

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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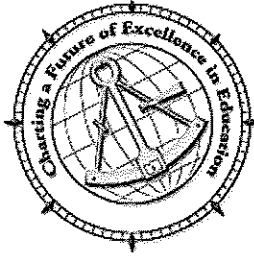
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INTRODUCTORY SECTION



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.

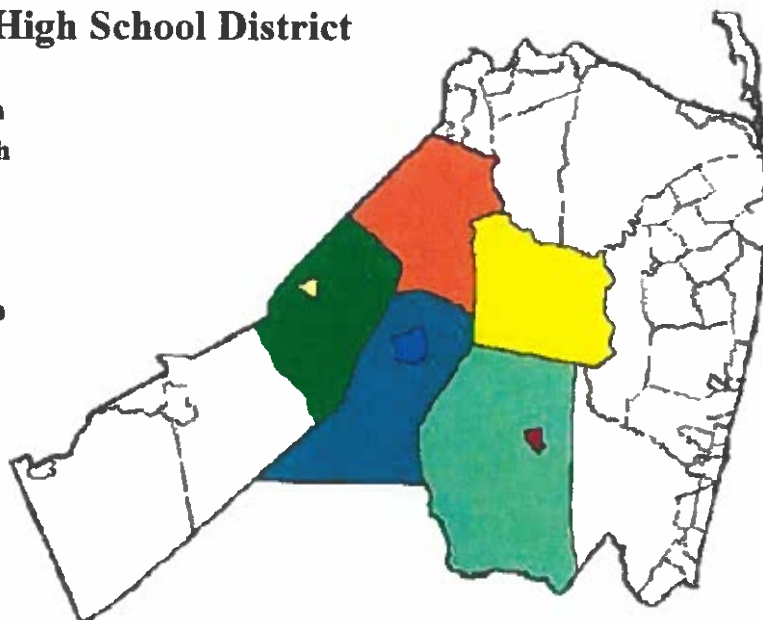
The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Assistant Superintendent for Business/Board Secretary is the chief financial officer of the School District, responsible to the Board for maintaining all 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

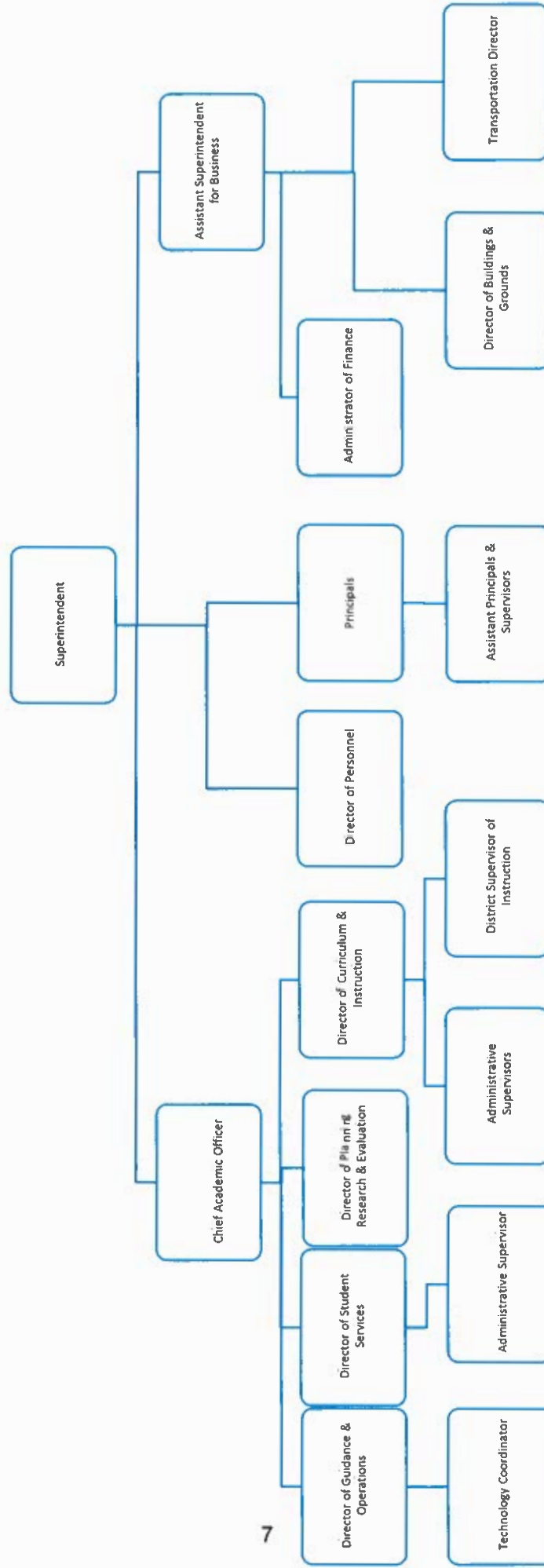
Attorney

Mark Toscano
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521 Pleasant Valley Avenue
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Official Depository

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

Freehold Regional High School District Organizational Chart



FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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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 | | |
|--|------------------------------------|--------------------------------|--------------|------------------------------------|--------------------------------|--------------|
| | <u>Governmental Activities</u> | <u>Business Activities</u> | <u>Total</u> | <u>Governmental Activities</u> | <u>Business Activities</u> | <u>Total</u> |
| 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) | (40,960,491) | - | (40,960,491) | (47,430,557) | - | (47,430,557) |
| 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 | 150,168 | | 150,168 | 316,205 | | 316,205 |
| Business-Type | | 2,930,369 | 2,930,369 | | 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.

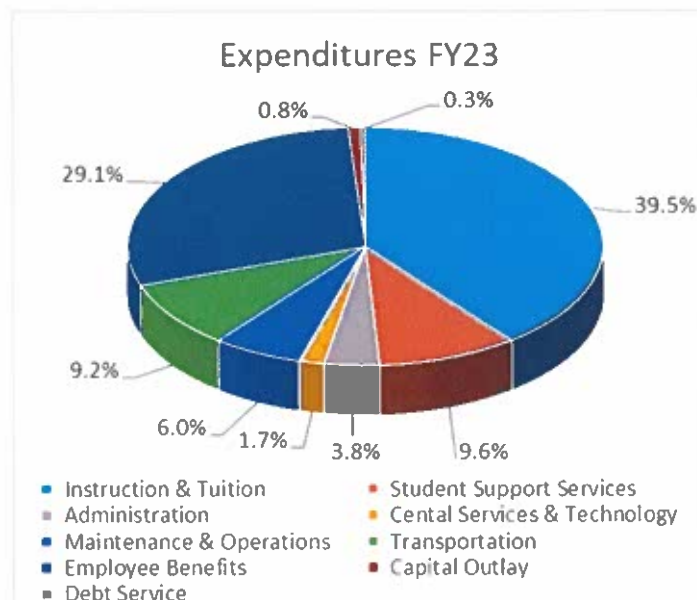
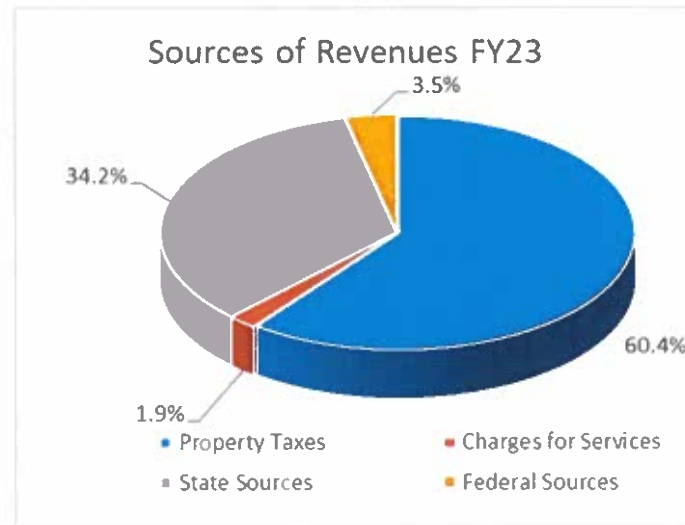
**Table 4
Governmental Funds Revenues and Expenditures
(Exclusive of Capital Projects)**

| | <u>Amount</u> | <u>Percentage</u> | <u>Increase/(Decrease) from 2022</u> | <u>Percentage Change</u> |
|-------------------------------|----------------------|-------------------|--|------------------------------|
| REVENUES: | | | | |
| 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 | <u>\$242,826,348</u> | <u>100.00</u> | <u>\$7,023,502</u> | <u>2.98</u> |
| EXPENDITURES: | | | | |
| 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 | <u>\$245,965,419</u> | <u>100.00</u> | <u>\$7,854,883</u> | <u>3.30</u> |

**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 | 170,989,334 | 1,799,206 | 172,788,540 |
| DEFERRED OUTFLOW OF RESOURCES: | | | |
| Pension related | 4,703,810 | | 4,703,810 |
| 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 | 83,733,195 | 425,808 | 84,159,003 |
| DEFERRED INFLOW OF RESOURCES: | | | |
| Pension related | 9,184,414 | | 9,184,414 |
| 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) | (39,218,798) | 1,140,415 | (38,078,383) |
| Total net position | \$ 82,775,535 | \$ 1,373,398 | \$ 84,148,933 |

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 | 150,168 | (71,709,828) | | | (150,168) | | (150,168) |
| Interest on long-term debt | 6,353,599 | (1,545,482) | | | (4,808,117) | | (4,808,117) |
| Unallocated depreciation | | | | | (187,280,306) | | (187,280,306) |
| Total governmental activities | 224,673,673 | | 3,340,828 | 34,052,539 | | | |
| 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: | | | | | | | |
| Property taxes, levied for general purposes, net | | | | | \$ 146,050,632 | \$ | \$ 146,050,632 |
| Federal and state aid not restricted | | | | | 40,163,193 | | 40,163,193 |
| Federal and state aid restricted | | | | | 1,169,821 | | 1,169,821 |
| Miscellaneous income | | | | | 1,186,149 | | 1,186,149 |
| Total general revenues | | | | | 188,101,281 | | 188,101,281 |
| Change in net position | | | | | 1,820,975 | 628,651 | 2,449,626 |
| Net Position - beginning | | | | | 80,954,560 | 744,747 | 81,699,307 |
| Net Position ending | | | | | 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 | | (182,423,450) | | |
| | | | | 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 | | (13,970,000) | | |
| | | | | (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 | | 2,871,319 | | |
| | | | 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 | | (102,757.00) | | |
| | | | | (2,974,076) |
| Net Position of Governmental Activities | \$ | | 82,775,535 | |

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 | 8,696,178 | | 10,915,086 |
| Total expenditures | 232,711,273 | 12,448,865 | 8,696,178 | 805,281 | 254,661,597 |
| 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 | 59,374,236 |
| 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

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND | | |
|---|--|------------------|--------------|
| | FOOD SERVICE | EXTRA-CURRICULAR | |
| | FUND | 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 | | 145,014 | 145,014 |
| 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 |
| Total operating expenses | 2,785,355 | 145,014 | 2,930,369 |
| Operating (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 |
| 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) | 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 |

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>FOOD SERVICE</u> | <u>EXTRA-CURRICULAR</u> | <u>TOTAL</u> |
| | <u>FUND</u> | <u>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 | (554,115) | (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) | 62,514 | (425,629) |
| Net cash provided by noncapital financing activities | 843,487 | 62,514 | 906,001 |
| 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 | (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 | <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 | \$ 64,481,783 |
| Less: Reconciling Items | (8,315,352) |
| | <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 Statements | District-Wide Financial Statements |
|------------------------------------|---|--|
| 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> |

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 Balances</u> | <u>Additions</u> | <u>Retirements</u> | <u>Ending Balances</u> |
|--|-------------------------------|------------------|--------------------|----------------------------|
| Governmental Funds: | | | | |
| Right to Use Assets: | | | | |
| Leased Buildings | \$1,322,995 | | | \$1,322,995 |
| Total Right to Use Assets | 1,322,995 | | | 1,322,995 |
| Less: Accumulated Amortization for: | | | | |
| Leased Buildings | | | \$330,757 | (330,757) |
| Total Accumulated Amortization | | | 330,757 | (330,757) |
| 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 | 28,407,281 | 5,201,287 | | 33,608,568 | |
| Total | \$ 62,574,947 | \$ 6,715,369 | \$ 3,069,978 | \$ 66,220,338 | \$ 3,132,033 |

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 | \$ 265,894 | \$ | \$ 130,889 | \$ 135,005 | \$ 135,005 |
| Total | \$ 265,894 | \$ | \$ 130,889 | \$ 135,005 | \$ 135,005 |

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:

| | <u>Total Business-Type Activities</u> | | |
|--------|---------------------------------------|-----------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| FY2024 | \$ 135,005 | \$ 3,583 | \$ 138,588 |
| | <u>\$135,005</u> | <u>\$3,583</u> | <u>\$138,588</u> |

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- |
| | <u>\$ 13,970,000</u> | <u>\$ -0-</u> |

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 |
| | <u>\$13,970,000</u> | <u>\$2,929,041</u> | <u>\$16,899,041</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)

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>June 30</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$ | 342,755.44 | \$ | 5,244.56 |
| 2025 | | 354,764.83 | | 3,235.13 |
| 2026 | | 368,342.00 | | 1,152.25 |
| | | <u>1,065,862.27</u> | | <u>9,631.94</u> |
| | \$ | <u>1,065,862.27</u> | \$ | <u>1,075,494.21</u> |

NOTE 7: PENSION PLANS

Description of Plans

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

Freehold Regional High School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 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 | (\$772,073) |
| | <u>(\$7,351,922)</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 | - 0 - |
| 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>PERS</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 | (8,647,985) | |
| 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:

| | <u>June 30, 2022</u> | | |
|---|-------------------------|---------------------|-------------------------|
| | <u>1.00%</u> | <u>At Discount</u> | <u>1.00%</u> |
| | <u>Decrease (2.54%)</u> | <u>Rate (3.54%)</u> | <u>Increase (4.54%)</u> |
| 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:

| | <u>June 30, 2022</u> | | |
|---|----------------------|------------------------|-----------------|
| | <u>1.00%</u> | <u>Healthcare Cost</u> | <u>1.00%</u> |
| | <u>Decrease</u> | <u>Trend Rate</u> | <u>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 | <u>7,880,040</u> | <u>5,244,724</u> |
| | <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 Districts agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net assets. As of June 30, 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>Basis</u> | <u>Adjustment</u> | <u>GAAP</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 | <u>113,049</u> | |
| | | <u>321,200</u> |
| | | 8,097,602 |
| Decreased by: | | |
| Budgeted Withdrawal of Capital Reserve | | |
| Emergency Generator, PA System, Lighting | <u>300,000</u> | |
| | | <u>300,000</u> |
| Balance, June 30, 2023 | | \$ <u><u>7,797,602</u></u> |
| Recapitulation: | | |
| Capital Reserve | | \$ 7,797,602 |
| Capital Reserve - Designated for Subsequent Years Expenditure | | <u> </u> |
| Balance, June 30, 2023 | | \$ <u><u>7,797,602</u></u> |

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 |
| | <u>1,750,286</u> |
| Decreased by: | |
| Budgeted Withdrawal - various projects | <u>178,000</u> |
| Balance, June 30, 2023 | \$ <u>1,572,286</u> |

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> |
|-------------------|-----------------|

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

| REVENUES | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|--|--------------------|---------------------|----------------|----------------|---|
| 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: | 55,079,605 | (18,146) | 55,061,459 | 54,857,119 | 204,340 |
| 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: | 200,000 | 65,000 | 265,000 | 196,945 | 68,055 |
| 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 | 2,245,794 | (92,375) | 2,153,419 | 2,001,221 | 152,198 |
| Total Regular Programs - Instruction | 57,525,399 | (45,521) | 57,479,878 | 57,055,285 | 424,593 |

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) |
|---|--------------------|---------------------|--------------|------------|---|
| 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 | 363,075 | 1,421 | 364,496 | 364,496 | |
| 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 | 375,376 | (10,341) | 365,035 | 364,850 | 185 |
| 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 | 1,063,755 | (1,785) | 1,061,970 | 962,490 | 99,480 |

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: | 916,641 | (109) | 916,532 | 848,030 | 68,502 |
| 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 | 10,165,817 | (5,329) | 10,160,488 | 10,055,052 | 105,436 |
| 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 | 538,322.00 | (1,517.00) | 536,805.00 | 397,326.00 | 139,479 |
| 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: | 225,119 | 83,000 | 308,119 | 239,466 | 68,653 |
| Total special education | 13,648,105 | 65,340 | 13,713,445 | 13,231,710 | 481,735 |
| Basic skills/remedial: | | | | | |
| Salaries of teachers | 785,088 | | 785,088 | 416,257 | 368,831 |
| Total basic skills/remedial | 785,088 | | 785,088 | 416,257 | 368,831 |

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) |
|--|--------------------|---------------------|--------------|------------|---|
| 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 | 287,060 | 2,719 | 289,779 | 155,719 | 134,060 |
| 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 | 1,180,462 | (51,304) | 1,129,158 | 1,111,165 | 17,993 |
| 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 | 4,324,450 | 30,713 | 4,355,163 | 4,310,618 | 44,545 |
| Total other instructional programs | 6,577,060 | (17,872) | 6,559,188 | 5,993,759 | 565,429 |
| Total - instruction | 77,750,564 | 1,947 | 77,752,511 | 76,280,754 | 1,471,757 |

**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) |
|---|--------------------|---------------------|-------------------|-------------------|---|
| 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 | 16,692,894 | (105,794) | 16,587,100 | 14,540,247 | 2,046,853 |
| 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 | 745,704 | 4,249 | 749,953 | 737,416 | 12,537 |
| 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 | 1,403,590 | 36,491 | 1,440,081 | 1,428,664 | 11,417 |
| 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 | 831,368 | 76,511 | 907,879 | 880,626 | 27,253 |

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|--------------------|---------------------|--------------|--------------|---|
| Other support services- Extraordinary Services | | | | | |
| Salaries | \$ 1,564,082 | \$ (31,998) | \$ 1,532,084 | \$ 1,470,791 | \$ 61,293 |
| Purchased Professional - Educational Services | 2,868,497 | | 2,868,497 | 2,508,166 | 360,331 |
| Total other support services - Extraordinary Services | 4,432,579 | (31,998) | 4,400,581 | 3,978,957 | 421,624 |
| 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 | 6,800 | (1,300) | 5,500 | 5,160 | 340 |
| Total other support services - Guidance | 5,134,493 | (12,036) | 5,122,457 | 5,037,812 | 84,645 |
| 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 | 90,630 | 659 | 91,289 | 71,831 | 19,458 |
| Total other support services - child study teams | 4,271,486 | 218,353 | 4,489,839 | 4,134,597 | 355,242 |

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

| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|--------------------|---------------------|--------------|------------|---|
| 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) | 14,899 | 13,054 | 1,845 |
| Miscellaneous expenditures | 15,359 | (460) | 27,000 | 26,663 | 337 |
| BOE membership dues and fees | 27,000 | | | | |
| Total support services general administration | 2,067,582 | (21,494) | 2,046,088 | 1,864,925 | 181,163 |
| 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 | 7,327,535 | 106,511 | 7,434,046 | 7,384,521 | 49,525 |

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 | \$ 2,300 | \$ 1,473,742 | \$ 1,465,580 | \$ 8,162 |
| Purchased professional services | 4,000 | | 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

| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|--------------------|---------------------|--------------|--------------|---|
| 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 | 10,866,436 | 336,907 | 11,203,343 | 10,645,060 | 558,283 |
| 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 | 1,121,688 | (102,600) | 1,019,088 | 892,163 | 126,925 |
| 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 | 862,649 | (23,465) | 839,184 | 810,388 | 28,796 |
| Total operation and maintenance of plant services | 15,337,318 | 451,262 | 15,788,580 | 14,764,976 | 1,023,604 |

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) |
|--|--------------------|---------------------|--------------|------------|---|
| 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 | 20,333,404 | 2,803,637 | 23,137,041 | 22,661,236 | 475,805 |

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) |
|--|--------------------|---------------------|--------------|-------------|---|
| 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: | 36,827,624 | (3,682,762) | 33,144,862 | 29,348,079 | 3,796,783 |
| 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 | | | | 42,252,667 | (42,252,667) |
| Total personal services | 36,827,624 | (3,682,762) | 33,144,862 | 71,600,746 | (38,455,884) |
| Total Undistributed Expenditures | 121,820,773 | 52,587 | 121,873,360 | 155,050,320 | (33,176,960) |
| TOTAL EXPENDITURES - GENERAL CURRENT EXPENSE FUND 11 | 199,571,337 | 54,534 | 199,625,871 | 231,331,074 | (31,705,203) |

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) |
|---|--------------------|---------------------|----------------|----------------|---|
| 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 | 75,114 | 123,466 | 198,580 | 167,144 | 31,436 |
| Facilities acquisition and construction services: | | | | | |
| Construction services | 344,352 | | 344,352 | 199,652 | 144,700 |
| Total facilities acquis. and const. services | 344,352 | | 344,352 | 199,652 | 144,700 |
| 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) | | | | 1,013,403 | (1,013,403) |
| TOTAL CAPITAL OUTLAY | 419,466 | 123,466 | 542,932 | 1,380,199 | (837,267) |
| TOTAL EXPENDITURES | \$ 199,990,803 | \$ 178,000 | \$ 200,168,803 | \$ 232,711,273 | \$ (32,542,470) |

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 | |
| | | | | 45,547,474 | |
| Reconciliation to Governmental Funds Statements (GAAP): | | | | | |
| Less: Last Two State Aid Payments not recognized on GAAP basis | | | | 2,973,671 | |
| Fund Balance per Governmental Funds (GAAP) | | | | \$ 42,573,803 | |

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. | <u>229,458,597</u> | <u>12,562,470</u> |
| 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 | \$ <u>232,711,273</u> | \$ <u>12,448,865</u> |

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

| | 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 | \$ 56,425,018 | \$ 48,771,057 | \$ 47,401,295 |
| District's proportionate share of the net pension liability (asset) | 0.2227004602% | 0.2397947309% | 0.2412934827% | 0.2493625419% | 0.2564284900% | 0.2526739183% | 0.2531984782% | 0.2513632728% | 0.2604910930% | 0.2480186673% |
| District's covered-employee payroll | \$ 15,763,356 | \$ 16,349,754 | \$ 17,377,580 | \$ 17,147,638 | \$ 17,769,374 | \$ 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 | 82.91% | 70.33% | 56.32% | 56.27% | 53.80% | 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, 2023 | Fiscal Year Ending June 30, 2022 | Fiscal Year Ending June 30, 2021 | Fiscal Year Ending June 30, 2020 | Fiscal Year Ending June 30, 2019 | Fiscal Year Ending June 30, 2018 | Fiscal Year Ending June 30, 2017 | Fiscal Year Ending June 30, 2016 | Fiscal Year Ending June 30, 2015 | Fiscal Year Ending June 30, 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | \$ 2,808,360 | \$ 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) | \$ -0- | \$ -0- | \$ -0- | \$ -0- | \$ -0- | \$ -0- | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| 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% | 26.45% | 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 | Discount Rate | Long-Term Expected Rate of Return | Actuarial Experience Study Period |
|----------------------------|------------------|--|---|
| June 30, 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 | Discount Rate | Long-Term Expected Rate of Return | Actuarial Experience Study Period |
|----------------------------|------------------|--|---|
| <u>June 30,</u> 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, | | | | |
|--|----------------------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 | 2017 |
| Changes for the year: | | | | | |
| Service cost | \$16,786,268 | \$19,076,256 | \$10,822,032 | \$10,681,794 | \$12,065,686 |
| Interest | 8,730,668 | 10,191,398 | 9,728,193 | 11,802,170 | 14,557,134 |
| Changes of benefit terms | | (418,160) | | | 10,916,077 |
| Differences between expected and actual experience | | | | | - |
| Changes in assumptions or other inputs | 7,808,228 | (64,383,606) | 72,212,559 | (45,960,962) | - |
| Membership Contributions | (88,376,698) | 387,594 | 79,602,301 | 4,037,248 | (63,349,626) |
| Benefit Payments - Net | 277,432 | 260,544 | 229,949 | 246,389 | 275,658 |
| Net changes | (8,647,985) | (8,027,967) | (7,586,597) | (8,311,925) | (7,972,348) |
| | (63,422,087) | (42,913,941) | 165,008,437 | (27,505,286) | (27,640,925) |
| Beginning Balance | \$392,867,539 | \$435,781,480 | \$270,773,043 | \$298,278,329 | 372,280,329 |
| Ending Balance | \$329,445,452 | \$392,867,539 | \$435,781,480 | \$270,773,043 | \$344,639,404 |
| Covered Employee Payroll | 95,131,166 | 94,632,811 | 94,459,159 | 95,100,658 | 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- |
| 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% | 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 | Discount |
| <u>June 30,</u> | <u>Rate</u> |
| 2022 | 3.54% |
| 2021 | 2.16% |
| 2020 | 2.21% |
| 2019 | 3.50% |
| 2018 | 3.87% |

OTHER SUPPLEMENTARY INFORMATION

| |
|--|
| <p>SPECIAL REVENUE FUND DETAIL STATEMENTS</p> |
|--|

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 |
|--|------------|------------|------------|---------------|-----------|--------------|------------------------|
| REVENUES: | | | | | | | TITLE III IMMIGRANT |
| 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 | | | 852 | 9,200 | 5,600 |
| Other purchased professional-educational services | 74,650 | | | | | | |
| 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 | | 66,929 | 3,190 | | | 615 |
| Other purchased services | 6,460 | 506 | 6,940 | | 1,684 | | |
| Supplies and materials | | | | | | | |
| Miscellaneous expenditures | | | | | | | |
| 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 PY | CARL D. PERKINS | JROTC | CRRSA ESSERLI |
|--|---------------------------|-----------|--------------|-------------------|--------------------|------------|------------------|
| REVENUES: | | | | | | | |
| Federal sources | 538 | \$ 28,631 | \$ 2,365,644 | \$ 1,841 | \$ 87,629 | \$ 107,779 | \$ 203,474 |
| State sources | | | | | | | |
| Other sources | | | | | | | |
| Total revenues | 538 | \$ 28,631 | \$ 2,365,644 | \$ 1,841 | \$ 87,629 | \$ 107,779 | \$ 203,474 |
| EXPENDITURES: | | | | | | | |
| Instruction: | | | | | | | |
| Salaries of teachers | | 8,108 | | | | | |
| Other salaries | | 11,950 | | | 10,430 | | |
| Other purchased professional-educational services | | | | | | 107,779 | 203,474 |
| Other purchased services | | | 2,316,958 | | 47,833 | | |
| Tuition | | 5,551 | | | | | |
| Supplies and materials | | 1,325 | | | | | |
| Textbooks | | | | | | | |
| Miscellaneous expenditures | | | | | | | |
| 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 | | | 2,000 | | | | |
| Other purchased services | | | 1,500 | 1,841 | 8,581 | | |
| Supplies and materials | | | | | | | |
| Miscellaneous expenditures | | | | | | | |
| Total support services | 538 | 697 | 49,586 | 1,841 | 9,486 | | |
| Facilities acquisition and construction serv: | | | | | | | |
| Construction Services | | | | | 19,880 | | |
| Instructional equipment | | | | | | | |
| Non-instructional equipment | | | | | | | |
| Total facilities acquisition and construction serv. | | | | | 19,880 | | |
| Total expenditures | 538 | \$ 28,631 | \$ 2,365,644 | \$ 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 ACSSRS | 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 | | | 2,700 | | 13,581 | |
| Other purchased professional-educational services | | | | | | 38,954 | |
| Other purchased services | | | | 1,810,300 | | | |
| Tuition | | | 811,431 | | | | |
| 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 | 39,785 |
| Purchased professional - educational services | | | | | | | |
| Purchased technical services | | 5,215 | 62,200 | 229,413 | | | |
| Purchased property services | | | | 40,710 | | | |
| Other purchased services | | | 483,391 | | | | |
| 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 | \$ 286,038 | \$ 42,212 | \$ 19,494 | \$ 12,251 | \$ 77,291 | \$ 123,742 |
| State sources | | | | | | | |
| Other sources | | | | | | | |
| Total revenues | \$ 44,162 | \$ 286,038 | \$ 42,212 | \$ 19,494 | \$ 12,251 | \$ 77,291 | \$ 123,742 |
| EXPENDITURES: | | | | | | | |
| Instruction: | | | | | | | |
| Salaries of teachers | | | | | | | 123,742 |
| Other salaries | | | | | | | |
| Other purchased professional-educational services | | | | | | | |
| Other purchased services | | | | | | | |
| Tuition | | | | | | | |
| Supplies and materials | | | | 19,494 | 12,251 | | |
| Textbooks | | | | | | | |
| 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 | 95 | | | | | 77,291 | |
| Supplies and materials | | | | | | | |
| 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 | | | | | | | |
| State sources | | | | | | | |
| Other sources | 127,003 \$ | 12,500 \$ | 15,319 \$ | 16,146 \$ | 3,125,370 \$ | 39,020 \$ | 8,338,224 \$ |
| Total revenues | 127,003 \$ | 12,500 \$ | 15,319 \$ | 16,146 \$ | 3,125,370 \$ | 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 | | | 7,796 | | | 380,294 |
| Textbooks | | | | | | | 27,290 |
| Miscellaneous Expenditures | | | | | | | 1,325 |
| Total instruction | 55,848 | 12,500 | | 16,146 | | | 6,160,070 |
| Support services: | | | | | | | |
| Other salaries | | | | | | | 909,859 |
| Personal services - employee benefits | 574 | | 625 | | | | 365,283 |
| Purchased professional - educational services | | | | | | | 95,795 |
| Purchased Technical Services | | | | | | | 110,532 |
| Purchased property services | 750 | | 9,060 | | | | 288,524 |
| Other purchased services | 34,547 | | 5,634 | | | | 614,611 |
| Supplies and materials | | | | | | | 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 | | | | | | | 285,038 |
| Instructional equipment | 35,284 | | | | | | 35,794 |
| Non-instructional equipment | | | | | | | 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 | | | | | | | |
| Fund Balance, July 1 | | | | | 125,921 \$ | (15,316) \$ | 113,605 |
| Fund Balance, June 30 | | | | | 963,663 | 774,229 | 1,737,892 |
| | | | | | 1,092,584 \$ | 758,913 \$ | 1,851,497 |

| |
|---|
| <p>CAPITAL PROJECTS FUND DETAIL STATEMENTS</p> |
|---|

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 | 14,460,000 | 1,897,162 | 8,470,756 | 4,092,082 |
| Totals | | \$ 15,396,207 | \$ 2,084,722 | \$ 8,896,178 | 4,415,307 |
| Fund balance - budgetary basis | | | | | 4,415,307 |
| Less: SDA Grant Not Recognized | | | | | (73,225) |
| Fund balance - GAAP basis | | | | | \$ 4,342,082 |

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 | (134,707) |
| 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

| | Prior Periods | Current Year | Totals | Revised Authorized Cost |
|---|---------------|--------------|------------|-------------------------------|
| 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 | 936,207 | - | 936,207 | 936,207 |
| 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 | 187,560 | 425,422 | 612,982 | 936,207 |
| Excess (deficiency) of revenues over (under) expenditures | 748,647 \$ | (425,422) \$ | 323,225 \$ | - |

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

| | <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 | 14,460,000 | - | 14,460,000 | 14,460,000 |
| Expenditures and Other Financing Uses: | | | | |
| Legal services | 29,941 | | 29,941 | 150,000 |
| Architectural/engineering services | 730,173 | 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 | 1,897,162 | 8,470,756 | 10,367,918 | 14,460,000 |
| Excess (deficiency) of revenues over (under) expenditures | \$ 12,562,838 | \$ (8,470,756) | 4,092,082 | - |

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

| | 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

| | FOOD SERVICE FUND | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND | | | | EXTRA-CURRICULAR FUND TOTAL | TOTAL |
|---|----------------------|---|--|---|------------|--------------------------------|--------------|
| | | EXTRA-CURRICULAR FUND - ICE HOCKEY RIHA | EXTRA-CURRICULAR FUND - HOWELL ONE VOICE | EXTRA-CURRICULAR FUND - MANALAPAN BOYS LACROSSE | | | |
| 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 | | | | | |
|--|--------------------------|---|--|---|--------------------------------|--------------|
| | 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 |
| 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) | \$ (683,592) | \$ - | \$ - | \$ - | \$ - | \$ (683,592) |
| 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 DATE</u> | <u>AMOUNT</u> | <u>RATE OF INTEREST</u> | <u>BALANCE JULY 1, 2022</u> | <u>RETIRED</u> | <u>BALANCE JUNE 30, 2023</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 |
| | | | | | | \$ 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</u> | |
|-------------------------------|-------------|--------------------------------------|---|--------------------------------------|--------------------------------------|
| | | | | <u>OUTSTANDING JUNE 30, 2022</u> | <u>OUTSTANDING JUNE 30, 2023</u> |
| | | | | <u>DECREASE</u> | |
| <u>Governmental Funds:</u> | | | | | |
| Transportation Building Lease | 5 Years | 0.577% | 1,653,744 \$ | 1,374,752 | 308,890 \$ |
| Grand Total | | | \$ | 1,374,752 \$ | 308,890 \$ |
| | | | | | 1,065,862 |

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

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

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 | 40,877,885 | 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 |
| | | | | | | | | | 0 | |
| 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 | 40,877,885 | 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)

| | 2023** | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Governmental Activities: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | \$ 93,170,159 | \$ 94,817,192 | \$ 104,469,262 | \$ 94,361,836 | \$ 98,753,606 | \$ 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 | 20,487,345 |
| Other Special Education | 8,779,605 | 9,381,910 | 10,220,402 | 10,090,114 | 11,215,556 | 12,400,211 | 11,747,407 | 10,604,135 | 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 | 32,227,264 | 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 | 1,675,888 |
| School Administrative Services | 11,235,905 | 11,357,949 | 13,135,988 | 11,409,076 | 12,281,778 | 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 | 5,691,925 | 6,266,366 | 4,719,869 | 4,644,456 | 3,690,894 |
| Plant Operations and Maintenance | 13,759,059 | 14,029,136 | 14,466,372 | 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 | 13,981,755 | 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 | 4,836,869 |
| | 224,873,673 | 226,038,686 | 241,874,649 | 227,381,612 | 240,980,845 | 257,163,550 | 252,085,989 | 229,167,956 | 218,563,537 | 193,249,548 |
| Food Service | 2,765,355 | 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 | 285,049 | 110,152 | 214,318 | 212,545 | 233,962 | 240,311 | 256,688 | 227,246 | 236,788 |
| | 2,930,369 | 3,294,151 | 512,838 | 2,111,089 | 2,936,081 | 3,817,633 | 3,441,891 | 3,424,663 | 3,324,056 | 3,448,659 |
| | 227,804,042 | 229,332,837 | 242,387,487 | 229,492,701 | 243,916,926 | 260,981,183 | 255,537,880 | 232,592,619 | 221,887,593 | 196,698,207 |
| 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 |
| | 37,393,367 | 44,655,500 | 63,108,700 | 42,736,041 | 50,397,279 | 65,166,629 | 59,923,767 | 44,201,841 | 36,140,906 | 17,114,233 |
| 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 | 285,049 | 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 | 536,106 | 605,298 | 470,547 |
| | 3,559,020 | 3,902,640 | 258,318 | 2,033,986 | 2,739,576 | 3,660,008 | 3,668,005 | 3,584,353 | 3,392,151 | 3,235,074 |
| | 40,952,387 | 48,558,140 | 63,367,018 | 44,770,027 | 53,136,655 | 68,826,635 | 63,591,772 | 47,786,194 | 39,533,057 | 20,349,307 |
| Governmental Activities: | | | | | | | | | | |
| Business-Type 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) | \$ (192,422,631) | \$ (176,135,315) |
| | 628,651 | 608,489 | (254,520) | (77,103) | (196,505) | (157,627) | 226,114 | 159,690 | 68,095 | (213,585) |
| | (186,651,655) | (180,774,697) | (179,020,469) | (184,722,674) | (190,780,071) | (192,154,548) | (191,946,108) | (184,806,425) | (192,354,536) | (176,348,900) |

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 | 1,280,740 | 1,221,659 | 1,161,888 | 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 | 762,770 | 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> |
| | \$ 189,101,281 | \$ 184,721,893 | \$ 186,040,741 | \$ 193,602,613 | \$ 194,036,818 | \$ 191,796,494 | \$ 190,207,498 | \$ 187,349,951 | \$ 182,382,550 | \$ 178,586,339 |
| Governmental Activities Business-Type Activities | | | | | | | | | | |
| | \$ 1,820,975 | \$ 3,335,707 | \$ 7,274,792 | \$ 8,957,042 | \$ 3,453,252 | \$ (200,427) | \$ (1,964,724) | \$ 2,383,836 | \$ (40,091) | \$ 2,451,024 |
| | <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> |
| | \$ 2,449,626 | \$ 3,947,196 | \$ 7,020,272 | \$ 8,879,939 | \$ 3,256,747 | \$ (358,054) | \$ (1,738,610) | \$ 2,543,526 | \$ 28,014 | \$ 2,237,439 |

** 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 DISTRICTFUND 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 | 5,983,667 | 4,864,238 | 4,554,755 | | 7,170 | 284,133 | | | | |
| Total General Fund | \$ 42,573,803 | \$ 44,813,076 | \$ 43,507,880 | \$ 33,624,378 | \$ 28,130,955 | \$ 26,112,090 | \$ 27,648,406 | \$ 27,823,998 | \$ 30,845,525 | \$ 31,791,041 |
| 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 | 137,224 | 2,517 | | | | | | | | |
| Total All Other Governmental Funds | \$ 6,330,803 | \$ 14,561,162 | \$ 2,018,524 | \$ 1,357,394 | \$ 1,357,460 | \$ 1,677,239 | \$ 2,218,778 | \$ 5,975,849 | \$ 19,440,653 | \$ 20,198,471 |

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

| | 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 | 385,628 | 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 | 15,282,601 |
| 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 | 14,887,882 | 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 | 18,891,771 | 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 | 6,500,419 | 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 | 1,556,488 | 1,581,794 | 1,535,368 |
| General and Central Services | 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 |
| Central Services/Admin. Information Tech | 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 |
| Plant Operations and Maintenance | 22,661,236 | 18,560,466 | 14,889,180 | 16,957,590 | 18,147,561 | 18,147,561 | 17,144,259 | 16,812,407 | 16,052,557 | 14,960,904 |
| Student Transportation Services | 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 |
| Unallocated Employee Benefits | | | | | | | | | | |
| 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 | 1,548,018 | 3,581,100 | 2,957,597 |
| Leases (non-budgeted) | - | 1,553,744 | - | - | - | - | - | - | (2,251) | - |
| Transfers Out | - | - | - | - | - | - | - | - | - | - |
| Bond Proceeds | - | - | - | - | - | - | - | - | - | - |
| Proceeds from energy savings obligations (ESIP) | - | 14,460,000 | - | - | - | - | - | - | - | 17,500,000 |
| Total Other Financing Sources/(Uses) | 1,013,403 | 18,086,018 | - | - | 1,415,946 | 2,078,988 | 2,511,142 | 1,548,018 | 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 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 |
|--------------------|---------------|------------------|----------------|--------------|----------------|--------------|---------------|----------------------|-------------------------|----------------------|-----------------------|----------------------------------|---|
| Colts Neck | | | | | | | | | | | | | |
| 2023 | \$ 40,775,500 | \$ 3,266,851,000 | \$ 203,637,400 | \$ 3,251,000 | \$ 175,209,600 | \$ - | \$ - | \$ 3,698,724,500 | \$ - | \$ 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 | 3,060,714,657 | 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 | 3,048,616,984 |
| 2019 | 35,878,300 | 2,563,155,800 | 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 | - | - | 2,985,440,900 | - | 3,077,794 | 2,988,518,694 | 0.466 | 3,015,171,174 |
| 2016 | 41,748,200 | 2,534,188,900 | 244,132,600 | 4,203,100 | 163,892,200 | - | - | 2,986,174,700 | - | 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 | - | - | 2,988,224,000 | - | 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 | 213,226,400 | - | - | 37,974,100 | 7,939,100 | 16,343,100 | 276,798,200 | - | - | 276,798,200 | 0.362 | 259,441,744 |
| 2020 | 1,272,700 | 201,065,500 | - | - | 37,958,100 | 7,282,500 | 16,065,200 | 263,644,700 | - | - | 263,644,700 | 0.403 | 262,789,835 |
| 2019 | 1,583,000 | 195,430,000 | - | - | 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 | 253,041,901 |
| 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 | - | - | 35,188,600 | 7,257,200 | 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 | 0.362 | 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 | 594,700 | 2,700 | 26,700,800 | 3,311,800 | 15,321,400 | 155,673,900 | - | - | 155,673,900 | 0.345 | 146,043,388 |
| 2016 | 1,868,600 | 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 | 3,319,900 | 15,314,700 | 154,500,400 | - | - | 154,500,400 | 0.308 | 138,780,348 |
| 2014 | 1,865,300 | 110,869,500 | 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 | Estimated Actual (County Equivalent) Value |
|----------------------|----------------|------------------|-----------|-------|----------------|---------------|---------------|----------------------------|--------------------------------|-------------------------|-----------------------------|----------------------------------|---|
| | | | | | | | | | | | | Rate (2) | |
| Freehold Boro | | | | | | | | | | | | | |
| 2023 | \$ 11,291,800 | \$ 1,118,519,000 | \$ - | \$ - | \$ 281,184,800 | \$ 28,465,900 | \$ 45,927,400 | \$ 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 | 1,153,639,663 |
| 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 | - | - | 230,496,900 | 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 | 72,631,700 | 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 | 176,972,900 | 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 | 99,555,800 | 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 | 29,662,700 | 1,444,500 | 1,396,887,800 | 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 | 79,612,500 | 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 | 148,965,300 | 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 | \$ 186,276,700 | \$ 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 | 8,450,999,900 | - | - | 8,450,999,900 | 0.404 | 8,512,281,895 |
| 2021 | 113,286,200 | 6,449,143,300 | 103,553,500 | 2,349,700 | 713,280,800 | 124,396,400 | 40,136,000 | 7,546,137,900 | - | - | 7,546,137,900 | 0.428 | 7,754,650,084 |
| 2020 | 101,852,000 | 6,318,620,400 | 102,076,600 | 2,432,200 | 710,135,200 | 113,613,300 | 39,900,900 | 7,398,630,600 | - | - | 7,398,630,600 | 0.432 | 7,644,393,392 |
| 2019 | 112,105,800 | 5,149,486,400 | 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 | 6,388,587,363 |
| 2014 | 137,473,900 | 4,623,682,700 | 89,384,800 | 2,673,500 | 611,874,200 | 101,684,900 | - | 5,666,754,000 | - | 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 Land | Residential | Farm Res. | Ofarm | Commercial | Industrial | Apartment | Total Assessed Value | Tax-Exempt Property (3) | Public Utilities (1) | Net Valuation Taxable | Total Direct School Tax Rate (2) | Estimated Actual (County Equalized) Value |
|------------------|----------------|------------------|---------------|--------------|----------------|---------------|---------------|----------------------|-------------------------|----------------------|-----------------------|----------------------------------|---|
| Manalapan | | | | | | | | | | | | | |
| 2023 | \$ 104,114,800 | \$ 8,671,892,800 | \$ 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 | 6,463,881,306 |
| 2016 | 34,938,600 | 5,786,849,660 | 33,998,000 | 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 | 6,234,358,701 |
| 2014 | 47,848,600 | 5,359,086,600 | 32,130,400 | 2,269,200 | 380,616,076 | 20,269,600 | - | 5,842,218,476 | - | - | 5,842,218,476 | 0.436 | 6,109,982,591 |
| 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 | 6,574,591,270 | 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 | 8,223,019,284 |
| 2020 | 55,280,200 | 6,556,863,800 | 32,671,400 | 914,800 | 490,911,300 | 80,779,900 | 27,880,900 | 7,245,302,300 | 48,000 | - | 7,245,302,300 | 0.466 | 8,125,904,617 |
| 2019 | 73,126,400 | 6,527,605,100 | 37,138,400 | 976,900 | 465,858,300 | 80,779,900 | 13,253,900 | 7,198,738,900 | 48,000 | - | 7,198,738,900 | 0.474 | 7,999,886,980 |
| 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 | 457,460,800 | 79,030,300 | 22,287,000 | 7,172,392,700 | - | - | 7,172,392,700 | 0.456 | 7,460,307,716 |
| 2016 | 64,533,000 | 6,503,789,000 | 38,438,000 | 1,084,200 | 454,550,000 | 79,788,500 | 22,287,000 | 7,164,469,700 | - | - | 7,164,469,700 | 0.440 | 7,354,851,899 |
| 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)

| | Freehold Regional | | | Overlapping Rates | | | | |
|--------------------|-----------------------|-----------------|-----------------|----------------------|------------------|-------------------|--------------------|---|
| | General Obligation | | Total Direct | Elementary School | Local Purpose | Library/ Other | Monmouth County | Total Direct & Overlapping Tax Rate |
| | Basic Rate | Debt Service | | | | | | |
| 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)

| | Freehold Regional | | | Overlapping Rates | | | | |
|-------------------|-----------------------|-----------------|-----------------|----------------------|------------------|-------------------|--------------------|---|
| | General Obligation | | Total Direct | Elementary School | Local Purpose | Library/ Other | Monmouth County | Total Direct & Overlapping Tax Rate |
| | Basic Rate | Debt Service | | | | | | |
| 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

| 2023 | | | 2014 | | |
|---------------------------------------|------------------------|--|---------------------------------------|------------------------|--|
| Community/Taxpayer | Taxable Assessed Value | As a % of Community's Net Assessed Valuation | Community/Taxpayer | Taxable Assessed Value | As a % of Community's Net Assessed Valuation |
| Colts Neck | | | | | |
| Trump National Golf Club | \$ 32,059,100 | 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% |
| Wemac's LLC | 3,465,000 | 1.07% | Wemac's, 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

| 2023 | | As a % of | | 2014 | |
|------------------------------------|------------------------|------------------------------------|------------------------------------|------------------------|------------------------------------|
| Community/Taxpayer | Taxable Assessed Value | Community's Net Assessed Valuation | Community/Taxpayer | Taxable Assessed Value | Community's Net Assessed Valuation |
| 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 | | | | | |
| 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

| 2023 | | | 2014 | | |
|---------------------------------------|------------------------|--|---------------------------------------|------------------------|--|
| Community/Taxpayer | Taxable Assessed Value | As a % of Community's Net Assessed Valuation | Community/Taxpayer | Taxable Assessed Value | As a % of Community's Net Assessed Valuation |
| Freehold Twp. | | | | | |
| Freemall Associates, LLC | \$ 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 Verdana LLC & Verdonna, 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

| 2023 | | 2014 | | |
|-----------------------------------|------------------------|--|------------------------|--|
| Community/Taxpayer | Taxable Assessed Value | As a % of Community's Net Assessed Valuation | Taxable Assessed Value | As a % of Community's Net Assessed Valuation |
| Manalapan | | | | |
| Manalapan Realty | \$ 66,036,100 | 0.79% | \$ 42,593,600 | 0.74% |
| Manalapan VF | 35,765,500 | 0.43% | 29,989,700 | 0.52% |
| Meridian Living at Manalapan LLC | 21,815,900 | 0.26% | 13,573,200 | 0.20% |
| Towne Pointe Associates | 17,108,300 | 0.20% | 9,694,600 | 0.17% |
| Fields of Dreams Real Estate, LLC | 15,926,200 | 0.19% | 7,593,400 | 0.13% |
| Trans Equity Realty, LLC | 11,945,000 | 0.14% | 7,500,000 | 0.13% |
| Tennent 9 Plaza, LLC | 11,644,000 | 0.14% | 7,356,000 | 0.12% |
| Welltower NNN Group, LLC | 9,653,000 | 0.11% | 6,400,000 | 0.11% |
| GAC Catering Inc. | 9,310,900 | 0.11% | 6,275,400 | 0.11% |
| Gordons Corner Realty, LLC | 9,118,900 | 0.11% | 6,245,200 | 0.10% |
| Total | \$ 208,323,800 | 2.48% | \$ 137,221,100 | 2.33% |
| Marlboro | | | | |
| Marlboro Plaza | \$ 45,843,100 | 0.63% | \$ 38,423,500 | 0.68% |
| Camelot West At Marlboro | 37,500,000 | 0.51% | 30,549,100 | 0.45% |
| Union Hill Nine Associates LLC | 30,549,100 | 0.42% | 22,500,000 | 0.33% |
| TMC Marlboro LLC | 22,500,000 | 0.31% | 20,718,500 | 0.31% |
| American Plaza, LLC | 17,468,100 | 0.24% | 12,886,000 | 0.19% |
| 480 Route 9 Realities, LLC | 13,700,000 | 0.19% | 12,501,900 | 0.19% |
| Marlboro Commons LLC | 12,713,100 | 0.17% | 11,400,000 | 0.17% |
| Marlboro Lowe's | 12,501,900 | 0.17% | 11,043,800 | 0.16% |
| CRP Royal Pines LLC | 12,132,100 | 0.17% | 9,300,000 | 0.14% |
| Brooks Edge Plaza, LLC | 11,776,200 | 0.16% | 8,801,500 | 0.14% |
| Total | \$ 216,683,600 | 2.97% | \$ 178,124,300 | 2.76% |

Source: Municipal Tax Assessors

FREEHOLD REGIONAL HIGH SCHOOL DISTRICTPROPERTY TAX LEVIES AND COLLECTIONLAST TEN FISCAL YEARSUNAUDITED

| <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% |
| Englishtown Borough | | 324,074,100 | 0.220% |
| Borough of Farmingdale | | 191,731,200 | 0.130% |
| Borough of Freehold | | 1,287,415,100 | 0.875% |
| Freehold Township | | 7,482,540,200 | 5.088% |
| Howell Township | | 8,450,898,900 | 5.746% |
| Manalapan Township | | 8,409,902,400 | 5.718% |
| Marlboro Township | | 7,301,546,320 | 4.965% |
| 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 Valutaion 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 | 13,970,000 | 14,460,000 | - | - | 5,205,000 | 10,145,000 | 14,840,000 | 19,300,000 | 23,540,000 | 27,570,000 |
| Legal Debt Margin | \$ 1,112,643,961 | \$ 1,027,287,520 | \$ 1,038,154,328 | \$ 757,521,604 | \$ 943,073,226 | \$ 933,193,226 | \$ 901,683,946 | \$ 871,526,085 | \$ 869,892,552 | \$ 870,253,311 |
| 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% |

| Equalized Valuation Basis | Year |
|------------------------------|------|
| 35,201,903,862 | 2021 |
| 37,207,223,036 | 2022 |
| 41,649,269,190 | 2023 |
| [A] \$ 114,058,396,088 | |

Average Equalized Valuation of Taxable Property

[A/3]

\$ 38,019,465,363

Debt limit (3% of average)

[B]

\$ 1,140,583,961

Net bonded school debt as of June 30, 2023

[C]

13,970,000

Legal debt margin

[B-C]

\$ 1,126,613,961

Source: Abstract of Rates and District Records.

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

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

| Fiscal Year Ended June 30, | Community | School District Population ^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 DISTRICTPRINCIPAL EMPLOYERSCURRENT YEAR AND NINE YEARS AGO
UNAUDITED

| <u>2023</u> | | | <u>2014</u> | | |
|---|------------------|---|--|------------------|---|
| <u>Employer</u> | <u>Employees</u> | <u>Percentage of Total Employment</u> | <u>Employer</u> | <u>Employees</u> | <u>Percentage of Total Employment</u> |
| Hackensack Meridian Health, Wall | 12,794 | 3.80% | 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 DISTRICTFULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAMLAST 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 DISTRICTOPERATING STATISTICSLAST 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 DISTRICTSCHOOL BUILDING INFORMATIONLAST TEN FISCAL YEARS(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> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 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

| School Facilities | Project (#)s | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | Total |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Colts Neck High School | NA | \$ 528,392 | \$ 617,696 | \$ 527,408 | \$ 782,460 | \$ 651,980 | \$ 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 School | 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 | 343,664 | 336,728 | 335,985 | 357,148 | 3,665,760 |
| Total School Facilities | | 2,417,365 | 2,774,408 | 2,309,219 | 2,672,948 | 2,679,551 | 2,623,906 | 2,434,785 | 2,258,679 | 2,313,630 | 2,414,815 | 24,899,306 |
| Other Facilities | | - | - | - | - | - | - | - | - | - | - | - |
| Grand Total | | \$ 2,417,365 | \$ 2,774,408 | \$ 2,309,219 | \$ 2,672,948 | \$ 2,679,551 | \$ 2,623,906 | \$ 2,434,785 | \$ 2,258,679 | \$ 2,313,630 | \$ 2,414,815 | \$ 24,899,306 |

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

| | Coverage | Deductible/Retention |
|---|---|---|
| USI Insurance Services | | |
| Property | | |
| Equipment Breakdown (Included in Property) | \$385,261,880 | \$ |
| | | 25,000 Flood, each occurrence |
| | | 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 |

Source: District Records

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, 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

CERTIFIED PUBLIC ACCOUNTANTS

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

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

Report on Compliance for Each Major Federal and State Program

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.

SUPLEE, CLOONEY & COMPANY

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

SUPLEE, CLOONEY & COMPANY

Report on Internal Control over Compliance

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

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

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

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


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 2389

January 9, 2024

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 GRANT/PROGRAM TITLE General Fund | GRANT OR STATE PROJECT NUMBER | AWARD AMOUNT | GRANT PERIOD | UNEARNED REVENUE/ ACCOUNTS REC'D | BALANCE JUNE 30, 2022 | CASH RECEIVED | BUDGETARY EXPENDITURES | ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES | (ACCOUNTS RECEIVABLE) | BALANCE JUNE 30, 2023 | DUE GRANTOR | MEMO | |
|---|----------------------------------|-----------------|-----------------|-------------------------------------|--------------------------|------------------|---------------------------|---|--------------------------|-----------------------|----------------|-------------------------|-------------------------------------|
| | | | | | | | | | | | | BUDGETARY RECEIVABLE | CUMULATIVE TOTAL EXPENDITURES |
| State Department of Education | | | | | | | | | | | | | |
| State Aid Public Charter | | | | | | | | | | | | | |
| Categorical Special Education Aid | 23-495-034-5120-089 | \$ 7,030,185 | 7/1/2022 | | | | | | | | | | |
| Equalization Aid | 23-495-034-5120-078 | 20,968,046 | 7/1/2022 | | | 6,345,887 | (7,030,185) | 684,298 | - | \$ | | 684,298 | \$ 7,030,185 |
| Categorical Security Aid | 23-495-034-5120-084 | 735,594 | 7/1/2022 | | | 18,327,076 | (20,968,046) | 2,040,970 | - | | | 2,040,970 | 20,968,046 |
| Stabilization Aid | 23-495-034-5120-084 | 786,600 | 7/1/2022 | | | 683,993 | (735,594) | 71,601 | - | | | 71,601 | 735,594 |
| Supplemental Stabilization Aid | 23-103-5120-495-114 | 4,464,057 | 7/1/2022 | | | 786,600 | (786,600) | - | - | | | - | 786,600 |
| Categorical Special Education Aid | 23-103-5120-495-114 | 4,464,057 | 7/1/2022 | | | 4,464,057 | (4,464,057) | - | - | | | - | 4,464,057 |
| Equalization Aid | 23-495-034-5120-089 | 1,030,185 | 7/1/2021 | | | 630,002 | - | (684,678) | - | | | - | 7,030,185 |
| Equalization Aid | 23-495-034-5120-078 | 24,467,734 | 7/1/2021 | | | 2,347,140 | (2,347,140) | (71,601) | - | | | - | 24,467,734 |
| Equalization Aid | 23-495-034-5120-084 | 735,594 | 7/1/2021 | | | 71,601 | (71,601) | - | - | | | - | 735,594 |
| Total State Aid Public Charter | | | | | | 34,326,869 | (33,394,482) | (342,387) | - | | | 2,796,869 | 66,210,055 |
| Categorical Transportation Aid | 23-495-034-5120-014 | 1,816,395 | 7/1/2022 | | | 1,839,592 | (1,816,395) | 176,803 | - | | | 176,803 | 1,816,395 |
| Categorical Transportation Aid | 23-495-034-5120-014 | 1,816,395 | 7/1/2021 | | | 176,902 | - | (176,902) | - | | | - | 1,816,395 |
| Extraordinary Special Education Costs Aid | 23-495-034-5120-044 | 3,438,702 | 7/1/2022 | | | 3,438,702 | - | - | - | | | - | 3,438,702 |
| Extraordinary Special Education Costs Aid | 23-495-034-5120-044 | 3,321,233 | 7/1/2022 | | | - | (3,321,233) | - | (3,321,233) | | | 3,321,233 | 3,321,233 |
| Non-Public Transportation Costs Aid | 23-103-034-5120-068 | 183,144 | 7/1/2022 | | | - | (183,144) | - | (183,144) | | | 183,144 | 183,144 |
| Non-Public Transportation Costs Aid | 23-103-034-5120-068 | 200,029 | 7/1/2021 | | | 200,029 | - | - | - | | | - | 200,029 |
| Other State Aid | 23-103-034-5120-068 | 190,000 | 7/1/2022 | | | 100,000 | (100,000) | - | - | | | - | 190,000 |
| On-behalf Long-term Disability Insurance | 23-495-034-5034-004 | 8,410 | 7/1/2022 | | | 8,410 | - | - | - | | | - | 8,410 |
| On-behalf TPAS Pension | 23-495-034-5034-002 | 28,780,732 | 7/1/2022 | | | 28,780,732 | (28,780,732) | - | - | | | - | 28,780,732 |
| On-behalf TPAS Post Retirement Medical | 23-495-034-5034-001 | 7,560,629 | 7/1/2022 | | | 7,560,629 | (7,560,629) | - | - | | | - | 7,560,629 |
| Reimbursed On-behalf TPAS Social Security | 23-495-034-5034-001 | 5,775,259 | 7/1/2022 | | | 5,775,259 | (5,775,259) | - | - | | | - | 5,775,259 |
| Total General Funds | | | | | | 62,414,704 | (61,667,921) | (342,486) | (3,504,377) | | | 6,476,048 | 126,121,879 |
| Special Revenue Fund | | | | | | | | | | | | | |
| N.J. Nonpublic Aid | | | | | | | | | | | | | |
| Textbook Aid | 22-103-034-5120-064 | 22,867 | 7/1/2021 | | 1,304 | - | (19,494) | (1,304) | - | | | - | 21,563 |
| Nursing Services | 23-103-034-5120-064 | 26,400 | 7/1/2022 | | | 26,400 | - | - | - | | | 6,906 | 19,494 |
| Nursing Services | 23-103-034-5120-070 | 42,672 | 7/1/2021 | | 7,125 | - | (42,212) | (7,125) | - | | | - | 35,547 |
| Technology Aid | 22-103-034-5120-373 | 16,002 | 7/1/2021 | | 27 | - | (12,251) | (27) | - | | | - | 42,212 |
| Technology Aid | 23-103-034-5120-373 | 15,860 | 7/1/2022 | | | 15,860 | - | - | - | | | - | 15,875 |
| Security Aid | 23-103-034-5120-509 | 82,000 | 7/1/2022 | | 8,560 | - | (77,201) | (8,560) | - | | | - | 12,251 |
| Security Aid | 23-103-034-5120-509 | 82,000 | 7/1/2022 | | | 82,000 | - | - | - | | | - | 12,251 |
| SDA - Exceptional and Capital Maintenance Needs | 23-103-034-5120-519 | 286,038 | 7/1/2022 | | 17,018 | 286,038 | (286,038) | - | - | | | 4,709 | 77,201 |
| Total Special Revenue Fund | | | | | | 456,038 | (437,386) | (17,018) | - | | | - | 265,038 |
| 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) | 22-103-010-3359-023 | 60,624 | 7/1/2021 | | (4,537) | 4,537 | (17,971) | - | (1,198) | | | 1,198 | 60,624 |
| National School Lunch Program (State Share) | 23-103-010-3359-023 | 17,972 | 7/1/2022 | | | 16,835 | (16,736) | - | (446) | | | 446 | 17,972 |
| State Lunch Related Supplement | 22-103-010-3359-023 | 6,730 | 7/1/2022 | | | 6,294 | - | - | - | | | - | 6,730 |
| State Breakfast Related Supplement | 23-103-010-3359-023 | 784 | 7/1/2022 | | | 722 | (652) | - | (1,009) | | | 1,009 | 784 |
| Total Enterprise Fund | | | | | | 28,363 | (25,465) | - | - | | | - | 88,336 |
| Capital Projects Fund | | | | | | | | | | | | | |
| New Jersey Economic Development Authority | 1650-XX-31-1000 | 666,207 | 7/1/2020 | | | 559,670 | (417,507) | - | (53,312) | | | 53,312 | 612,962 |
| School Security Project | | | | | | | | | | | | | |
| Total Capital Projects Fund | | | | | | 559,670 | (417,507) | - | (53,312) | | | 53,312 | 612,962 |
| Total State Financial Assistance | | | | | | 83,732,590 | (82,011,994) | (353,502) | (3,559,328) | | | 6,533,000 | 126,663,442 |
| Less: On-behalf amounts not utilized for determination of Major Programs: | | | | | | | | | | | | | |
| On-behalf Long-term Disability Insurance | 23-495-034-5034-004 | | | | | \$ (8,410) | 8,410 | | | | | | |
| On-behalf TPAS Pension | 23-495-034-5034-001 | | | | | (28,780,732) | 28,780,732 | | | | | | |
| On-behalf TPAS Post Retirement Medical | 23-495-034-5034-001 | | | | | (7,560,629) | 7,560,629 | | | | | | |
| Total State Financial Assistance Subject to Single Audit | | | | | | 47,382,819 | (46,462,223) | | | | | | |

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) | <u>(78,439)</u> | <u>(286,193)</u> | <u>(364,633)</u> |
| 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? | No |
| (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.

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

