969,400	\$ 81,161,800	\$ 50,753,900	\$ 7,350,133,070	\$ 48,000	\$ -	\$ 7,350,133,070	0.489	\$ 9,492,389,912
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	53,888,350	6,566,454,270	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	914,800	490,911,300	80,779,900	27,880,900	7,245,302,300	48,000	-	7,245,302,300	0.466	8,125,904,617
2019	73,126,400	6,527,605,100	37,138,400	976,900	465,858,300	80,779,900	13,253,900	7,198,798,900	48,000	-	7,198,798,900	0.474	7,999,685,880
2018	75,736,300	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	38,436,000	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

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. For 2023 used the Estimated 23-24 Total School Tax Rate per the budget as the 2023 certified rates are not yet available

(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>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>
Colts Neck								
2022	0.343	0.001	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	0.325	0.001	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	0.340	0.001	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)

	<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>	
Freehold Borough								
2022	0.362	0.002	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	0.389	0.002	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	0.402	0.002	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>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct</u>	<u>Elementary School</u>	<u>Local Purpose</u>	<u>Library/ Other</u>	<u>Monmouth County</u>	
Manalapan								
2022	0.357	0.002	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	0.478	0.002	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

Source: County Board of Taxation

2023 Certified Rates not available at date of completion

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

Community/Taxpayer	2023		Community/Taxpayer	2014	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation		Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Colts Neck					
Trump National Golf Club	\$ 32,059,100	0.97%	Trump National Golf Club	\$ 32,006,800	1.02%
Due Process Golf & Horse Stables, LLC	19,941,700	0.60%	Due Process Gold & Horse Stables, LLC	22,941,700	0.69%
Wellspring Stables Florida, LLC	12,990,000	0.39%	Wellspring Stables Florida, LLC	11,618,400	0.37%
G& F Realty of Richmond, LLC	11,305,100	0.34%	Individual Taxpayer 1	9,409,400	0.36%
Individual Taxpayer 1	10,757,300	0.33%	Individual Taxpayer 2	9,105,800	0.30%
Individual Taxpayer 2	8,525,500	0.26%	Laird & Co. Inc.	7,927,600	0.28%
Individual Taxpayer 3	7,076,100	0.21%	24 Realty, LLC	7,839,400	0.26%
Individual Taxpayer 4	6,723,900	0.20%	Pegasus Properties LLC	5,969,700	0.22%
Land Banc Trust	6,234,700	0.19%	Colts Neck Shopping Center Associates	5,967,500	0.20%
Laird & Company, Inc	5,786,300	0.18%	35 Highway 34 South Associates, LLC	5,809,700	0.20%
Total	\$ 121,399,700	3.68%	Total	\$ 118,596,000	3.90%
Englishtown					
Stamford Square LLC	\$ 15,376,300	4.74%	Stamford Square, LLC	\$ 12,271,500	4.02%
BAL Governor's Crossing LLC	5,541,600	1.71%	BTR Englishtown LLC	5,229,300	2.85%
Three Corners Ventures LLC	4,313,500	1.33%	Three Corners Ventures, LLC	4,762,200	1.65%
Village Center Associates, LLC	3,829,200	1.18%	BAL Governor's Crossing LLC	4,210,000	1.25%
Wemacs LLC	3,465,000	1.07%	Wemacs, LLC	2,387,000	0.94%
Ambe Holding, LLC	2,908,600	0.90%	DCD LLC	1,987,000	0.87%
Five South Main Street LLC	2,811,100	0.87%	Five South Main Street, LLC	1,850,000	0.85%
DCD LLC	2,549,900	0.79%	Brooklawn Gardens Inc	1,925,100	0.80%
Degiacomo Realty LLC	2,205,000	0.68%	K&K Englishtown, Inc.	1,782,800	0.70%
Lasatta Investments, Inc.	1,466,700	0.45%	Individual Taxpayer 1	1,034,100	0.54%
Total	\$ 44,466,900	13.72%	Total	\$ 37,439,000	14.47%

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

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Community/Taxpayer	2023		Community/Taxpayer	2014	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation		Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Farmingdale			Farmingdale		
Farmingdale Garden Apartments, LLC	\$ 20,734,700	10.81%	Farmingdale Garden Apartments, LLC	\$ 11,500,000	7.60%
32 Chestnut Realty LLC	8,462,800	4.41%	30 Southard Ave, Farmingdale LLC	3,439,000	2.51%
30 Southard Ave, Farmingdale LLC	8,167,500	4.26%	Farmingdale Shopping Center, LLC	2,442,200	1.61%
Farmingdale Shopping Center, LLC	3,905,700	2.04%	R.T. Equities LLC	2,107,200	1.39%
Academy Apartments LLC	1,787,100	0.93%	Academy Apartments, LLC	1,400,000	0.98%
KP Farmingdale, LLC	1,764,800	0.92%	Farmingdale Train Station, LLC	1,190,000	0.93%
Farmingdale BP	1,631,200	0.85%	Bell Atlantic	992,800	0.86%
Bell Atlantic	1,111,900	0.58%	Farmingdale BP JFD Associates	939,100	0.79%
Roadside Holdings, LLC	903,900	0.47%	Individual Taxpayer 1	693,700	0.66%
Individual Taxpayer 1	832,400	0.43%	Individual Taxpayer 2	690,500	0.60%
Total	\$ 49,302,000	25.71%	Total	\$ 25,394,500	17.93%
Freehold Borough			Freehold Borough		
Nestle USA	\$ 25,906,400	2.01%	Freehold Racing Association	\$ 29,225,300	2.75%
Bridge-Brookside LLC	19,006,400	1.48%	Nestle USA	23,674,400	2.23%
Freehold Racing Association	13,290,500	1.03%	AEW Brookside	14,269,000	1.34%
East Coast Post & Coach LLC	13,159,100	1.02%	East Coach Post & Coach	6,495,700	0.61%
Freefern Associates	10,201,100	0.79%	Park Plaza Shopping	5,560,900	0.52%
Tower Spring Terrace LLC	8,075,900	0.63%	Freefern Associates	4,565,000	0.43%
Monmouth Apartments LLC	5,381,600	0.42%	18-20 E. Main Street LLC	3,960,600	0.37%
18-20 E.Main Street LLC	5,187,000	0.40%	Spring Terrace Apartments, LLC	3,000,000	0.00%
Bio Investment Group, LLC	4,523,000	0.35%	Bell Atlantic	3,000,000	0.28%
KPRFD2, LLC	3,842,600	0.30%	Chiu's Property Inc.	2,650,000	0.25%
Total	\$ 108,573,600	8.43%	Total	\$ 96,400,900	8.78%

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

153

Community/Taxpayer	2023		Community/Taxpayer	2014	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation		Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Freehold Twp.			Freehold Twp.		
Freemall Associates, LLC	\$ 250,000,000	3.34%	Freemall Associates, LLC	\$ 300,654,600	5.48%
100 Lambert LLC/Eagle Rock Advisors	77,218,500	1.03%	Center for Aging dba/Applewood	47,933,400	0.87%
Center for Aging DBA/Applewood	54,268,500	0.73%	Freehold Financing, LLC	45,393,900	0.83%
Iron Mountain, Inc.	52,644,800	0.70%	Iron Mountain, Inc.	44,595,700	0.81%
Ushpizin Associates, LLC	35,000,000	0.47%	New Jersey Bell Tel. Co.	25,254,900	0.46%
Silver Shore Land Co, LLC	34,810,900	0.47%	Raintreetowne Center Associates, LP	22,998,900	0.42%
JSM at Eaton Commercial, LLC	30,501,200	0.41%	Freehold Shopping Associates	22,573,200	0.41%
Freemall Associates, LLC	29,743,200	0.40%	Wal-Mart Business Trust	22,558,600	0.41%
Aspen Rt 9 LLC	26,506,800	0.35%	Macy's East, Inc.	21,984,700	0.40%
Pond Road Associates, LLC	25,948,600	0.35%	Ronardi Freehold Enterprises LLC	20,000,000	0.36%
Total	\$ 616,642,500	8.24%	Total	\$ 573,947,900	10.45%
Howell			Howell		
Howell Verdana LLC & Veronna, LLC	40,838,800	0.48%	Buffalo-Parkton & Feuerstein & Wainco	\$ 39,285,000	0.82%
Buffalo-Parkton & Feuerstein & Wainco	37,250,900	0.44%	Sunnyside @ Howell, LLC	25,892,000	0.41%
Howell Friendship Real Estate Co.	22,346,400	0.26%	Home Depot USA	17,450,600	0.40%
Toll NJ XII LP	21,058,700	0.25%	Lowe's Home Centers Inc.	16,671,600	0.32%
Countryside North American Partners	18,220,500	0.22%	DS & DJ Realty, LLC	15,128,800	0.29%
Eagle Golf Enterprises, LLC	18,102,300	0.21%	Target Corp.	13,366,100	0.28%
DS & DJ Realty, LLC	16,110,500	0.19%	Eagle Golf Enterprises, LLC	12,531,900	0.25%
NJ American Water Co, Inc.	15,912,700	0.19%	Brochin, Leona & Mur Corp	13,714,600	0.25%
Lowe's Home Centers, Inc.	15,799,300	0.19%	Centex Homes, LLC	11,164,500	0.24%
Home Depot USA Inc.	15,797,700	0.19%	Wal Mart Stores, Inc.	13,679,100	0.23%
Total	\$ 221,437,800	2.62%	Total	\$ 178,884,200	3.49%

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

Community/Taxpayer	2023		Community/Taxpayer	2014	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation		Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan			Manalapan		
Manalapan Realty	\$ 66,036,100	0.79%	Manalapan Realty	\$ 42,593,600	0.74%
Manalapan VF	35,765,500	0.43%	Manalapan VF	29,989,700	0.52%
Meridian Living at Manalapan LLC	21,815,900	0.26%	Towne Pointe Associates	13,573,200	0.20%
Towne Pointe Associates	17,108,300	0.20%	Trans Equity Realty, LLC	9,694,600	0.17%
Fields of Dreams Real Estate, LLC	15,926,200	0.19%	Taylor 9 South Assoc., LLC	7,593,400	0.13%
Trans Equity Realty, LLC	11,945,000	0.14%	Monmouth Investors, LLC	7,500,000	0.13%
Tennent 9 Plaza, LLC	11,644,000	0.14%	Lenine, LLC	7,356,000	0.12%
Welltower NNN Group, LLC	9,653,000	0.11%	Pension Road Realty Associates	6,400,000	0.11%
GAC Catering Inc.	9,310,900	0.11%	Tech Park, LLC	6,275,400	0.11%
Gordons Corner Realty, LLC	9,118,900	0.11%	Englishtown Auction Sales, Inc.	6,245,200	0.10%
Total	\$ 208,323,800	2.48%	Total	\$ 137,221,100	2.33%
Marlboro			Marlboro		
Marlboro Plaza	\$ 45,843,100	0.63%	Marlboro Plaza	\$ 38,423,500	0.68%
Camelot West At Marlboro	37,500,000	0.51%	Union Hill Nine Associates LLC	30,549,100	0.45%
Union Hill Nine Associates LLC	30,549,100	0.42%	TMC Marlboro LLC	22,500,000	0.33%
TMC Marlboro LLC	22,500,000	0.31%	American Plaza, LLC	20,718,500	0.31%
American Plaza, LLC	17,468,100	0.24%	Brooks Edge Plaza LLC	12,886,000	0.19%
480 Route 9 Realities, LLC	13,700,000	0.19%	Marlboro Lowe's	12,501,900	0.19%
Marlboro Commons LLC	12,713,100	0.17%	Royal Pines	11,400,000	0.17%
Marlboro Lowe's	12,501,900	0.17%	Triangle Business Park, LLC	11,043,800	0.16%
CRP Royal Pines LLC	12,132,100	0.17%	Sunrise Assisted Living	9,300,000	0.14%
Brooks Edge Plaza, LLC	11,776,200	0.16%	Lucas Development, LLC	8,801,500	0.14%
Total	\$ 216,683,600	2.97%	Total	\$ 178,124,300	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</u> <u>June 30,</u>	<u>Taxes Levied for the</u> <u>Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2023	\$ 146,582,118	\$ 146,050,632	100.00%	\$ -
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%	-

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Bond Anticipation Notes (BANs)	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Leases	Installment Purchase Contracts					
2023	\$ 13,970,000	-	\$ 1,065,862	\$ 14,096,406	-	\$ 29,132,268	N/A	147	
2022	14,460,000	-	1,374,752	14,962,494	-	30,797,246	N/A	156	
2021	-	-	-	15,195,704	-	15,195,704	0.08%	77	
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	

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

<u>Fiscal Year Ended 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>
2023	\$ 13,970,000	n/a	\$ 40,910,968,813	0.03%	\$ n/a
2022	14,460,000	197,705	36,750,351,263	0.04%	73
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

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, 2022
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	\$ 30,958,843		100.000%	\$ 30,958,843
Englishtown Borough	2,664,111		100.000%	2,664,111
Borough of Farmingdale	570,293		100.000%	570,293
Borough of Freehold	20,608,432		100.000%	20,608,432
Freehold Township	58,996,596		100.000%	58,996,596
Howell Township	77,469,749		100.000%	77,469,749
Manalapan Township	16,295,000		100.000%	16,295,000
Marlboro Township	63,987,534		100.000%	63,987,534
Other debt				
Monmouth County	485,746,546	<u>Net Valuation</u>		
Colts Neck Township		3,302,243,043	2.245%	10,906,474
Englishtown Borough		324,074,100	0.220%	1,070,335
Borough of Farmingdale		191,731,200	0.130%	633,240
Borough of Freehold		1,287,415,100	0.875%	4,252,006
Freehold Township		7,482,540,200	5.088%	24,712,938
Howell Township		8,450,898,900	5.746%	27,911,182
Manalapan Township		8,409,902,400	5.718%	27,775,781
Marlboro Township		7,301,546,320	4.965%	24,115,161
Subtotal, overlapping debt				392,927,674
		<u>County Total Net Valuation</u>		
		147,073,491,126		
Freehold Regional High School District Direct Debt				<u>13,970,000</u>
Total Direct and Overlapping Debt				<u>\$ 406,897,674</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

Net Valuation Taxable is based on the 2022 table as 2023 is not yet available

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year Ended June 30,									
	2023	2023	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 1,126,613,961	\$ 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
Total Net Debt Applicable to Limit	<u>13,970,000</u>	<u>14,460,000</u>	-	-	<u>5,205,000</u>	<u>10,145,000</u>	<u>14,840,000</u>	<u>19,300,000</u>	<u>23,540,000</u>	<u>27,570,000</u>
Legal Debt Margin	<u>\$ 1,112,643,961</u>	<u>\$ 1,027,287,520</u>	<u>\$ 1,038,154,328</u>	<u>\$ 757,521,604</u>	<u>\$ 943,073,226</u>	<u>\$ 933,193,226</u>	<u>\$ 901,683,946</u>	<u>\$ 871,526,085</u>	<u>\$ 869,892,552</u>	<u>\$ 870,253,311</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.26%	1.41%	0.00%	0.00%	0.55%	1.09%	1.65%	2.21%	2.71%	3.17%

Year	Equalized Valuation Basis
2021	35,201,903,862
2022	37,207,223,036
2023	41,649,269,190
[A]	<u>\$ 114,058,396,088</u>
Average Equalized Valuation of Taxable Property	[A/3] <u>\$ 38,019,465,363</u>
Debt limit (3% of average)	[B] \$ 1,140,583,961
Net bonded school debt as of June 30, 2023	[C] <u>13,970,000</u>
Legal debt margin	[B-C] <u>\$ 1,126,613,961</u>

Source: Abstract of Ratables 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}
2022	Colts Neck	9,937	N/A	N/A	2.9%
	Englishtown	2,349	N/A	N/A	3.3%
	Farmingdale	1,501	N/A	N/A	4.0%
	Freehold Borough	12,497	N/A	N/A	3.1%
	Freehold Twp.	35,576	N/A	N/A	3.1%
	Howell	53,706	N/A	N/A	3.4%
	Manalapan	40,661	N/A	N/A	3.0%
	Marlboro	41,478	N/A	N/A	2.8%
2021	Colts Neck	9,953	\$ 916,860,407	\$ 92,119	4.8%
	Englishtown	2,355	216,940,245	92,119	6.7%
	Farmingdale	1,502	138,362,738	92,119	6.3%
	Freehold Borough	12,532	1,154,435,308	92,119	5.1%
	Freehold Twp.	35,596	3,279,067,924	92,119	5.1%
	Howell	53,801	4,956,094,319	92,119	5.6%
	Manalapan	40,877	3,765,548,363	92,119	5.1%
	Marlboro	41,547	3,827,268,093	92,119	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%

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
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%
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%

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
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%
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%

^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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

<u>Employer</u>	<u>2023</u>		<u>Employer</u>	<u>2014</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>		<u>Employees</u>	<u>Percentage of Total Employment</u>
Hackensack Meridian Health, Wall	12,794	3.80%	Meridian Health System, Wall	9,932	3.26%
Saker Shoprites Inc., Freehold	3,319	0.99%	CentraState Healthcare, Freehold	2,626	0.86%
CentraState Healthcare Inc., Freehold	2,646	0.79%	Saker Shoprites Inc., Freehold	2,250	0.74%
Commvault, Tinton Falls	2,501	0.74%	Monmouth Medical Center, Long Branch	2,200	0.72%
Visiting Nurse Assoc of Central Jersey, Red Bank	2,500	0.74%	Commvault, Oceanport	1,740	0.57%
RWJ Barnabas - Monmouth Medical Center, Long Branch	1,920	0.57%	Visiting Nurse Assoc of Central Jersey	1,400	0.46%
NJ Resources, Wall	1,251	0.37%	Monmouth University, West Long Branch	1,350	0.44%
Monmouth University, West Long Branch	1,106	0.33%	RJ Resources, Wall	945	0.31%
Erickson Living - Seabrook Village, Tinton Falls	850	0.25%	Vonage Holding Corp. Holmdel	933	0.31%
Food Circus Supermarkets Inc., Middletown	495	0.15%	Food Circus Supermarkets Inc. Middletown	750	0.25%
	<u>29,382</u>	<u>8.73%</u>		<u>24,126</u>	<u>7.93%</u>
Total Employment in County	336,497			304,385	

Most recent available data presented.

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

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

<u>Function/Program</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction										
Regular	565.6	566.4	587.6	590.8	593.2	596.2	597.6	616.0	619.9	620.8
Special education	148.8	141.8	151.4	156.4	157.4	170.0	193.6	180.0	177.9	168.0
Other instruction	20.4	23.9	21.7	21.7	21.7	21.7	12.5	4.0	2.0	2.0
Support Services:										
Student & Instruction Rel. Svcs	173.3	167.1	172.0	174.8	177.3	176.8	191.2	207.0	208.5	223.0
School Administrative Services	64.8	63.8	65.3	64.3	65.8	61.0	60.0	44.0	44.0	44.0
General and Central Services	28.0	28.0	28.1	28.1	28.0	31.3	31.3	36.0	36.0	36.0
Plant Operations & Maintenance	126.0	123.0	128.0	128.0	127.0	124.0	127.0	118.0	119.0	118.0
Pupil Transportation	113.0	123.0	140.0	141.0	141.0	142.0	142.0	143.0	146.0	145.0
Total	<u>1,239.9</u>	<u>1,237.0</u>	<u>1,294.1</u>	<u>1,305.0</u>	<u>1,311.4</u>	<u>1,323.0</u>	<u>1,355.2</u>	<u>1,348.0</u>	<u>1,353.3</u>	<u>1,356.8</u>

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
2023	10,188.0	243,141,230	23,865	4.93%	684	1.14.8	10,120.6	9,375.8	(1.16)	92.6%
2022	10,288.5	234,008,221	22,745	7.76%	685	1.15.1	10,273.5	9,502.3	(1.37)	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%

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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
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	1,430	1,345	1,316	1,328	1,352	1,403	1,430	1,457	1,450	1,493
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	1,376	1,376	1,314	1,357	1,377	1,361	1,422	1,451	1,478	1,551
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	1,916	2,001	1,996	2,021	2,034	2,047	2,041	2,062	2,102	2,091
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	1,964	2,002	2,039	2,082	2,099	2,085	2,112	2,154	2,217	2,252
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	1,691	1,730	1,805	1,850	1,853	1,923	1,890	1,908	1,934	1,917
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	1,813	1,835	1,792	1,811	1,818	1,849	1,919	1,937	1,956	1,950
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, 2023

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

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

<u>School Facilities</u>	<u>Project (#)s</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>Total</u>
Coits Neck High School	NA	\$ 528,392	\$ 617,696	\$ 527,408	\$ 782,460	\$ 651,880	\$ 673,824	\$ 583,941	\$ 584,921	\$ 553,134	\$ 513,687	\$ 6,017,343
Freehold Borough High School	NA	304,437	434,098	290,398	340,255	417,559	379,280	317,779	311,401	313,838	316,229	3,425,274
Freehold Township High School	NA	480,650	425,052	385,000	416,266	427,907	389,203	435,215	374,632	390,224	446,244	4,170,393
Howell High School	NA	350,865	426,851	362,184	404,744	417,374	431,806	387,883	325,001	375,371	380,272	3,862,351
Manalapan-Englishtown High Schoo	NA	425,857	384,541	395,715	364,038	384,036	364,386	366,303	326,996	345,078	401,235	3,758,185
Marlboro High School	NA	327,164	486,170	348,514	365,185	380,795	385,407	343,684	335,728	335,985	357,148	3,665,760
Total School Facilities		<u>2,417,365</u>	<u>2,774,408</u>	<u>2,309,219</u>	<u>2,672,948</u>	<u>2,679,551</u>	<u>2,623,906</u>	<u>2,434,785</u>	<u>2,258,679</u>	<u>2,313,630</u>	<u>2,414,815</u>	<u>24,899,306</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 2,417,365</u>	<u>\$ 2,774,408</u>	<u>\$ 2,309,219</u>	<u>\$ 2,672,948</u>	<u>\$ 2,679,551</u>	<u>\$ 2,623,906</u>	<u>\$ 2,434,785</u>	<u>\$ 2,258,679</u>	<u>\$ 2,313,630</u>	<u>\$ 2,414,815</u>	<u>\$ 24,899,306</u>

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

Source: District records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

INSURANCE SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2023

UNAUDITED

	<u>Coverage</u>	<u>Deductible/Retention</u>
USI Insurance Services		
Property	\$385,261,880	\$ 25,000 Flood, each occurrence
Equipment Breakdown (Included in Property)		25,000 Earthquake, each occurrence
		5,000 Other losses
General Liability	\$3,000,000 General Aggregate	-
School District and Educators Legal Liability	\$1,000,000 Each Wrongful Act or Offense / \$3,000,000 Aggregat	10,000
Employment Practices	\$1,000,000 per occurrence/aggregate	10,000
Cyber	\$250,000 limit	2,500
Commercial Umbrella/ Excess Liability	\$10,000,000	10,000
Crime	\$100K-\$400K, depending on type	1,000
Automobile	\$1,000,000	1,000 Comprehensive deductible
		1,000 Collision deductible
Environmental Impairment Liability	\$1,000,000 per occurrence/\$3,000,000 aggregate	50,000 or 75,000 depending on condition
Board Secretary	\$700,000	1,000
Workers Compensation - Self-Insured with PMA as TPA	Statutory	N/A

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in compliance 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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 9, 2024.

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. However, we noted instances of noncompliance that we have reported to the District in a separate Auditor's Management Report on Administrative Finding – Finance and Compliance dated January 9, 2024.

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

January 9, 2024



SUPLEE, CLOONEY & COMPANY

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

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

Report on Compliance for Each Major Federal and State Program

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, 2023. 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, 2023.

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.

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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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings* as finding 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Freehold Regional High School District's response to the noncompliance findings identified in our compliance audit described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings*. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

January 9, 2024

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023

FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM/TITLE	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	TO	BALANCE AT JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/REPAYMENT OF PAY'S BALANCE	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2023 UNEARNED REVENUE	DUE GRANTOR
93 778	General Fund	2005VU5MAP	N/A	91,335	7/1/2022	6/30/2023	\$	141,658	(141,658)	\$	\$	\$	\$
	U.S. Department of Health and Human Services												
	Passed-through State Department of Education:												
	Medical Assistance Program (SEM)												
	Total General Fund							141,658	(141,658)				
84 027	Special Revenue Fund	H027A210100	IDEA165021	2,205,423	7/1/2021	6/30/2022	(432,073)	421,022	(1,841)	12,892	(548,756)		
84 027	U.S. Department of Education:	H027A220100	IDEA165022	2,385,415	7/1/2022	6/30/2023		1,817,887	(2,366,643)		(44,161)		
84 027X	Special Education Cluster	H027X210100	IDEA165021	476,899	7/1/2021	6/30/2023	(30,336)	2,269,245	(2,412,645)	12,892	(582,917)		
84 010	ESEA and Perkins	S010A210030	NCLB165021	451,589	7/1/2021	6/30/2022	(246,303)	279,985	(58,370)	25,678	(142,584)		
84 010	Title I, Part A Basic	S010A220030	NCLB165022	436,594	7/1/2022	6/30/2023		207,027	(349,611)				
84 367	Title II, Part A Teacher & Principal Training	S367A210028	NCLB165021	247,202	7/1/2021	6/30/2022	(106,976)	121,990	(22,587)	7,553	(89,637)		
84 365	Title III	S365A210030	NCLB165022	241,480	7/1/2022	6/30/2023	(5,513)	18,103	(188,891)				
84 365	Title III, Immigrant	S365A220030	NCLB165022	29,265	7/1/2022	6/30/2023		3,835	(6,463)				
84 365	Title III, Immigrant	S365A210030	NCLB165021	19,120	7/1/2021	6/30/2022	(11,385)	11,923	(538)				
84 365	Title III, Immigrant	S365A220030	NCLB165022	23,670	7/1/2022	6/30/2023	(22,284)	14,800	(17,540)	1,802	(2,940)		
84 424	Title IV	S424A210031	NCLB165021	62,420	7/1/2021	6/30/2022	(17,457)	20,462	(28,631)				
84 048	Vocational Education - Perkins	S424A220031	N/A	40,553	7/1/2022	6/30/2023		16,977	(87,629)		(29,201)		
84 048	Total ESEA and Perkins	V048A210030	N/A	78,711	7/1/2021	6/30/2023	(409,889)	58,428	(773,830)	35,033	(276,844)		
84 425D	Education Stabilization Fund	S425D210027	N/A	2,196,375	3/13/2020	6/30/2023	(195,534)	136,534	(203,474)		(203,474)		
84 425D	ARRS - ESSER II - Learning Acceleration	S425D210027	N/A	141,080	3/13/2020	6/30/2023	(42,249)	47,417	(5,167)				
84 425D	ARRS - ESSER II - Mental Health	S425D210027	N/A	55,591	3/13/2020	6/30/2023		5,215	(5,215)				
84 425U	ARRP - ESSER - Learning Acceleration	S425U210027	N/A	4,940,706	3/13/2020	6/30/2024	(162,784)	1,864,888	(2,897,416)		(1,185,312)		
84 425U	ARRP - ESSER - Beyond the School Day Activities	S425U210027	N/A	808,522	3/13/2020	6/30/2024		273,204	(512,120)		(238,916)		
84 425U	ARRP - ESSER - Mental Health	S425U210027	N/A	55,124	3/13/2020	6/30/2024		51,423	(53,575)		(2,152)		
84 425U	Total Education Stabilization Fund	S425U210027	N/A	45,000	3/13/2020	6/30/2024	(340,567)	2,418,181	(3,866,792)		(1,809,854)		
	U.S. Department of Treasury												
	Passed-through State Department of Education:												
	Coronavirus Relief Fund:												
	Total U.S. Department of Treasury	SUFRFD00ISES	N/A	1,357,218	3/13/2020	6/30/2024		714,797	(1,357,218)		(642,421)		
12 357	United States Department of Defense:												
	JROTC	N/A	N/A	107,779	7/1/2022	6/30/2023	(1,212,874)	6,386,063	(6,336,224)	47,925	(3,123,836)		
	Total Special Revenue Fund												
	Enterprise Fund:												
	U.S. Department of Agriculture												
	Passed-through State Department of Education:												
	Child Nutrition Cluster												
10 553	School Breakfast Program	221N1304N1099	N/A	163,976	7/1/2021	6/30/2022	(15,696)	16,686	(44,795)		(3,264)		
10 553	School Breakfast Program	221N1304N1099	N/A	44,795	7/1/2022	6/30/2023		41,531	(136,476)				
10 555	Commodity Supplemental Food Program	221N1304N1099	N/A	134,376	7/1/2022	6/30/2023		134,376	(695)				
10 555	Commodity Supplemental Food Program	221N1304N1099	N/A	97,403	7/1/2021	6/30/2022	655						
10 555	National School Lunch Program	221N1304N1099	N/A	2,581,737	7/1/2021	6/30/2022	(197,150)	197,150	(597,896)		(37,242)		
10 551	Healthy Hunger Free Kids Act	221N1304N1099	N/A	587,896	7/1/2022	6/30/2023		556,654	(22,548)		(1,425)		
10 555	Supply Chain Assistance - Second Round	221N1304N8903	N/A	22,548	7/1/2022	6/30/2023		204,632	(204,632)				
10 555	Supply Chain Assistance - Third Round	221N1304N8903	N/A	185,904	7/1/2022	6/30/2023		185,904	(86,596)				
10 555	Supply Chain Assistance - Third Round	221N1304N8903	N/A	86,596	7/1/2022	6/30/2023		86,596	(3,259)				
10 649	Total Child Nutrition Cluster	2023218500841	N/A	3,255	7/1/2022	6/30/2023	(212,151)	1,437,622	(1,266,755)		(45,187)		
	Total Enterprise Fund												
	Total Federal Financial Assistance												
								7,958,333	(9,746,640)	47,925	(3,169,023)		
												4,815	

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES	BALANCE JUNE 30, 2023		BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
				UNEARNEED REVENUE/ (ACCTS. REC.)	DUE STATE				UNEARNEED REVENUE	DUE GRANTOR		
State Department of Education												
General Fund:												
State Aid Public Cluster												
Categorical Special Education Aid	23-495-034-5120-089	7,030,185	7/1/2022	-	-	6,345,887	(7,030,185)	684,298	-	684,298	684,298	7,030,185
Equalization Aid	23-495-034-5120-078	20,968,046	7/1/2022	-	-	18,327,076	(20,968,046)	2,046,970	-	2,046,970	2,046,970	20,968,046
Categorical Security Aid	23-495-034-5120-084	735,894	7/1/2022	-	-	683,993	(735,894)	71,501	-	71,501	71,501	735,894
Stabilization Aid	23-034-5120-495-114	786,690	7/1/2022	-	-	786,690	(786,690)	-	-	-	-	786,690
Supplemental Stabilization Aid	23-034-5120-495-114	4,464,057	7/1/2022	-	-	4,464,057	(4,464,057)	-	-	-	-	4,464,057
Categorical Special Education Aid	23-495-034-5120-089	7,030,185	7/1/2021	-	-	684,676	(684,676)	-	-	-	-	7,030,185
Equalization Aid	23-495-034-5120-078	24,987,184	7/1/2021	-	-	23,987,184	(24,987,184)	(71,640)	-	(71,640)	-	24,987,184
Categorical Security Aid	23-495-034-5120-084	735,894	7/1/2021	-	-	71,640	(71,640)	-	-	-	-	735,894
Total State Aid Public Cluster						34,326,868	(33,984,482)	(342,397)	-	2,798,889	-	66,210,055
Categorical Transportation Aid	23-495-034-5120-014	1,816,395	7/1/2022	-	-	1,839,592	(1,816,395)	176,603	-	176,603	176,603	1,816,395
Extracurricular Transportation Aid	22-495-034-5120-014	1,816,395	7/1/2021	-	-	176,902	(1,816,395)	(176,902)	-	-	-	1,816,395
Extracurricular Special Education Costs Aid	23-495-034-5120-044	3,438,702	7/1/2022	(3,438,702)	-	3,438,702	-	-	-	-	-	3,438,702
Extracurricular Special Education Costs Aid	23-495-034-5120-044	3,321,233	7/1/2022	-	-	-	(3,321,233)	-	-	-	3,321,233	3,321,233
Non-Public Transportation Costs Aid	23-100-034-5120-068	183,144	7/1/2022	-	-	-	(183,144)	-	-	-	183,144	183,144
Non-Public Transportation Costs Aid	23-100-034-5120-068	200,029	7/1/2021	(200,029)	-	200,029	-	-	-	-	200,029	200,029
Other State Aid		190,000	7/1/2022	-	-	190,000	-	-	-	-	-	190,000
On-behalf Long-term Disability Insurance	23-495-034-5034-004	8,410	7/1/2022	-	-	8,410	-	-	-	-	-	8,410
On-behalf TPAF Pension	23-495-034-5034-002	29,780,732	7/1/2022	-	-	29,780,732	-	-	-	-	-	29,780,732
On-behalf TPAF Post Retirement Medical	23-495-034-5034-001	7,960,659	7/1/2022	-	-	7,960,659	-	-	-	-	-	7,960,659
On-behalf TPAF Social Security	23-495-034-5034-001	5,375,259	7/1/2022	-	-	5,375,259	-	-	-	-	-	5,375,259
On-behalf TPAF Social Security	23-495-034-5034-001	5,775,259	7/1/2021	(5,775,259)	-	5,775,259	-	-	-	-	-	5,775,259
Total General Funds						62,144,704	(61,657,231)	(842,465)	-	6,478,048	-	125,171,879
Special Revenue Fund:												
N.J. Nonpublic Aid:												
Textbook Aid	22-100-034-5120-064	22,857	7/1/2021	-	1,304	1,839,592	(1,304)	-	-	-	-	21,563
Textbook Aid	23-100-034-5120-064	26,400	7/1/2022	-	-	26,400	(19,494)	6,906	-	-	-	19,494
Nursing Services	22-100-034-5120-070	42,672	7/1/2021	-	7,125	44,800	(42,672)	(2,128)	-	-	-	35,547
Nursing Services	23-100-034-5120-070	44,800	7/1/2022	-	-	44,800	(42,672)	2,128	-	-	-	42,672
Technology Aid	16,662	7/1/2021	27	-	-	16,600	(12,251)	(4,349)	-	-	-	15,975
Technology Aid	16,800	7/1/2022	-	-	-	16,800	(12,251)	4,549	-	-	-	15,975
Security Services	82,000	7/1/2022	8,560	-	-	82,000	(77,291)	(4,709)	-	-	-	52,251
Security Services	82,000	7/1/2022	-	-	-	82,000	(77,291)	4,709	-	-	-	52,251
Supply Aid	246,038	7/1/2022	-	-	246,038	-	-	-	-	-	-	246,038
Supply Aid	246,038	7/1/2022	-	-	456,038	-	-	-	-	-	-	265,038
SDA - Emergent and Capital Maintenance Needs												
Total Special Revenue Fund						17,016	(437,286)	(17,016)	-	18,752	-	558,498
Debt Service Fund:												
Debt Service Aid Type II	23-495-034-5120-075	273,795	7/1/2022	-	-	273,795	(273,795)	-	-	-	-	273,795
Total Debt Service Fund						273,795	(273,795)	-	-	-	-	273,795
Enterprise Fund:												
National School Lunch Program (State Share)	22-106-010-3359-023	60,624	7/1/2021	(4,537)	-	4,537	-	-	-	-	-	60,624
National School Lunch Program (State Share)	23-106-010-3359-023	17,972	7/1/2022	-	-	16,835	(17,971)	(1,136)	-	-	-	17,972
State Lunch Reduced Supplement	6,730	7/1/2022	784	-	-	6,284	(6,730)	(446)	-	-	-	6,730
State Breakfast Reduced Supplement	784	7/1/2022	-	-	28,303	272	(28,303)	-	-	-	-	28,303
Total Enterprise Fund						4,537	(46,637)	(42,100)	-	-	-	86,336
Capital Projects Fund:												
New Jersey Economic Development Authority	1650-XX-21-1000	666,207	7/1/2020	(135,475)	-	559,670	(417,507)	-	-	-	-	612,962
School Security Project												
Total Capital Projects Fund						559,670	(417,507)	-	-	53,312	-	612,962
Total State Financial Assistance						83,332,506	(82,811,894)	(520,688)	-	6,533,000	-	128,663,442
Less: On-Budget amounts not utilized for administration of Major Programs												
On-behalf TPAF Disability Insurance	23-495-034-5034-004						8,410	-	-	-	-	8,410
On-behalf TPAF Pension	23-495-034-5034-002						29,780,732	-	-	-	-	29,780,732
On-behalf TPAF Post Retirement Medical	23-495-034-5034-001						7,960,659	-	-	-	-	7,960,659
On-behalf TPAF Social Security	23-495-034-5034-001						47,382,916	-	-	-	-	47,382,916
Total State Financial Assistance Subject to Single Audit												

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

Freehold Regional High School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2023

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, 2023

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$342,486) for the general fund and (\$364,633) 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	\$141,658	\$82,000,407	\$82,142,065
Special Revenue Fund	8,416,664.00	723,479.00	9,140,143.00
Capital Projects Fund		417,507.00	417,507.00
Debt Service Fund		273,795.00	273,795.00
Food Service Fund	1,266,758.00	25,485.00	1,292,243.00
	<u>9,825,080</u>	<u>83,440,673</u>	<u>93,265,753</u>
GAAP Adjustments:			
State Aid		(342,486)	(342,486)
Encumbrances (net)	(78,439)	(286,193)	(364,633)
Total Awards & Financial Assistance	<u>\$9,746,641</u>	<u>\$82,811,994</u>	<u>\$92,558,634</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, 2023. 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, 2023.

Freehold Regional High School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

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? | Yes |
| (4) | Identification of Major Federal Program(s): | |

<u>Program</u>	<u>AL#</u>
Title I, Part B Basic	84.010
CRRSA - ESSER II	84.425d
ARP - ESSER	84.425u
School Breakfast Program	10.553
Commodity Supplemental Food Program	10.555
National School Lunch Program	10.555
Healthy Hunger Free Kids Act	10.551
Supply Chain Assistance	10.555
P-EBT Administrative Cost	10.649

Freehold Regional High School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

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

Federal Program(s) (Continued)

- (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

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 > \$2,472,921.00
Type B State Program Threshold <= \$2,472,921.00
- (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, 2023

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

Finding FY2023-001:

Criteria

CFR Section 210.14 Resource Management net cash resources. The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service.

Condition

The District's net cash resources exceeded 3 months average expenditures.

Questioned Costs

None

Context

Based on the net cash resources calculation, the District exceeded maximum net cash resources.

Cause

The federal subsidies the District received have increased.

Effect or Potential Effect

The District is not in compliance with CFR 210.14.

Recommendation

That the District ensure that net cash resources does not exceed 3 months average expenditures.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

State Programs – None Reported

Freehold Regional High School District
Monmouth County, New Jersey

Schedule of Prior Year Audit Findings

Not Applicable