

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
ENGLISHTOWN, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

**Prepared by: Sean Boyce CPA
Business Office**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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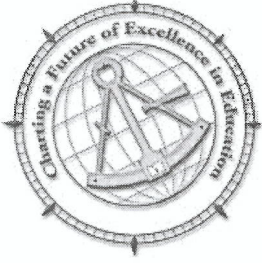
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INTRODUCTORY SECTION



FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

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

*11 Pine Street
Englishtown, NJ 07726
(732) 792-7300 ext. 8519
Fax: (732) 446-5192*

November 30, 2013

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

Dear Board Members:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the Freehold Regional High School District (District) for the fiscal year ended June 30, 2013. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. This report will provide the taxpayers of the Freehold Regional High School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs.

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

- The Introductory Section contains this Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal revenue and debt capacities and other operating information of the School District;
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the State Treasury Circular Letter 04-04 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, are included in the single audit section of this report.

Reporting Entity

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

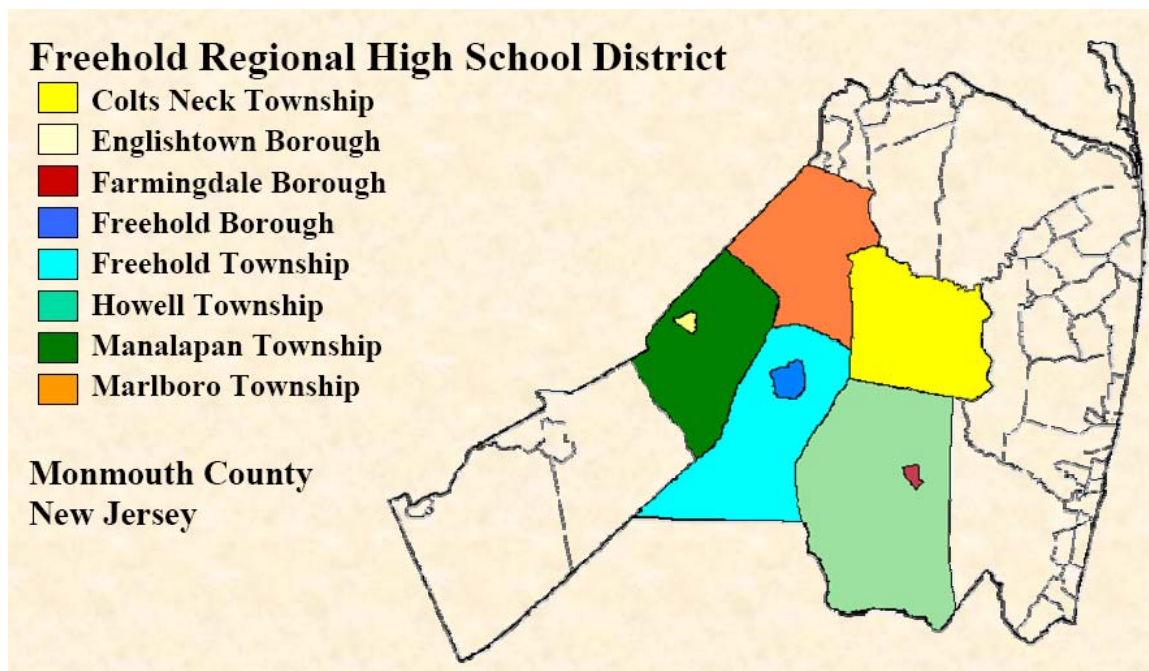
School District Organization

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

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

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

Geographically, the District is comprised of the Townships of Colts Neck, Freehold, Howell, Manalapan and Marlboro and the Boroughs of Englishtown, Farmingdale and Freehold. Established in 1953, the District's total area is 198 square miles. Of the 11,568 resident students, 11,548 students are enrolled in one of the Freehold Regional High School District's six high schools.



Economic Condition and Outlook

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

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

Educational Program

The District meets advanced academic needs through a wide assortment of accelerated and Advanced Placement classes at each high school. The District also hosts six unique specialized learning centers for highly motivated and gifted students in particular subject disciplines. All students from the region may apply for competitive admission. Specialized learning centers operate in the areas of Business Administration, Contemporary Global Issues, Humanities, Law and Public Services, Medical Sciences, and Science and Engineering.

The District also operates several academies designed to provide students with career exploration, employment skills, and college readiness. Academy programs include Animal and Botanical Sciences, Computer Science, Culinary Arts/Hospitality Management (with its own licensed and student-operated restaurant), Fine and Performing Arts, Law Enforcement and Public Safety, and Navy Junior ROTC.

In addition to these specialized magnet programs the District also participates in cooperative dual education programs and articulation agreements with colleges, universities and trade schools across the country. District students also have the opportunity to receive credit for independent study and other specialized opportunities in areas in which they harbor unique talents and skills.

Major Initiatives

Strategic Planning

The Freehold Regional High School District's strategic planning process began with the opening of the 2012-2013 school year. At that time, Superintendent Charles Sampson engaged the Board of Education Community Relations Committee and leadership teams in conversations about the district's prior mission statement, as well as the red zones and bright spots we find on the path toward the fulfillment of that mission.

The resulting comprehensive Strategic Plan is housed in The Compass Project at www.compass.frhhsd.com. The opportunities identified throughout *Compass* are only attainable through a disciplined commitment to the core ideas set forth in "Cardinal Directions" which include:

- We will allocate resources first and foremost to initiatives that support our mission
- We will exercise data-driven decision-making
- We will respond to changing conditions with flexibility

Equally important guidance can be found in the document's Guiding Metaphors and Frameworks which identifies the foundation of Organizational Learning as building "sustainable structures that encourage measurement, reflection, goal setting, and collaboration." The importance of collaboration with program and financial stakeholders is a critical step in the feedback loop for Organizational Learning – a cycle that "demands that we measure and learn before we build and implement." Only when armed with this understanding can we work together to create sustainable solutions to the financial challenges of adopting "highly focused programs that hit the bull's eye of our needs."

Compass puts a new Coordinating Structure at the center of creating accountability to our plan and one another – the Advisory Panel. Along with the Initiative Network, the panel will evaluate "what is and is not working throughout the district" in order to determine the cost/benefit of proposed initiatives in lieu of existing programs and services. The panel's annual evaluation briefing will drive budget development by ensuring resources are allocated first and foremost to new and/or existing programs that support our mission.

The *Compass* framework provides the means to balance the simultaneous expansion and contraction of programs and services within the context of our financial outlook. *Compass* has laid the foundation for transformational change...and charted a challenging course to excellence.

Capital Planning

The district is proceeding with the establishment of a capital plan that addresses the needs of the facilities without draining resources from the instructional program. State law allows government agencies to make energy related improvements to their facilities and pay for the costs using the value of energy savings that result from the improvements. Under the recently enacted Chapter 4 of the Laws of 2009, the "Energy Savings Improvement Program" (ESIP), provides all government agencies in New Jersey with a flexible tool to improve and reduce energy usage with minimal expenditure of new financial resources. The ESIP has been completed and currently is under review at the State of New Jersey Board of Public Utilities.

Acknowledgements and Achievements

Among the district's many achievements:

- The Middle State Regional Office of the College Board is honoring Freehold Regional High School District's Superintendent, Charles Sampson as a recipient of the 2013 Advanced Placement Recognition Award
- Exemplary Programs designation by New Jersey School Boards Association for Animal & Botanical Sciences Academy and the Culinary Arts/Hospitality management Academy
- Over \$40 million in college scholarships earned in 2012-2013
- Newsweek magazine's 2013 America's Best High Schools list – Freehold High School, Freehold Township High School, Marlboro High School

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

Respectfully submitted,



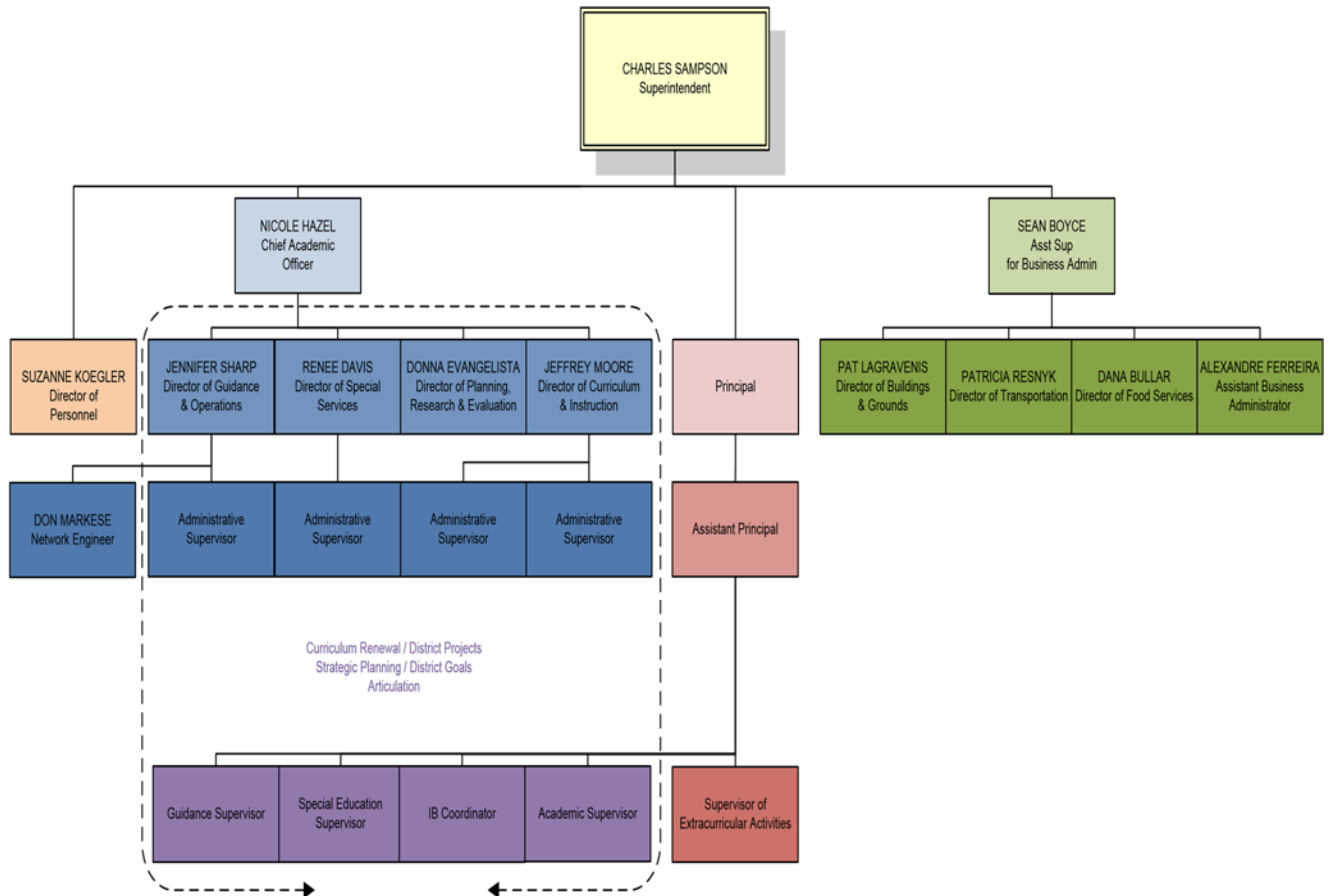
Charles Sampson, Superintendent of Schools



Sean Boyce CPA, Assistant Superintendent for Business

FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION ENGLISHTOWN, NEW JERSEY

TABLE OF ORGANIZATION JUNE 30, 2013



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

**ROSTER OF OFFICIALS
JUNE 30, 2013**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Harold Moses, President	2015
Jennifer Sutera, Vice President	2015
Carl Accettola	2014
William Bruno	2015
Elizabeth Canario	2013
Kathie Lavin	2013
Ronald G. Lawson	2013
Michael Messinger	2014
Maryanne Tomazic	2014

Other Officials

Charles Sampson, Superintendent of Schools

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

Mark Toscano, Esq., Solicitor

**FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
JUNE 30, 2013**

Audit Firm

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

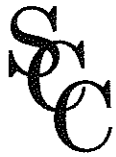
Attorney

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

Official Depository

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

FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Freehold Regional High School District
County of Monmouth
Englishtown, New Jersey 07726

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Freehold Regional High School District, County of Monmouth, New Jersey as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the provisions of U.S. Office of Management and Budget (OMB) *Circular A-133* "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey *OMB Circular 04-04* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

SUPLEE, CLOONEY & COMPANY

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Freehold Regional High School District, County of Monmouth, New Jersey as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information in Exhibit C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPLEE, CLOONEY & COMPANY

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Freehold Regional High School District's basic financial statements. The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organization," New Jersey's OMB Circular NJOMB 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organization," New Jersey's OMB Circular NJOMB 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 26, 2013 on our consideration of the Freehold Regional High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Freehold Regional High School District's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

November 26, 2013

REQUIRED SUPPLEMENTARY INFORMATION – PART I

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
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, 2013. 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 (2012-2013) and the prior fiscal year (2011-2012) is presented in the MD&A.

Financial Highlights

Key financial highlights for 2013 are as follows:

- ⇒ Net Position of governmental activities increased \$5,791,389, which represents a 6.8 percent increase from 2012. The change in Net Position reflects the net effect of the payment of debt principle, and the addition of fund balance to be used to support future budgets.
- ⇒ Net Position of business-type activities decreased \$328,748, which represents a 46 percent decrease from 2012. The District will evaluate alternatives to the current food service management company.
- ⇒ General revenues accounted for \$193,568,486 in revenue, or 99.7 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$585,320, or .3 percent of total revenues of \$194,153,806.
- ⇒ Total assets increased by \$2,759,652 as cash and cash equivalents increased by \$1,749,446 reflective of an increase in fund balance.
- ⇒ The School District had \$188,362,417 in governmental activity expenses; only \$585,320 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$193,568,486 were adequate to provide for these programs.
- ⇒ Among governmental funds, the General Fund had \$185,703,469 in revenues and \$181,405,546 in expenditures. The General Fund's fund balance increased \$5,065,558 from 2012.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

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.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

This document looks at all financial transactions and asks the question, "How did we do financially during 2013?" 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, 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, 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.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Enterprise Fund

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

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 2013 and 2012.

**Table 1
Net Position**

	Governmental Activities		Business-type Activities	
	<u>FY 2013</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2012</u>
Assets				
Current and Other Assets	\$ 35,513,634	\$ 31,308,589	\$ 1,025,118	\$ 863,589
Capital Assets, Net	98,284,626	99,877,350	75,793	89,992
Total Assets	\$ 133,798,260	\$ 131,185,939	\$ 1,100,911	\$ 953,581
Liabilities				
Long-term Liabilities	\$ 30,768,836	\$ 33,480,739	\$ -	\$ -
Other Liabilities	11,566,539	12,033,704	715,371	239,293
Total Liabilities	\$ 42,335,375	\$ 45,514,443	\$ 715,371	\$ 239,293
Net Position				
Net Investment in Capital Assets	\$ 66,116,989	\$ 64,842,350	\$ 75,793	\$ 89,992
Restricted	27,308,431	21,024,274	-	-
Unrestricted (Deficit)	(1,962,535)	(195,128)	309,747	624,296
Total Net Position	\$ 91,462,885	\$ 85,671,496	\$ 385,540	\$ 714,288

The District's June 30, 2013 combined Net Position was \$91,848,425 representing a 6.8% increase in Governmental Activities, and a 46.0% decrease in Business-type Activities. Table 2 details the changes in Net Position for fiscal year 2013 and 2012.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

**Table 2
Changes in Net Position**

	Governmental Activities			Business-type Activities	
	<u>FY 2013</u>	<u>FY 2012</u>		<u>FY 2013</u>	<u>FY 2012</u>
Revenues					
Program Revenues:					
Charges for Services	\$ 159,313	\$ 254,971		\$ 2,832,230	\$ 3,194,189
Operating Grants and Contributions	426,007	468,018		486,782	433,012
General Revenues:					
Property Taxes	120,833,006	119,671,515		-	-
Grants and Entitlements	72,158,840	68,512,568		-	-
Other	576,640	931,185		-	-
Disposal of Capital Assets	-	(9,896)		-	-
Total Revenues	194,153,806	189,828,361		3,319,012	3,627,201
Program Expenses					
Instruction	106,539,566	102,143,150		-	-
Support Services:					
Pupils and Instructional Staff	32,953,546	32,225,798		-	-
General Administration, School Administration, Central Services, and Maintenance of Facilities	30,850,490	30,916,151		-	-
Student Transportation Services	16,285,246	16,174,060		-	-
Interest on Debt	1,699,266	1,872,820		-	-
Food Service	-	-		3,433,767	3,568,347
Other	34,303	63,615		213,993	264,514
Total Expenses	188,362,417	183,395,594		3,647,760	3,832,861
Increase (Decrease) in Net Position	5,791,389	6,432,767		(328,748)	(205,660)
Net Position July 1,	85,671,496	79,238,729		714,288	919,948
Net Position June 30,	\$ 91,462,885	\$ 85,671,496		\$ 385,540	\$ 714,288

Governmental Activities

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Table 3

	<u>Total Cost of Services 2013</u>	<u>Net Cost of Services 2013</u>	<u>Total Cost of Services 2012</u>	<u>Net Cost of Services 2012</u>
Instruction	\$ 106,539,566	\$ 106,477,389	\$ 102,143,150	\$ 101,976,378
Support Services:			-	
Pupils and Instructional Staff	32,953,546	32,953,546	32,225,798	32,225,798
General Administration, School Administration, Central Services	15,561,352	15,561,352	30,916,151	30,827,953
Operations and Maintenance of Facilities	15,289,138	15,192,002		-
Pupil Transportation	16,285,246	16,285,246	16,174,060	16,174,060
Interest and Fiscal Charges	1,699,266	1,273,259	1,872,820	1,404,801
Other	34,303	34,303	63,615	63,615
Total Expenses	\$ 188,362,417	\$ 187,777,097	\$ 183,395,594	\$ 182,672,605

- Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.
- Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.
- General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.
- Operation and maintenance of facilities involve keeping the 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 debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.
- "Other" includes special schools and transfer to charter school.

Business-Type Activities

Revenues for the District's business-type activities (food service and extra-curricular programs) were comprised of charges for services and federal and state reimbursements.

- Food service expenditures exceeded revenues by \$304,948. This result is not consistent with the goals of the program.
- Following an operational loss in the 2012 fiscal year of \$659,136, the 2013 fiscal year also showed an operational loss of \$791,730.
- Daily operating revenue declined by \$267,174, and operating costs decreased \$134,580, as compared to the 2012 fiscal year.

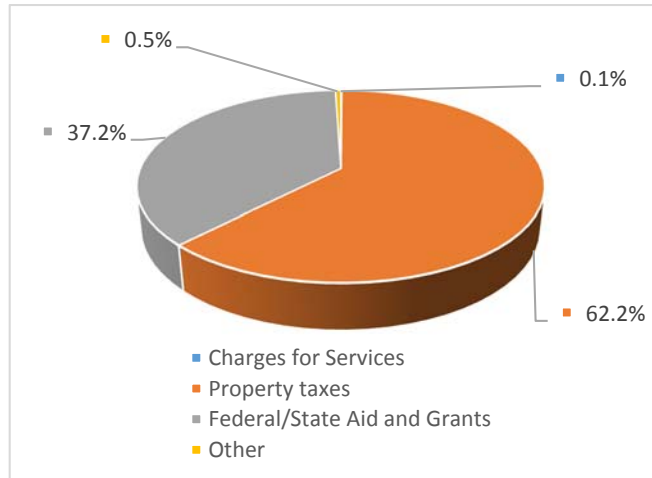
The District is going to proceed with issuing a request for proposal for a new food service management company.

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

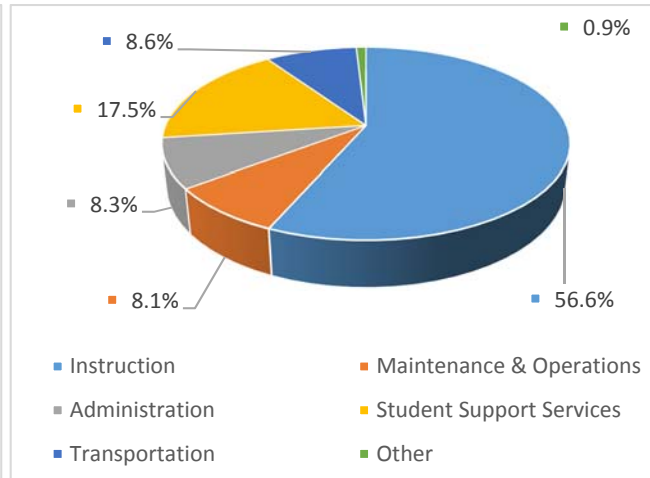
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

Fiscal year 2013 revenue and expenses are summarized as follows:

Source of Revenues for Fiscal Year 2013



Expenses for Fiscal Year 2013



Highlights include the following:

- Property tax levy was increased by 1%, well below the state imposed cap calculation.
- Increase in Federal/State Aid and Grants primarily attributed to the inclusion of fiscal year 2012 supplemental state aid of \$1,711,957 in the General Fund. Supplemental state aid allocations are not expected to continue.
- The Special Revenue Fund saw a decrease in revenue of 12.4% based on federal sequestration.
- Increase in fiscal year 2013 revenue funded increases in Instruction (4.5%) and Student Support Services (2.3%).

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues/other financing sources amounted to \$194,921,441 and expenditures were \$189,855,883. The net change in fund balance was \$5,065,558. 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.

As the graph below illustrates, the largest portion of General and Special Revenue Fund expenditures is for salaries. The District is a service entity and as such is labor intensive.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONTINUED)**

**Table 4
Expenditures by Object for the Fiscal Year Ended June 30, 2013**

	FY 2013	FY 2012	Percentage Change
Salaries & Wages	\$ 98,221,030	\$ 96,022,593	2.29%
Fringe Benefits	28,679,498	29,827,387	-3.85%
Purchased Services	31,842,276	29,674,905	7.30%
Supplies	7,695,973	8,066,041	-4.59%
Capital Outlay	2,673,423	710,188	276.44%
Other	371,685	371,178	0.14%
Total	\$ 169,483,885	\$ 164,672,292	2.92%

Highlights include the following:

- On-behalf TPAF Pension, Post Retirement and Social Security amounts have been excluded from the above analysis.
- Increase in purchased services are associated with special education out of district placements.
- Capital outlay includes significant roofing projects during fiscal year 2013.

Capital Assets

At the end of the fiscal year 2013, the School District had \$98,360,419 invested in land, buildings, and machinery and equipment. Table 5 shows fiscal year 2013 balances compared to 2012.

**Table 5
Capital Assets (Net of Depreciation) at June 30, 2013**

	FY 2013	FY 2012
Governmental activities:		
Land	\$ 446,488	\$ 446,488
Site improvements	1,110,419	1,221,578
Building and Building Improvements	89,865,925	91,789,064
Machinery and Equipment	6,861,794	6,420,220
Government activities capital assets, net	\$ 98,284,626	\$ 99,877,350
Business-type activities:		
Food Service Equipment	75,793	89,992
Total	\$ 98,360,419	\$ 99,967,342

Overall capital assets decreased \$1,606,923 from fiscal year 2012 to fiscal year 2013. The reason for the decrease in net capital assets is that depreciation of assets exceeded the cost of putting new assets into service. For more detailed information, please refer to Note 7 to the Basic Financial Statements.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED (CONCLUDED)**

Debt Administration

Among the district's outstanding liabilities at June 30, 2013, \$2,267,673 is for compensated absences, \$1,155,792 for obligations under capital leases and \$31,400,000 of serial bonds for school construction.

**Table 6
Outstanding Debt at June 30, 2013**

	<u>FY 2013</u>	<u>FY 2012</u>
2001 General obligation bonds	31,400,000	35,035,000
Total	\$ 31,400,000	\$ 35,035,000

For more detailed information, please refer to Note 8 to the Basic Financial Statements.

For the Future

- The Freehold Regional High School District is presently in excellent financial health. The District's strategic plan continues to guide the deployment of resources consistent with the organization's mission.
- The Energy Savings Improvement Plan allows the district to leverage future energy savings and funds important facility projects. The project is scheduled to begin in the summer of 2014.
- The District continues to diligently provide for mandated initiatives including the Common Core, PARCC and new evaluation systems.

Contacting the School District's Financial Management

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.

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BASIC FINANCIAL STATEMENTS

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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, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 23,001,565	\$ 519,584	\$ 23,521,149
Receivables, net	8,503,119	476,395	8,979,514
Inventory	-	29,139	29,139
Deferred Bond Issuance Costs, Net	216,627	-	216,627
Restricted assets:			
Restricted cash and cash equivalents	3,792,323	-	3,792,323
Capital Assets			
Land	446,488	-	446,488
Other Capital Assets net of depreciation	97,838,138	75,793	97,913,931
Total Assets	<u>133,798,260</u>	<u>1,100,911</u>	<u>134,899,171</u>
LIABILITIES			
Accounts Payable	1,292,214	289,466	1,581,680
Accrued Expenses	523,333	-	523,333
Interfund Payable	-	392,159	392,159
Other Liabilities	1,047	-	1,047
Deferred Revenue	30,517	33,746	64,263
Accrued Liability for Insurance Claims	5,664,800	-	5,664,800
Noncurrent Liabilities:			
Due Within One Year			
Bonds and capital leases payable	4,054,628	-	4,054,628
Due Beyond One Year			
Compensated absences payable	2,267,673	-	2,267,673
Bonds and capital leases payable	28,501,163	-	28,501,163
Total Liabilities	<u>42,335,375</u>	<u>715,371</u>	<u>43,050,746</u>
NET POSITION			
Net investment in capital assets	66,116,989	75,793	66,192,782
Restricted for:			
Other Purposes	27,308,431	-	27,308,431
Unrestricted (deficit)	(1,962,535)	309,747	(1,652,788)
Total net position	<u>\$ 91,462,885</u>	<u>\$ 385,540</u>	<u>\$ 91,848,425</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Programs Revenues		Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instruction:				
Regular	\$ 80,368,857	\$ 62,177	\$ -	\$ (80,306,679)
Special	17,184,943	-	-	(17,184,943)
Other Instruction	8,985,766	-	-	(8,985,766)
Support services:				
Tuition	13,343,824	-	-	(13,343,824)
Student & instruction related services	19,609,722	-	-	(19,609,722)
School administrative services	9,433,309	-	-	(9,433,309)
General administrative services	2,010,302	-	-	(2,010,302)
Central service/Admin information technology	4,117,741	-	-	(4,117,741)
Plant operations and maintenance	15,289,138	97,136	-	(15,192,002)
Pupil transportation	16,285,246	-	-	(16,285,246)
Interest on Long-Term Debt	1,699,266	-	426,007	(1,273,259)
Unallocated amortization	34,303	-	-	(34,303)
Total governmental activities	188,362,417	159,313	426,007	(187,777,097)
Business-type activities				
Food Service Fund	3,433,767	2,642,037	486,782	(304,948)
Extra Curricular Fund	213,993	190,193	-	(23,800)
Total business-type activities	3,647,760	2,832,230	486,782	(328,748)
Total primary government	\$ 192,010,177	\$ 2,991,543	\$ 912,789	\$ (188,105,845)
General Revenues:				
Taxes:				
Property taxes, levied for general purposes, net				-
Taxes levied for debt service				-
Federal and state aid not restricted				-
Federal and state aid restricted				-
Miscellaneous income				-
Total general revenues and special items				-
Change in Net Position				(328,748)
Net Position - beginning				714,288
Net Position ending				385,540

See accompanying notes to financial statements.

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FUND FINANCIAL STATEMENTS

The Individual Fund 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, 2013

	MAJOR FUNDS				
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 26,492,754	\$ -	\$ -	\$ -	\$ 26,492,754
Cash with Fiscal Agents	301,136	-	-	-	301,136
Other Receivables	281,382	12,830	-	-	294,212
Due From Other Funds	5,292,705	-	-	-	5,292,705
Receivables From Other Governments	2,906,777	2,738,758	-	-	5,645,535
Total Assets	<u>\$ 35,274,754</u>	<u>\$ 2,751,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,026,342</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,289,952	\$ 2,262	\$ -	\$ -	\$ 1,292,214
Due to Other Funds	11,572	2,717,762	-	-	2,729,334
Payable to Other Governments	-	1,047	-	-	1,047
Deferred Revenue	-	30,517	-	-	30,517
Accrued Liability for Insurance Claims	5,664,800	-	-	-	5,664,800
Total Liabilities	<u>\$ 6,966,324</u>	<u>\$ 2,751,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,717,912</u>
Fund Balances:					
Restricted:					
Capital Reserve	2,116,552	-	-	-	2,116,552
Maintenance Reserve	1,424,907	-	-	-	1,424,907
Emergency Reserve	250,864	-	-	-	250,864
Excess Surplus - Current Year	12,797,412	-	-	-	12,797,412
Excess Surplus - Designated for Subsequent Year's Expenditures	10,718,695	-	-	-	10,718,695
Assigned:					
Encumbrances	-	-	-	-	-
Designated for Subsequent Year's Expenditures	1,000,000	-	-	-	1,000,000
Unassigned	-	-	-	-	-
Total Fund Balances	<u>28,308,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,308,430</u>
Total Liabilities and Fund Balances	<u>\$ 35,274,754</u>	<u>\$ 2,751,588</u>	<u>\$ -</u>	<u>\$ -</u>	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

The costs associated with the issues of the various bonds are expensed in the governmental funds in the year the bonds are issued but are capitalized on the statement of net assets. The bond issuance costs are \$639,077 and the accumulated amortization is \$422,450

216,627

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$176,943,515 and the accumulated depreciation is \$78,658,889

98,284,626

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of

Bonds payable	(31,400,000)
Capital Lease Payable	(1,155,792)
Accrued interest on bonds	(523,333)
Compensated absences (sick pay and vacations)	<u>(2,267,673)</u>

Net position of Governmental Activities

\$ 91,462,885

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	MAJOR FUNDS			Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	
REVENUES				
Local Sources:				
Local Tax Levy	\$ 116,756,256	\$ -	\$ 4,076,750	\$ 120,833,006
Tuition Charges	62,177	-	-	62,177
Interest Earned on Investments	36,974	-	-	36,974
Rental Fees	97,136	-	-	97,136
Athletic Admission Fees	68,612	-	-	68,612
Miscellaneous	332,003	139,051	-	471,054
Total - Local Sources	117,353,158	139,051	4,076,750	121,568,959
State Sources	68,344,454	21,634	1,310,000	69,676,088
Federal Sources	5,857	2,902,902	-	2,908,759
Total Revenues	185,703,469	3,063,587	5,386,750	194,153,806
EXPENDITURES				
Current:				
Instruction:				
Regular Instruction	51,725,996	2,735,274	-	54,461,270
Special Education Instruction	12,044,633	-	-	12,044,633
Other Instruction	6,519,860	-	-	6,519,860
Support Services and Undistributed Costs:				
Instruction	13,343,824	-	-	13,343,824
Student & Instruction Related Services	13,730,053	286,523	-	14,016,576
School Administrative Services	6,558,728	-	-	6,558,728
General Administration	1,817,374	-	-	1,817,374
Central Services & Admin. Technology	2,792,121	-	-	2,792,121
Operating Maintenance of Plant Services	12,570,393	-	-	12,570,393
Student Transportation Services	14,006,185	-	-	14,006,185
Employee Benefits	43,648,238	16,507	-	43,664,745
Debt Service:				
Interest and Other Charges	-	-	1,751,750	1,751,750
Capital Outlay	2,648,141	25,283	-	2,673,424
Total Expenditures	181,405,546	3,063,587	5,386,750	189,855,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,297,923	-	-	4,297,923
Other Financing Sources				
Capital leases (non-budgeted)	767,635	-	-	767,635
Total Other Financing Sources	767,635	-	-	767,635
Net Change in Fund Balances	5,065,558	-	-	5,065,558
Fund Balance, July 1	23,242,872	-	-	23,242,872
Fund Balance, June 30	\$ 28,308,430	\$ -	\$ -	\$ 28,308,430

The accompanying Notes to Basic 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, 2013

Total net change in fund balances - governmental funds (from B-2) \$ 5,065,558

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

Capital outlays are reported in governmental funds as expenditures. However, on 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 depreciation exceeded capital outlays in the current fiscal year.

Depreciation Expense		(4,258,048)	
Capital Outlay	\$ 2,673,424		
Less: Capital Outlays not capitalized	<u>(8,100)</u>		
		2,665,324	

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.

3,635,000

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.

Capital lease proceeds - Current Year (1,155,792)

In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in accrued interest is an addition to the reconciliation.

60,584

Bond issuance costs are reported in the governmental funds as expenditures in the year the bonds are issued. However, on the statement of activities, the costs are amortized over the life of the bonds

(34,303)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations & sick pay) are measured by the amounts earned during the year. In the 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.

(186,934)

Change in net position of governmental activities

\$ 5,791,389

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUND
JUNE 30, 2013

	<u>Major Fund</u>		
	Food Service Fund	Non-Major Funds	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 519,584	\$ -	\$ 519,584
Intergovernmental Receivables	112,819	-	112,819
Other Receivable	352,004	-	352,004
Interfund Receivable	-	11,572	11,572
Inventories	29,139	-	29,139
Total Current Assets	<u>1,013,546</u>	<u>11,572</u>	<u>1,025,118</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	516,560	-	516,560
Less Accumulated Depreciation	<u>(440,767)</u>	<u>-</u>	<u>(440,767)</u>
Total Noncurrent Assets	75,793	-	75,793
Total Assets	<u><u>\$ 1,089,339</u></u>	<u><u>11,572</u></u>	<u><u>\$ 1,100,911</u></u>
LIABILITIES			
Current liabilities:			
Accounts Payable	\$ 289,466	\$ -	\$ 289,466
Interfund Payable	392,159	-	392,159
Deferred Revenue	22,174	11,572	33,746
Total Current Liabilities	<u><u>\$ 703,799</u></u>	<u><u>11,572</u></u>	<u><u>\$ 715,371</u></u>
NET POSITION			
Net investment in capital assets	\$ 75,793	\$ -	\$ 75,793
Unrestricted	309,747	-	309,747
Total Net Position	<u><u>\$ 385,540</u></u>	<u><u>-</u></u>	<u><u>\$ 385,540</u></u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Major Fund</u>		
	Food Service Fund	Non-Major Funds	Totals
OPERATING REVENUES			
Charges for Services:			
Daily Sales - Non-reimbursable Programs	\$ 2,642,037	\$ -	\$ 2,642,037
Fees for Services	-	190,193	190,193
	<u>2,642,037</u>	<u>190,193</u>	<u>2,832,230</u>
OPERATING EXPENSES			
Cost of Sales	1,086,686	-	1,086,686
Salaries	1,464,067	87,412	1,551,479
Employee Benefits	480,674	-	480,674
Supplies and Materials	81,556	1,845	83,401
Equipment Repair and Maintenance	41,262	-	41,262
Insurance	98,051	-	98,051
Technology	99,819	-	99,819
Laundry and Uniforms	8,660	-	8,660
Travel	12,376	3,526	15,902
Depreciation	34,567	-	34,567
Licenses	7,272	-	7,272
Miscellaneous	18,777	-	18,777
Facility Rental	-	108,310	108,310
League Fees	-	12,900	12,900
Total Operating Expenses	<u>3,433,767</u>	<u>213,993</u>	<u>3,647,760</u>
Operating Gain/(Loss)	<u>(791,730)</u>	<u>(23,800)</u>	<u>(815,530)</u>
NONOPERATING REVENUES			
State Sources:			
State School Lunch Program	9,417	-	9,417
Federal Sources:			
National School Lunch Program	317,775	-	317,775
National School Breakfast Program	17,149	-	17,149
Food Distribution Program	142,441	-	142,441
Total Nonoperating Revenues	<u>486,782</u>	<u>-</u>	<u>486,782</u>
Change in Net Position	(304,948)	(23,800)	(328,748)
Total Net Position - Beginning	<u>690,488</u>	<u>23,800</u>	<u>714,288</u>
Total Net Position - Ending	<u>\$ 385,540</u>	<u>\$ -</u>	<u>\$ 385,540</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Major Fund</u>		
	<u>Food Service</u>	<u>Non-Major</u>	<u>Totals</u>
	<u>Fund</u>	<u>Funds</u>	
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 2,659,437	\$ 172,577	\$ 2,832,014
Payments to Employees	(1,426,105)	(87,412)	(1,513,517)
Payments for Employee Benefits	(476,459)	-	(476,459)
Payments to Suppliers	(1,346,028)	(126,581)	(1,472,609)
Net Cash Provided by (Used in) Operating Activities	<u>(589,155)</u>	<u>(41,416)</u>	<u>(630,571)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
State Sources	9,089	-	9,089
Federal Sources	283,021	-	283,021
Transfers to other funds	734,106	41,416	775,522
Net Cash Provided by Non-Capital Financing Activities	<u>1,026,216</u>	<u>41,416</u>	<u>1,067,632</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(6,325)	-	(6,325)
Net Cash Used for Capital and Related Financing Activities	<u>(6,325)</u>	<u>-</u>	<u>(6,325)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	430,736	-	430,736
Balance - Beginning of Year	<u>88,848</u>	<u>-</u>	<u>88,848</u>
Balance - End of Year	<u>\$ 519,584</u>	<u>\$ -</u>	<u>\$ 519,584</u>
Reconciliation of Operating Gain/(Loss) to Net Cash Provided by Operating Activities:			
Operating Gain/(Loss)	\$ (791,730)	\$ (23,800)	(815,530)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	20,524	-	20,524
Donated Commodities Received During the Year	142,441	-	142,441
(Increase)Decrease in Accounts Receivable, Net	(24,020)	(5,388)	(29,408)
(Increase) in Inventories	(8,717)	-	(8,717)
Increase in Deferred Revenue	22,174	(12,228)	9,946
Increase(Decrease) in Accounts Payable	50,173	-	50,173
Total Adjustments	<u>202,575</u>	<u>(17,616)</u>	<u>184,959</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (589,155)</u>	<u>\$ (41,416)</u>	<u>\$ (630,571)</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

	Unemployment Compensation Insurance Trust	Private Purpose Trust	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 866,186	\$ 974,251	\$ 3,121,602
Accounts Receivable	243,000	-	-
Intrafund Receivable	<u>48,042</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,157,228</u>	<u>\$ 974,251</u>	<u>\$ 3,121,602</u>
LIABILITIES			
Accounts Payable	\$ 58,497	\$ 1,000	\$ -
Intrafund Payable	-	-	48,042
Interfund Payable	-	-	2,182,785
Payable to Student Groups	-	-	883,145
Payroll Deductions and Withholdings	<u>-</u>	<u>-</u>	<u>7,630</u>
Total Liabilities	<u>58,497</u>	<u>1,000</u>	<u>\$ 3,121,602</u>
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	\$ 1,098,731		
Held in trust for scholarships and other purposes	<u>-</u>	<u>\$ 973,251</u>	<u>-</u>
Total net position	<u>\$ 1,098,731</u>	<u>\$ 973,251</u>	<u>\$ -</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Unemployment Compensation Insurance Trust	Private Purpose Trust
ADDITIONS		
Contributions:		
Plan Member	\$ 237,623	\$ -
Donations	-	9,143
Total Contributions	<u>237,623</u>	<u>9,143</u>
Investment Earnings:		
Interest	383	446
Net Investment Earnings	<u>383</u>	<u>446</u>
Total Additions	<u>238,005</u>	<u>9,589</u>
DEDUCTIONS		
Quarterly Contribution Reports	103,932	-
Unemployment Claims	286,996	-
Scholarships Awarded	-	45,600
Total Deductions	<u>390,928</u>	<u>45,600</u>
Change in Net Position	(152,922)	(36,011)
Net Position - Beginning of the Year	<u>1,251,653</u>	<u>1,009,262</u>
Net Position - End of the Year	<u>\$ 1,098,731</u>	<u>\$ 973,251</u>

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of Freehold Regional High School District (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 Board's accounting policies are described below.

A. Description of the District and Reporting Entity

The Freehold Regional High School District is a Type II District located in Monmouth County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a nine (9) member board elected to three-year staggered terms and is responsible for the fiscal control 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 that 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 units, 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.

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.

B. Basis of Presentation, Basis of Accounting

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Basis of Presentation

District-wide Statements: The statement of Net Position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity 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 Position presents the financial condition of the governmental and business-type activity of the School 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 requirements 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 School District.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. 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 believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following 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 NJDOE, the District includes budgeted capital outlay in this fund. GAAP as it pertains to governmental entities states 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 Current Expense by Board resolution.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

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 bonds issued to finance major property acquisition, construction and improvement programs.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The Food Service fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The Food Service fund is 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.

Enterprise (Extra Curricular) Fund: The Extra Curricular fund accounts for all revenues and expenses pertaining to the Board's ice hockey program. This fund is 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. direct and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Student Activities Fund, Payroll Agency Fund, Unemployment Compensation Insurance Trust Fund, and Private Purpose Trust Fund.

Basis of Accounting

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the 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 of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations is 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 transaction can

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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 general 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 of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. 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 April 2013 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 except for the special revenue fund as described later. 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. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and GAAP with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as presented in the Notes to Required Supplementary Information. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at 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 recognizes 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 reports.

D. Assets, Liabilities, and Equity

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include cash in banks.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statue 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. 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 their deposits to the Governmental Units.

Encumbrance Accounting

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure 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 fund and capital projects fund for which the District has received advances are reflected in the balance sheet as deferred 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.

Interfund Transactions

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as due from/to other funds. These amounts are eliminated in the statement of Net Position, except for amounts due between governmental and business-type activities or governmental and fiduciary funds, which are presented other receivables and payables.

Allowance for Uncollectible Accounts

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Inventories

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Capital Assets

The District has established a formal system of accounting for its capital assets. 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 is not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Estimated Asset Class</u>	<u>Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & computer equipment	5-10
Instructional equipment	10
Grounds equipment	15

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2013 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligibility requirements are met are also recorded as deferred revenue.

Compensated Absences

The liability for compensated absences reported in the District-wide statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The entire compensated absence liability is reported on the District-wide financial statements.

Accrued Liabilities and Long-term Liabilities

All payables, accrued liabilities, and long-term liabilities 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. Bonds are recognized as a liability on the fund financial statements when due.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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. Designations 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.

Unassigned Net Position represent the remains of the District's equity in the cumulative earnings of the food service and summer enrichment fund.

Net Position

In fiscal year 2013 the District implemented GASB 63. GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. In compliance with GASB 63, the Statement of Net Assets has been renamed the Statement of Net Position. 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

In fiscal year 2011, the District implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement modifies fund balance reporting and clarifies fund type definitions. This new 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.

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 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.

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 Year's Expenditures as Assigned Fund Balance.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

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.

The general fund is the only fund that will report a negative unassigned fund balance. For all other governmental funds the amount of a residual deficit would be classified as unassigned.

Revenues - Exchange and Nonexchange 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.

Nonexchange transactions, in which the School 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 income 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 School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be 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 and charges for the ice-hockey program. 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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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 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 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.

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.

Operating Revenues and Expenses

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

Management Estimates

The preparation of financial statements in conformity with GAAP 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.

Implementation of GASB 65

In March 2012, GASB issued Statement No. 65, Items Previously Reported as Assets and Liabilities ("GASB No. 65"). This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement will improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. The District has not completed the process of evaluating the impact that will result from adopting GASB No.65.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

Operating cash, in the form of Negotiable Order of Withdrawal ("NOW") accounts, is held in the District's name by a commercial banking institution. At June 30, 2013, the carrying amount of the District's deposits was \$31,974,377 and the bank balance was \$34,235,176. Of the bank balance, \$250,000 was insured with Federal Deposit Insurance and \$33,982,791 was insured through the Governmental Unit Deposit Protection Act.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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.

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, 2013, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk.

Investments

Pursuant to the Enabling Act, the funds of the District may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the District may approve.

In order to maximize liquidity, the District utilizes the New Jersey Cash Management Fund ("NJCMF") for investments. The NJCMF is administered by the New Jersey Department of Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investment rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. The balance held by NJCMF at June 30, 2013 is \$1,211.

Custodial Credit Risk: Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk disclosure. The District does not have a policy for custodial credit risk.

Credit Risk: The District does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

Interest Rate Risk: The District does not have a policy to limit interest rate risk. The average maturity of the District's sole investment, the NJCMF, is less than one year.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

The district also utilizes the New Jersey Cooperative Liquid Assets Securities System Plus (NJCLASS). NJCLASS is a full-service cash management and investment program designed specifically to make the function of managing public funds safer and simpler while providing competitive returns. The program purchases securities that are legally allowable under state statute and is available for investment by New Jersey school districts. The Pool seeks to maximize the safety of principal and provide daily liquidity of funds, convenience and a competitive rate of return. The balance held by NJCLASS at June 30, 2013 is \$1,173.

3. RECEIVABLES

Receivables at June 30, 2013 are listed below. All receivables are considered collectible in full. A summary of the principal items of governmental receivables follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
State Aid.....	2,724,416	2,724,416
Federal Aid.....	2,743,298	2,743,298
Interfunds.....	5,292,705	2,563,372
Other.....	472,033	472,033
Gross Receivables.....	11,232,452	8,503,119
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net.....	<u>11,232,452</u>	<u>8,503,119</u>

4. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at June 30, 2013, consist of the following:

	<u>Receivable</u>	<u>Payable</u>
General Fund	5,292,705	11,572
Special Revenue Fund	-	2,717,762
Proprietary Fund	11,572	392,159
Fiduciary Funds	-	2,182,784
Total Receivables, Net.....	<u>5,304,277</u>	<u>5,304,277</u>

The delay in federal and state funds payments necessitated the above noted interfund loans.

5. INVENTORY

Inventory in the Food Service Fund at June 30, 2013, consisted of the following:

19,774	Food
9,365	Supplies
<u>29,139</u>	Total Inventory

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act of 1996, as revised) 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.

6. DEFERRED BOND ISSUANCE COSTS

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (18 to 20 years). The cost associated with the issues of the various bonds amounted to \$639,077. The amortization expense for the fiscal year ended June 30, 2013 amounted to \$34,303, and the total accumulated amortization is \$422,450.

7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Beginning Balance	Transfers or Additions	Transfers or Retirements	Ending Balance
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	446,488			446,488
Total capital assets not being depreciated	446,488	-	-	446,488
<i>Capital assets being depreciated:</i>				
Site improvements	2,239,227	-	-	2,239,227
Building and improvements	148,564,854	1,413,525	-	149,978,379
Equipment	23,729,331	1,251,799	(701,709)	24,279,421
Total capital assets being depreciated	174,533,412	2,665,324	(701,709)	176,497,027
Less accumulated depreciation for:				
Site improvements	(1,017,649)	(111,159)		(1,128,808)
Building and improvements	(56,775,790)	(3,336,664)		(60,112,454)
Equipment	(17,309,111)	(810,225)	701,709	(17,417,627)
Total accumulated depreciation	(75,102,550)	(4,258,048)	701,709	(78,658,889)
Total capital assets being depreciated, net	99,430,862	(1,592,724)	0	97,838,138
Government activities capital assets, net	99,877,350	(1,592,724)	0	98,284,626
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	510,235	6,325		516,560
Less accumulated depreciation	(420,243)	(20,524)		(440,767)
Enterprise fund capital assets, net	89,992	(14,199)	-	75,793
	<u>Site & Bldg</u>	<u>Equipment</u>	<u>Total</u>	
Instruction	3,103,041	729,203	3,832,243	
Support Services – Students and Staff	68,956	16,205	85,161	
Support Services – Administration	68,956	16,205	85,161	
Operation and Maintenance of Plant Services	68,956	16,205	85,161	
Student Transportation Services	68,956	16,205	85,161	
General Administration Services	22,985	5,402	28,387	
Operation of Non-instructional Services	45,971	10,803	56,774	
Total	3,447,823	810,225	4,258,048	

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

8. LONG-TERM LIABILITIES

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

Long-term Liabilities Activity

Changes in long-term liabilities for the year ended June 30, 2013, are as follows:

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Amounts Due within One Year
Governmental Activities:					
General obligation debt	\$ 35,035,000	\$ -	\$ (3,635,000)	\$ 31,400,000	\$ 3,830,000
Capital Leases		1,155,792		\$ 1,155,792	224,628
Compensated absences payable	2,080,739	186,934	-	2,267,673	-
Total other liabilities	<u>\$ 37,115,739</u>	<u>\$ 1,342,725</u>	<u>\$ (3,635,000)</u>	<u>\$ 34,823,464</u>	<u>\$ 4,054,628</u>

General Obligation Debt

	Government Activities			
	Issue Dates	Interest Rates	Date of Maturity	Principal Balance June 30, 2013
Bonds Payable	11/16/01	5%	03/01/20	<u>31,400,000</u>

Debt Service Requirements

Debt service requirements on serial bonds payable at June 30, 2013 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	3,830,000	785,000	4,615,000
2015-2019	22,365,000	4,080,500	26,445,500
2020	<u>5,205,000</u>	<u>260,250</u>	<u>5,465,250</u>
	<u>\$ 31,400,000</u>	<u>\$ 5,125,750</u>	<u>\$ 36,525,750</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Capital Leases Payable

The District is leasing technology improvements, and school buses totaling \$1,155,792 under capital leases. This capital leases are for terms of five years. The following is a schedule of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, 2013:

<u>Fiscal Year Ended</u>	<u>Balance Outstanding</u>
FY 2014	\$241,190
FY 2015	241,190
FY 2016	241,190
FY 2017	241,190
FY 2018	241,190
	<u>\$1,205,950</u>
Less: Amount Representing Interest	<u>(50,159)</u>
Present Value of Lease Payments	<u><u>\$1,155,792</u></u>

9. 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 right 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 full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreement with the various employee unions. The liability for vested compensated absences is recorded in the District-Wide Statement of Net Position.

10. OPERATING LEASES

The District has a commitment to lease building space and a parking lot under an operating lease that expires on October 31, 2015. The District also has operating leases for copiers which expire on various dates over the next three years. The total operating lease payments made during the year ended June 30, 2013 were \$264,993. Future minimum lease payments are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>
2013	271,637
2014	133,206
2015	74,868
Total minimum lease payments	<u>\$ 479,711</u>

Not included above is a provision in the building space and parking lot lease that requires the district to pay its proportionate share of real estate taxes.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

11. PENSION PLANS

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

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.

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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Funding Changes

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

COLA Suspension

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

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

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

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

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			
Year Funding June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2013	\$1,815,385	100%	\$1,815,385
2012	\$2,134,170	100%	\$2,134,170
2011	\$1,958,986	100%	1,958,986

Three-Year Trend Information for TPAF (On-Behalf Contributions)			
Year Funding June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2013	\$4,500,451	100%	\$4,500,451
2012	\$2,196,940	100%	\$2,196,940
2011	-0-	100%	-0-

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

For the fiscal year ended June 30, 2011, the State of New Jersey did not contribute to the TPAF pension system on behalf of the District.

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2013, 2012 and 2011 \$5,385,922, \$5,388,350, and \$5,163,559, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. These amounts have been included in the District-wide financial statements and the fund-based statements as revenues and expenditures in accordance with GASB Statement No. 24.

12. POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2012 there were 97,661 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the state in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The state is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The state paid \$146.6 million toward Chapter 126 benefits for 14,050 eligible retired members in Fiscal Year 2012.

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2013, 2012 and 2011 were, \$5,088,874, \$4,416,424 and \$4,497,522, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

13. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

VALIC
MetLife
Thomas Seely Agency, Inc.
Equitable

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

14. 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 commercial insurance coverage for property, liability, student accident, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

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

Fiscal Year	District Contributions	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2012-2013	\$ -0-	\$ 237,623	\$ 383	\$ 390,928	\$ 1,098,731
2011-2012	\$ 243,000	\$ 221,317	\$ 504	\$ 479,574	1,251,653
2010-2011	\$ 1,891,000	\$ 203,690	\$ 938	1,037,472	\$ 1,266,406

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, 2013, the amount was \$2,120,000.

Health Benefits - The District provides health benefits to employees through a minimum premium insurance policy administered by Horizon Blue Cross Blue Shield of New Jersey ("Horizon"). The incurred but not reported liability ("IBNR") actuarially computed by Horizon was \$3,544,800, at June 30, 2013. It was also noted that the entire IBNR is adjusted for changes in estimate at yearend and such changes are reflected in the district's budget and the entire liability is treated as a liability for budgetary purposes.

15. CONTINGENT LIABILITIES

Grant Programs

The school district participates in federal awards and state financial assistance grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation

The District is involved in several pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial statements of the District.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

16. FUND BALANCE APPROPRIATED

General Fund

Of the \$28,308,430 in General Fund Balance at June 30, 2013, \$23,516,107 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F7 \$10,718,695. of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ended June 30, 2014; \$2,116,552. has been restricted in the Capital Reserve Account; \$1,424,907. has been restricted in the Maintenance Reserve Account; \$250,864. Has been restricted in the Emergency Reserve and \$1,000,000 is assigned and has been appropriated and included as anticipated revenue for the year ended June 30, 2014.

17. CALCULATION OF EXCESS SURPLUS

In accordance with *N.J.S.A. 18A:7F-7*, as amended, the designation for 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 fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget.

18. CAPITAL, MAINTENANCE AND EMERGENCY RESERVES

Capital and maintenance reserve accounts were established by the District via the 2008-2009 budget for the accumulation of funds for use as capital outlay and maintenance expenditures in subsequent fiscal years. The capital and maintenance reserve accounts are maintained in the general fund and their 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, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Maintenance reserve accounts may be established by a district pursuant to N.J.S.A. 18A:7G-13 into which a district deposits monies to be used exclusively for required maintenance of school facilities.

N.J.S.A. 18A:7F-41c(1), effective for years beginning July 1, 2007, provides that districts may establish a current expense emergency reserve account and appropriate funds in the district's annual budget or through a transfer by board resolution at year end of any unanticipated revenue and unexpended line-item appropriation amounts. 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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

The activity of the reserve accounts for the July 1, 2012 to June 30, 2013 fiscal year are as follows:

	Capital	Maintenance	Emergency
	<u>Reserve</u>	<u>Reserve</u>	<u>Reserve</u>
Balance July 1, 2012	2,113,481	1,422,840	250,500
Interest Earned	3,071	2,067	364
Deposits	-	-	-
Withdrawals	-	-	-
Balance June 30, 2013	2,116,552	1,424,907	250,864

19. SUBSEQUENT EVENTS

On August 13, 2013, the District entered into a lease agreement with JP Morgan Chase Bank, N.A. for the purchase of school buses, computers and network infrastructure equipment. The principal amount deposited into an escrow account for the above referenced expenditures was \$3,500,000. The lease purchase is payable over five (5) years with a stated annual interest rate of 1.3340% per annum.

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REQUIRED SUPPLEMENTARY INFORMATION – PART II

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BUDGETARY COMPARISON SCHEDULES

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Local Tax Levy	116,756,256	-	116,756,256	116,756,256	-
Tuition	25,000	-	25,000	62,177	37,177
Interest Earned on Investments	16,500	-	16,500	36,974	20,474
Rental Fees	100,000	-	100,000	97,136	(2,864)
Athletic Admission Fees	88,500	-	88,500	68,612	(19,888)
Unrestricted Misc. Revenues	160,000	-	160,000	332,003	172,003
Total - Local Sources	117,146,256	-	117,146,256	117,353,158	206,902
State Sources					
Extraordinary Aid	1,500,000	-	1,500,000	2,380,919	880,919
Categorical Special Education Aid	7,025,068	-	7,025,068	7,025,068	-
Equalization Aid	42,455,081	-	42,455,081	42,455,081	-
Categorical Security Aid	725,356	-	725,356	725,356	-
Categorical Transportation Aid	1,021,008	-	1,021,008	1,021,008	-
Non-Public Transportation Costs Aid	-	-	-	101,879	101,879
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	4,500,451	4,500,451
On-behalf TPAF Post Retirement Contributions (non-budg)	-	-	-	5,088,874	5,088,874
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	5,395,922	5,395,922
Total State Sources	52,726,513	-	52,726,513	68,694,558	15,968,045
Federal Sources					
Medicaid Reimbursement	80,156	-	80,156	1,317	(78,839)
Education Jobs Funds	-	4,540	4,540	4,540	-
Total Federal Sources	80,156	4,540	84,696	5,857	(78,839)
Total Revenues	169,952,925	4,540	169,957,465	186,053,573	16,096,108
EXPENDITURES					
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction					
Grades 9-12 - Salaries of Teachers	50,744,089	(1,319,889)	49,424,200	48,934,567	489,633
Regular Programs - Home Instruction					
Salaries of Teachers	352,000	27,650	379,650	378,306	1,344
Purchased Professional-Educational Services	120,000	89,853	209,853	174,583	35,271
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	17,775	15,605	33,380	27,001	6,379
Purchased Technical Services	115,403	14,087	129,490	107,274	22,216
Other Purchased Services (400-500 series)	559,320	(13,098)	546,222	519,015	27,207
General Supplies	1,401,946	31,900	1,433,846	1,389,356	44,490
Textbooks	280,073	(80,713)	199,360	195,781	3,579
Other Objects	4,015	(3,901)	114	114	-
TOTAL REGULAR PROGRAMS - INSTRUCTION	53,594,621	(1,238,506)	52,356,115	51,725,996	630,119
SPECIAL EDUCATION - INSTRUCTION					
Cognitive - Mild					
Salaries of Teachers	292,784	-	292,784	115,095	177,689
Other Salaries for Instruction	227,602	40,000	267,602	263,712	3,890
General Supplies	3,580	-	3,580	3,580	-
Textbooks	1,245	-	1,245	1,245	-
Other Objects	300	-	300	-	300
Total Cognitive - Mild	525,511	40,000	565,511	383,632	181,879
Special Education - Cognitive Moderate					
Salaries of Teachers	146,433	1,000	147,433	146,695	738
Other Salaries for Instruction	218,324	71,000	289,324	286,840	2,484
General Supplies	1,000	-	1,000	694	306
Total Special Education - Cognitive Moderate	365,757	72,000	437,757	434,229	3,528
Special Education - Learning and/or Language Disabilities					
Salaries of Teachers	936,806	-	936,806	641,094	295,712
Other Salaries for Instruction	349,370	70,000	419,370	414,778	4,592
Other Purchased Services (400-500 series)	181,654	(50)	181,604	71,309	110,295
General Supplies	12,640	(1,704)	10,936	10,365	570
Textbooks	5,595	4,069	9,664	7,710	1,954
Other Objects	800	-	800	353	447
Total Special Education - Learning and/or Language Disabilities	1,486,865	72,315	1,559,180	1,145,610	413,570

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education - Behavioral Disabilities					
Salaries of Teachers	194,577	(30,000)	164,577	123,390	41,187
Other Sal. For Instruction	41,246	80,000	121,246	105,091	16,155
Purchased Prof.-Ed. Services	382,500	(20,000)	362,500	361,988	512
General Supplies	5,000	20,000	25,000	16,707	8,293
Total Special Education - Behavioral Disabilities	623,323	50,000	673,323	607,175	66,148
Special Education - Resource Room/Resource Center					
Salaries of Teachers	7,651,783	1,106,000	8,757,783	8,749,977	7,806
Other Sal. For Instruction	39,000	(39,000)	-	-	-
Purchased Prof.-Ed. Services	37,868	-	37,868	-	37,868
Other Purchased Services (400-500 series)	1,050	(255)	795	672	123
General Supplies	30,681	(2,544)	28,137	26,550	1,588
Textbooks	10,752	(3,719)	7,033	6,554	479
Other Objects	300	-	300	-	300
Total Special Education - Resource Room/Resource Center	7,771,434	1,060,482	8,831,916	8,783,752	48,164
Special Education - Autism					
Salaries of Teachers	291,552	3,000	294,552	292,638	1,914
Other Sal. For Instruction	343,822	45,000	388,822	384,049	4,773
Purchased Prof.-Ed. Services	39,868	-	39,868	-	39,868
Other Purchased Services (400-500 series)	10,000	-	10,000	8,775	1,225
General Supplies	12,400	(6,000)	6,400	4,774	1,626
Total Special Education - Autism	697,642	42,000	739,642	690,235	49,407
TOTAL SPECIAL EDUCATION - INSTRUCTION	11,470,532	1,336,796	12,807,328	12,044,633	762,695
Basic Skills/Remedial - Instruction					
Salaries of Teachers	841,435	-	841,435	726,808	114,627
Total Basic Skills/Remedial - Instruction	841,435	-	841,435	726,808	114,627
Bilingual Education - Instruction					
Salaries of Teachers	219,031	-	219,031	215,400	3,631
Other Purchased Services (400-500 series)	500	-	500	470	30
General Supplies	3,500	129	3,629	2,941	689
Total Bilingual Education - Instruction	223,031	129	223,160	218,811	4,349
School Sponsored Co-curricular and Extra-Curricular Activities					
Salaries	979,654	94,000	1,073,654	1,062,774	10,880
Purchased Services (300-500 series)	70,134	(5,271)	64,863	40,514	24,349
Supplies and Materials	57,245	(10,830)	46,415	36,270	10,145
Other Objects	50,001	(8,673)	41,328	28,393	12,936
Total School Sponsored Co-curricular & Extra-Curricular Activities	1,157,034	69,226	1,226,260	1,167,951	58,309
School Sponsored Athletics					
Salaries	3,072,850	42,705	3,115,555	3,008,643	106,912
Purchased Services (300-500 series)	540,650	8,303	548,953	479,786	69,168
Supplies and Materials	285,990	54,259	340,249	327,997	12,253
Other Objects	120,430	(5,720)	114,710	113,545	1,165
Total School Sponsored Athletics	4,019,920	99,547	4,119,467	3,929,970	189,497
Other Instructional Programs					
Salaries of Teachers	486,726	-	486,726	454,712	32,014
Purchased Services (300-500 series)	4,000	-	4,000	2,295	1,705
Supplies and Materials	4,000	15,439	19,439	14,752	4,687
Textbooks	20,000	(15,439)	4,561	4,561	-
Total Other Instructional Programs	514,726	(0)	514,726	476,320	38,406
Total Instruction	71,821,299	267,193	72,088,492	70,290,489	1,798,002
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	-	1,782	1,782	1,782	-
Tuition to Other LEAs Within the State - Special	13,225	15,781	29,006	10,782	18,224
Tuition to County Voc. School Districts - Regular	3,158,155	(150,000)	3,008,155	2,972,000	36,155
Tuition to County Voc. School Districts - Special	666,395	14,605	681,000	673,640	7,360
Tuition to CSSD & Regional Day Schools	1,873,363	111,233	1,984,596	1,594,515	390,081
Tuition to Private Schools for the Handicapped Within State	9,663,277	(2,264,259)	7,399,018	6,654,546	744,472
Tuition to Priv. Sch. for the Handicapped - Special, Out-State	1,272,985	184,652	1,457,637	1,316,259	141,378
Tuition - State Facilities	300,000	(3,500)	296,500	120,300	176,200
Total Undistributed Expenditures - Instruction	16,947,400	(2,089,706)	14,857,694	13,343,824	1,513,870

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Attendance & Social Work					
Salaries	702,554	-	702,554	697,728	4,826
Other Purchased Services (400-500 series)	290	(55)	235	55	180
Supplies and Materials	3,125	(114)	3,011	2,918	93
Total Undistributed Expenditures - Attendance & Social Work	705,969	(169)	705,800	700,701	5,100
Undistributed Expenditures - Health Services					
Salaries	1,126,091	(45,000)	1,081,091	1,034,605	46,486
Purchased Professional and Technical Services	25,200	45,000	70,200	59,177	11,023
Other Purchased Services (400-500 series)	1,553	2,205	3,758	1,948	1,810
Supplies and Materials	15,260	2,534	17,794	17,614	181
Other Objects	555	(85)	470	340	130
Total Undistributed Expenditures - Health Services	1,168,659	4,654	1,173,313	1,113,683	59,630
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	507,888	-	507,888	479,419	28,469
Purchased Professional - Educational Services	120,000	2,720	122,720	98,062	24,658
Supplies and Materials	2,500	(1,222)	1,278	950	328
Total Undist. Expend. - Speech, OT, PT & Related Services	630,388	1,498	631,886	578,431	53,454
Undist. Expend. - Other Supp. Serv. - Extraordinary Svcs.					
Salaries	1,311,571	170,000	1,481,571	1,473,404	8,167
Purchased Professional - Educational Services	454,416	137,233	591,649	485,647	106,002
Total Undist. Expend. - Other Supp. Serv. - Extraordinary Svcs.	1,765,987	307,233	2,073,220	1,959,051	114,169
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	3,693,970	-	3,693,970	3,682,774	11,196
Salaries of Secretarial and Clerical Assistants	694,744	-	694,744	688,195	6,549
Other Salaries	5,000	850	5,850	5,850	-
Purchased Professional and Technical Services	45,000	(755)	44,245	38,625	5,620
Other Purchased Services (400-500 series)	57,300	(9,335)	47,965	40,341	7,623
Supplies and Materials	42,185	8,050	50,235	42,358	7,878
Other Objects	465	10	475	385	90
Total Undist. Expenditures - Guidance	4,538,664	(1,181)	4,537,483	4,498,528	38,955
Undist. Expenditures - Child Study Teams					
Salaries of Other Professional Staff	2,279,748	3,500	2,283,248	2,275,678	7,570
Salaries of Secretarial and Clerical Assistants	334,442	55,000	389,442	385,341	4,101
Purchased Professional - Educational Services	350,085	(2,400)	347,685	229,734	117,951
Purchased Professional - Technical Services	-	15,000	15,000	7,950	7,050
Residential Costs	245,841	31,600	277,441	275,390	2,051
Miscellaneous Purchased Services (400-500 series)	7,000	200	7,200	3,086	4,114
Supplies and Materials	39,500	(3,195)	36,305	32,977	3,328
Total Undist. Expend. - Child Study Teams	3,256,616	99,704	3,356,320	3,210,156	146,164
Undist. Expend. - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	297,806	-	297,806	219,536	78,270
Salaries of Secretarial and Clerical Assistants	146,555	3,500	150,055	149,525	530
Other Salaries	115,300	(15,500)	99,800	69,492	30,308
Purchased Professional - Educational Services	50,000	(10,000)	40,000	40,000	-
Other Purch Services (400-500)	79,150	(22,087)	57,063	49,517	7,546
Supplies and Materials	17,500	14,865	32,365	28,071	4,294
Other Objects	12,500	(1,000)	11,500	8,868	2,632
Total Undist. Expend. - Improvement of Instructional Services	718,811	(30,222)	688,589	565,009	123,580
Undist. Expend. - Educational Media Serv./School Library					
Salaries	451,243	19,000	470,243	469,596	647
Purchased Professional and Technical Services	53,448	25,229	78,677	76,830	1,846
Other Purchased Services (400-500 series)	24,550	7,009	31,559	29,624	1,935
Supplies and Materials	78,257	(13,506)	64,751	60,701	4,051
Total Undist. Expend. - Educational Media/Library Services	607,498	37,732	645,230	636,751	8,479
Undist. Expend. - Instructional Staff Training Services					
Salaries of Supervisors of Instruction	276,692	-	276,692	204,615	72,077
Purchased Professional - Educational Serv	28,600	80,249	108,849	107,249	1,600
Other Purchased Services (400-500 series)	125,250	3,118	128,368	113,431	14,936
Supplies and Materials	10,000	32,727	42,727	42,447	280
Total Undist. Expend. - Instructional Staff Training Services	440,542	116,094	556,636	467,742	88,893

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Services - General Administration					
Salaries	329,273	-	329,273	319,701	9,572
Legal Services	525,000	150,000	675,000	599,812	75,188
Audit Fees	58,000	-	58,000	54,025	3,975
Architectural/Engineering Services	25,000	31,500	56,500	52,385	4,115
Other Purchased Professional Services	16,500	-	16,500	8,990	7,510
Purchased Technical Services	52,065	(19,282)	32,783	8,277	24,506
Communications/Telephone	427,316	395,800	823,116	709,561	113,555
BOE Other Purchased Services	5,000	-	5,000	4,245	755
Other Purchased Services (400-500 series)	395,800	(381,144)	14,656	9,053	5,603
General Supplies	8,000	6,126	14,126	10,234	3,892
BOE In-House Training/Meeting Supplies	5,000	-	5,000	69	4,931
Miscellaneous Expenditures	15,245	-	15,245	14,360	885
BOE Membership Dues and Fees	28,000	-	28,000	26,663	1,337
Total Undist. Expend. - Support Services - General Administration	1,890,199	183,000	2,073,199	1,817,374	255,825
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	3,203,763	328,000	3,531,763	3,348,882	182,881
Salaries of Other Professional Staff	1,796,584	127,000	1,923,584	1,621,558	302,026
Salaries of Secretarial and Clerical Assistants	1,275,547	141,762	1,417,309	1,274,884	142,425
Other Purchased Services (400-500 series)	89,375	(10,916)	78,459	54,923	23,536
Supplies and Materials	128,385	(1,461)	126,924	125,717	1,207
Other Objects	143,780	(6,165)	137,615	132,764	4,851
Total Undist. Expend. - Support Serv. - School Administration	6,637,434	578,219	7,215,653	6,558,728	656,926
Undist. Expend. - Central Services					
Salaries	1,440,202	-	1,440,202	1,359,892	80,310
Purchased Professional Services	22,434	96,800	119,234	1,480	117,754
Purchased Technical Services	33,500	-	33,500	25,683	7,817
Misc Purchased Services (400-500 series)	95,490	(1,500)	93,990	63,514	30,476
Supplies and Materials	40,550	500	41,050	37,726	3,324
Miscellaneous Expenditures	6,550	1,000	7,550	6,657	893
Total Undist. Expend. - Central Services	1,638,726	96,800	1,735,526	1,494,951	240,575
Undist. Expend. - Administrative Information Technology					
Salaries	590,316	65,000	655,316	651,697	3,619
Purchased Technical Services	226,050	33,975	260,025	224,861	35,164
Misc Purchased Services (400-500 series)	287,000	55,000	342,000	322,601	19,399
Supplies and Materials	87,400	39,000	126,400	98,011	28,389
Total Undist. Expend. - Administrative Information Technology	1,190,766	192,975	1,383,741	1,297,170	86,571
Undist. Expend. - Required Maintenance for School Facilities					
Maintenance Reserve Interest - Transfer to	10,600	-	10,600	-	10,600
Salaries	985,643	-	985,643	902,846	82,797
Cleaning, Repair and Maintenance Services	1,130,566	88,351	1,218,917	1,180,798	38,119
General Supplies	500,000	(74,510)	425,490	415,232	10,258
Other Objects	24,000	(700)	23,300	23,245	55
Total Undist. Expend. - Required Maintenance for Sch. Facilities	2,650,809	13,141	2,663,950	2,522,120	141,830
Undist. Expend. - Custodial Services					
Salaries	4,039,916	-	4,039,916	3,903,506	136,410
Purchased Professional & Technical Services	24,000	500	24,500	24,312	188
Cleaning, Repair and Maintenance Services	180,000	-	180,000	138,621	41,379
Rental of Land and Buildings - Oth than Lease Purch Agrmt	224,000	-	224,000	212,324	11,676
Other Purchased Property Services	335,100	-	335,100	246,725	88,375
Insurance	132,600	-	132,600	132,598	2
General Supplies	355,000	5,000	360,000	353,026	6,974
Energy (Electricity)	3,200,000	(43,365)	3,156,635	1,649,470	1,507,165
Energy (Natural Gas)	1,650,000	(2,120)	1,647,880	854,925	792,955
Energy (Gasoline)	1,189,790	(280,000)	909,790	909,197	593
Total Undist. Expend. - Custodial Services	11,330,406	(319,985)	11,010,421	8,424,704	2,585,717
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	834,392	-	834,392	666,664	167,728
Cleaning, Repair, and Maintenance Services	338,000	(112,900)	225,100	215,302	9,798
General Supplies	200,000	(12,000)	188,000	183,066	4,934
Other Objects	3,500	-	3,500	-	3,500
Total Undist. Expend. - Care & Upkeep of Grounds	1,375,892	(124,900)	1,250,992	1,065,032	185,960

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Security					
Salaries	425,559	10,000	435,559	432,360	3,199
Purchased Professional & Technical Services	12,000	64,608	76,608	65,752	10,856
Cleaning, Repair, and Maintenance Services	-	22,740	22,740	22,740	-
General Supplies	1,000	39,912	40,912	37,686	3,226
Total Undist. Expend. - Security	438,559	137,260	575,819	558,537	17,282
Total Undist. Expend. - Operation & Maint. Of Plant Services	15,795,666	(294,484)	15,501,182	12,570,393	2,930,789
Undist. Expend. - Student Transportation Services					
Salaries of Non-Instructional Aides	362,071	(24,000)	338,071	307,308	30,763
Salaries for Pupil Transp. (Bet. Home & School) - Regular	3,449,664	(49,150)	3,400,514	3,394,719	5,795
Salaries for Pupil Transp. (Bet. Home & School) - Spec. Ed.	1,008,565	-	1,008,565	850,364	158,201
Salaries for Pupil Transp. (Other than bet. Home & School)	588,000	-	588,000	352,134	235,866
Management Fees - ESC & CTSA Transportation Programs	150,000	26,000	176,000	175,978	22
Other Purchased Professional and Technical Services	55,800	16,100	71,900	57,071	14,829
Cleaning, Repair, and Maintenance Services	708,315	(11,224)	697,091	651,960	45,131
Lease Purchase Payments - School Buses	172,500	-	172,500	-	172,500
Contracted Services (Between Home and School) - Vendor	4,155,641	(370,200)	3,785,441	3,782,938	2,503
Contracted Svcs. (Other than Bet. Home & School) - Vendor	203,000	135,685	338,685	275,024	63,661
Contracted Svcs. (Bet. Home & School) - Joint Agreements	-	12,600	12,600	10,195	2,405
Contracted Services (Special Education Students) - Vendor	-	11,000	11,000	3,425	7,575
Contracted Svcs. (Special Ed. Students) - Joint Agreements	75,000	(6,000)	69,000	54,899	14,101
Contracted Services (Regular Students) - ESC & CTSA	875,000	(130,000)	745,000	731,309	13,691
Contracted Services (Special Ed. Students) - ESC & CTSA	2,015,000	679,000	2,694,000	2,618,065	75,935
Contracted Services - Aid In Lieu of Payment for Non-public	106,080	(2,000)	104,080	99,199	4,881
Contracted Services - Aid In Lieu of Payment for Charter	1,768	-	1,768	-	1,768
Miscellaneous Purchased Services - Transportation	143,600	650	144,250	114,298	29,952
General Supplies	19,000	(4,000)	15,000	10,307	4,693
Transportation Supplies	529,603	45,670	575,273	515,080	60,193
Other Objects	3,300	(550)	2,750	1,912	838
Total Undist. Expend. - Student Transportation Services	14,621,907	329,580	14,951,487	14,006,185	945,302
Interested Earned on Emergency Reserve	1,500	-	1,500	-	1,500
Unallocated Benefits - Employee Benefits					
Social Security Contributions	1,908,470	119,494	2,027,964	2,018,932	9,032
Other Retirement Contributions - Regular	2,156,711	(261,370)	1,895,341	1,815,399	79,942
Unemployment Compensation	7,200	-	7,200	5,811	1,389
Workmen's Compensation	635,750	(1,500)	634,250	357,983	276,267
Health Benefits	27,912,300	(83,857)	27,828,443	24,056,631	3,771,812
Tuition Reimbursement	100,000	100,000	200,000	184,401	15,599
Other Employee Benefits	100,000	159,500	259,500	223,834	35,666
TOTAL UNALLOCATED BENEFITS	32,820,431	32,267	32,852,698	28,662,991	4,189,707
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	4,500,451	(4,500,451)
On-behalf TPAF Post Retirement Contributions (non-budget)	-	-	-	5,088,874	(5,088,874)
Reimbursed TPAF Social Security Contributions (non-budge	-	-	-	5,395,922	(5,395,922)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	14,985,247	(14,985,247)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	32,820,431	32,267	32,852,698	43,648,238	(10,795,540)
TOTAL UNDISTRIBUTED EXPENDITURES	105,377,163	(436,005)	104,941,158	108,466,916	(3,525,758)
TOTAL GENERAL CURRENT EXPENSE	177,198,462	(168,812)	177,029,650	178,757,405	(1,727,755)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Grades 9-12	79,180	24,302	103,482	101,244	2,238
School-Sponsored and Other Instructional Program	32,562	8,130	40,692	40,691	1
Undistributed Expenditures					
Central Services	-	3,370	3,370	3,330	40
Administrative Information Technology	64,862	-	64,862	64,686	176
Maint of School Facility	55,000	-	55,000	45,101	9,899
Custodial Services	20,000	-	20,000	13,623	6,378
Care & Upkeep of Grounds	25,000	(13,000)	12,000	11,222	778
Security	60,000	121,250	181,250	178,983	2,267
Total Equipment	336,604	144,052	480,656	458,880	21,776

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services					
Legal Services	10,950	-	10,950	-	10,950
Architectural/Engineering Services	43,900	-	43,900	43,900	-
Construction Services	1,263,150	143,749	1,406,899	1,369,625	37,274
Assessment for Debt Service on SDA Funding	<u>8,101</u>	<u>-</u>	<u>8,101</u>	<u>8,101</u>	<u>-</u>
Total Facilities Acquisition and Construction Services	<u>1,326,101</u>	<u>143,749</u>	<u>1,469,850</u>	<u>1,421,626</u>	<u>48,224</u>
Capital Reserve Interest - Transfer to	<u>4,400</u>	<u>-</u>	<u>4,400</u>	<u>-</u>	<u>4,400</u>
Assets acquired under capital leases (non-budgeted)					
Undistributed expenditures:					
Transportation				767,635	(767,635)
Total assets acquired under capital leases (non-budgeted)				<u>767,635</u>	<u>(767,635)</u>
TOTAL CAPITAL OUTLAY	<u>1,667,105</u>	<u>287,801</u>	<u>1,954,906</u>	<u>2,648,141</u>	<u>(693,234)</u>
Transfer of Funds to Charter School	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
TOTAL EXPENDITURES	<u>178,897,067</u>	<u>118,989</u>	<u>179,014,556</u>	<u>181,405,546</u>	<u>(2,390,990)</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(8,944,142)</u>	<u>(114,449)</u>	<u>(9,057,091)</u>	<u>4,648,027</u>	<u>13,705,118</u>
Other Financing Sources:					
Capital leases (non-budgeted)	<u>-</u>	<u>-</u>	<u>-</u>	<u>767,635</u>	<u>(767,635)</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>767,635</u>	<u>(767,635)</u>
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources	<u>(8,944,142)</u>	<u>(114,449)</u>	<u>(9,057,091)</u>	<u>5,415,662</u>	<u>14,472,753</u>
Fund Balance, July 1	<u>27,978,637</u>	<u>-</u>	<u>27,978,637</u>	<u>27,978,637</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 19,034,495</u>	<u>(114,449)</u>	<u>\$ 18,921,546</u>	<u>\$ 33,394,299</u>	<u>\$ 14,472,753</u>
Recapitulation:					
Assigned - Year End Encumbrances				\$ 31,630	
Legally Restricted - Capital Reserve				2,116,552	
Legally Restricted - Maintenance Reserve				1,424,907	
Legally Restricted - Emergency Reserve				250,864	
Legally Restricted -Excess Surplus Designated for Subsequent Year's Expenditures				10,718,695	
Legally Restricted - Reserve for Excess Surplus				13,555,800	
Assigned-Designated for Subsequent Year's Expenditures				1,000,000	
Unassigned Fund Balance				<u>4,295,851</u>	
				33,394,299	
Reconciliation to Governmental Funds Statements (GAAP)					
Last State Aid Payment not recognized on GAAP basis				<u>(5,085,869)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 28,308,430</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - EDUCATION JOBS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Federal Sources					
Education Jobs Funds	\$ -	\$ 4,540	\$ 4,540	\$ 4,540	\$ -
Total Federal Sources	-	4,540	4,540	4,540	-
 Total Revenues	 \$ -	 \$ 4,540	 \$ 4,540	 \$ 4,540	 \$ -
EXPENDITURES					
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction					
Grades 9-12 - Salaries of Teachers	\$ -	\$ 3,725	\$ 3,725	\$ 3,725	\$ -
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	3,725	3,725	3,725	-
 Total Instruction	 -	 3,725	 3,725	 3,725	 -
Unallocated Benefits - Employee Benefits					
Social Security Contributions		285	285	285	-
TPAF Contributions	-	530	530	530	-
TOTAL UNALLOCATED BENEFITS	-	815	815	815	-
 TOTAL UNDISTRIBUTED EXPENDITURES	 -	 815	 815	 815	 -
 TOTAL GENERAL CURRENT EXPENSE	 -	 4,540	 4,540	 4,540	 -
 TOTAL EXPENDITURES	 \$ -	 \$ 4,540	 \$ 4,540	 \$ 4,540	 \$ -

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 132,604	\$ 6,447	\$ 139,051	\$ 139,051	\$ -
State Sources	11,144	10,490	21,634	21,634	-
Federal Sources	<u>2,648,021</u>	<u>254,881</u>	<u>2,902,902</u>	<u>2,902,902</u>	<u>-</u>
Total Revenues	<u>\$ 2,791,769</u>	<u>\$ 271,818</u>	<u>\$ 3,063,587</u>	<u>\$ 3,063,587</u>	<u>\$ -</u>
EXPENDITURES:					
Instruction					
Salaries of Teachers	\$ 1,991,130	\$ (1,870,825)	\$ 120,305	\$ 120,305	\$ -
Other Salaries for Instruction	75,939	(75,939)	-	-	-
Other Salaries	143,819	(134,819)	9,000	9,000	-
Purchased Professional-Technical Services	2,000	1,604	3,604	3,604	-
Other Purchased Services	73,998	18,673	92,671	92,671	-
Tuition - Private School Disabled	-	2,340,828	2,340,828	2,340,828	-
General Supplies	149,820	10,172	159,992	159,992	-
Other Objects	1,200	3,471	4,671	4,671	-
Textbooks	-	4,203	4,203	4,203	-
Total Instruction	<u>2,437,906</u>	<u>297,368</u>	<u>2,735,274</u>	<u>2,735,274</u>	<u>-</u>
Support Services					
Other Salaries	104,340	(25,102)	79,238	79,238	-
Personal Services - Employee Benefits	17,802	(1,295)	16,507	16,507	-
Purchased Professional - Educational Services	143,104	(22,134)	120,970	120,970	-
Other Purchased Services (400-500 series)	500	22,236	22,736	22,736	-
Supplies & Materials	86,617	(23,690)	62,927	62,927	-
Other Objects	1,500	(848)	652	652	-
Total Support Services	<u>353,863</u>	<u>(50,833)</u>	<u>303,030</u>	<u>303,030</u>	<u>-</u>
Equipment					
Instructional Equipment	-	7,318	7,318	7,318	-
Non-Instructional Equipment	-	17,965	17,965	17,965	-
Total Equipment	<u>-</u>	<u>25,283</u>	<u>25,283</u>	<u>25,283</u>	<u>-</u>
Total Expenditures	<u>2,791,769</u>	<u>271,818</u>	<u>3,063,587</u>	<u>3,063,587</u>	<u>-</u>
Total Outflows	<u>\$ 2,791,769</u>	<u>\$ 271,818</u>	<u>\$ 3,063,587</u>	<u>\$ 3,063,587</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
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FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
FISCAL YEAR ENDED JUNE 30, 2013

Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures

	General Fund	Special Revenue Fund
	<u> </u>	<u> </u>
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 186,053,573	\$ 3,063,587
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	4,735,765	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(5,085,869)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 185,703,469</u>	<u>\$ 3,063,587</u>
 Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 181,640,526	\$ 3,063,587
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 181,640,526</u>	<u>\$ 3,063,587</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

OTHER SUPPLEMENTARY INFORMATION

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<p>SPECIAL REVENUE FUND DETAIL STATEMENTS</p>
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The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	NONPUBLIC AID						
	Textbooks	Nursing	Technology	Suppl. Instr.	Exam. and Classif.	Corr. Speech	ELL Scaffolding
REVENUES:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	4,203	6,453	1,644	2,359	4,299	781	1,895
Federal Sources	-	-	-	-	-	-	-
Total Revenues	<u>\$ 4,203</u>	<u>\$ 6,453</u>	<u>\$ 1,644</u>	<u>\$ 2,359</u>	<u>\$ 4,299</u>	<u>\$ 781</u>	<u>\$ 1,895</u>
EXPENDITURES:							
Instruction:							
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,895
Other Salaries	-	-	-	-	-	-	-
Purchased Prof. & Technical Svcs	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-
Tuition - Private School Disabled	-	-	-	-	-	-	-
General Supplies	-	-	1,644	-	-	-	-
Other	-	-	-	-	-	-	-
Textbooks	<u>4,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	<u>4,203</u>	<u>-</u>	<u>1,644</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,895</u>
Support Services:							
Salaries - Support	-	-	-	-	-	-	-
Personal Svcs. - Emp. Benefits	-	-	-	-	-	-	-
Purchased Prof.-Educational Svcs	-	6,453	-	2,359	4,299	781	-
Other Purchased Services	-	-	-	-	-	-	-
Supplies & Materials	-	-	-	-	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support Services	<u>-</u>	<u>6,453</u>	<u>-</u>	<u>2,359</u>	<u>4,299</u>	<u>781</u>	<u>-</u>
Equipment:							
Instructional Equipment	-	-	-	-	-	-	-
Non-Instructional Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 4,203</u>	<u>\$ 6,453</u>	<u>\$ 1,644</u>	<u>\$ 2,359</u>	<u>\$ 4,299</u>	<u>\$ 781</u>	<u>\$ 1,895</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Perkins	Title I		Title IIA		Title III	
		Current	Run-Out	Current	Run-out	Current	Run-out
REVENUES:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-
Federal Sources	34,987	156,977	139,742	140,015	13,702	24,276	1,895
Total Revenues	\$ 34,987	\$ 156,977	\$ 139,742	\$ 140,015	\$ 13,702	\$ 24,276	\$ 1,895
EXPENDITURES:							
Instruction:							
Salaries of Teachers	\$ -	\$ 21,877	\$ 55,619	\$ -	\$ 1,344	\$ 6,696	\$ -
Other Salaries	-	-	-	-	-	-	-
Purchased Prof. & Technical Svcs	3,604	-	-	-	-	-	-
Other Purchased Services	19,026	-	-	-	-	-	-
Tuition - Private School Disabled	-	-	-	-	-	-	-
General Supplies	-	106,193	23,720	-	-	15,748	1,895
Other	4,080	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Total Instruction	26,710	128,070	79,339	-	1,344	22,444	1,895
Support Services:							
Salaries - Support	-	2,661	17,231	58,578	-	768	-
Personal Svcs. - Emp. Benefits	-	1,878	6,960	4,481	102	571	-
Purchased Prof.-Educational Svcs	-	17,703	11,000	48,375	-	-	-
Other Purchased Services	959	900	20,384	-	-	493	-
Supplies & Materials	-	5,113	4,828	28,581	12,256	-	-
Other	-	652	-	-	-	-	-
Total Support Services	959	28,907	60,403	140,015	12,358	1,832	-
Equipment:							
Instructional Equipment	7,318	-	-	-	-	-	-
Non-Instructional Equipment	-	-	-	-	-	-	-
Total Equipment	7,318	-	-	-	-	-	-
Total Expenditures	\$ 34,987	\$ 156,977	\$ 139,742	\$ 140,015	\$ 13,702	\$ 24,276	\$ 1,895
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	I.D.E.A.						College
	Current	Run-Out	RTTT3	JROTC	Lowe's	WIB	Fair
REVENUES:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ 129	39,190	\$ 12,357
State Sources	-	-	-	-	-	-	-
Federal Sources	2,340,828	2,066	41,675	6,739	-	-	-
Total Revenues	\$ 2,340,828	\$ 2,066	\$ 41,675	\$ 6,739	\$ 129	\$ 39,190	\$ 12,357
EXPENDITURES:							
Instruction:							
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	32,874	\$ -
Other Salaries	-	-	-	-	-	-	-
Purchased Prof. & Technical Svcs	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	6,739	-	551	7,675
Tuition - Private School Disabled	2,340,828	-	-	-	-	-	-
General Supplies	-	2,066	-	-	129	2,777	4,091
Other	-	-	-	-	-	-	591
Textbooks	-	-	-	-	-	-	-
Total Instruction	2,340,828	2,066	-	6,739	129	36,201	12,357
Support Services:							
Salaries - Support	-	-	-	-	-	-	-
Personal Svcs. - Emp. Benefits	-	-	-	-	-	2,515	-
Purchased Prof.-Educational Svcs	-	-	30,000	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-
Supplies & Materials	-	-	11,675	-	-	474	-
Other	-	-	-	-	-	-	-
Total Support Services	-	-	41,675	-	-	2,989	-
Equipment:							
Instructional Equipment	-	-	-	-	-	-	-
Non-Instructional Equipment	-	-	-	-	-	-	-
Total Equipment	-	-	-	-	-	-	-
Total Expenditures	\$ 2,340,828	\$ 2,066	\$ 41,675	\$ 6,739	\$ 129	\$ 39,190	\$ 12,357
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	DCH Auto	STEM	PSAT	Project Ignition	We Are Teachers	Digital Marquis	Barnes and Nobel	Totals
REVENUES:								
Local sources	\$ 9,000	1,500	\$ 7,630	\$ 230	\$ 50,000	\$ 17,965	\$ 1,050	\$ 139,051
State sources	-	-	-	-	-	-	-	21,634
Federal sources	-	-	-	-	-	-	-	2,902,902
Total Revenues	\$ 9,000	\$ 1,500	\$ 7,630	\$ 230	\$ 50,000	\$ 17,965	\$ 1,050	\$ 3,063,587
EXPENDITURES:								
Instruction:								
Salaries of Teachers	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,305
Other Salaries	9,000	-	-	-	-	-	-	9,000
Purchased Prof. and Tech Svcs	-	-	-	-	-	-	-	3,604
Other Purchased Services	-	-	7,630	-	50,000	-	1,050	92,671
Tuition - Private School Disabled	-	-	-	-	-	-	-	2,340,828
General Supplies	-	1,500	-	230	-	-	-	159,993
Other	-	-	-	-	-	-	-	4,671
Textbooks	-	-	-	-	-	-	-	4,203
Total Instruction	9,000	1,500	7,630	230	50,000	-	1,050	2,735,274
Support Services:								
Salaries - Support	-	-	-	-	-	-	-	79,238
Personal Svcs. - Emp. Benefits	-	-	-	-	-	-	-	16,507
Purchased Prof.-Educational Svcs	-	-	-	-	-	-	-	120,970
Other Purchased Services	-	-	-	-	-	-	-	22,736
Supplies & Materials	-	-	-	-	-	-	-	62,927
Other	-	-	-	-	-	-	-	652
Total Support Services	-	-	-	-	-	-	-	303,030
Equipment:								
Instructional Equipment	-	-	-	-	-	-	-	7,318
Non-Instructional Equipment	-	-	-	-	-	17,965	-	17,965
Total Equipment	-	-	-	-	-	17,965	-	25,283
Total Expenditures	\$ 9,000	\$ 1,500	\$ 7,630	\$ 230	\$ 50,000	\$ 17,965	\$ 1,050	\$ 3,063,587
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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PROPRIETARY FUND DETAL 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
STATEMENT OF FUND NET POSITION
PROPRIETARY FUND
JUNE 30, 2013

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food Service Fund	Extra Curricular	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 519,584	\$ -	\$ 519,584
Intergovernmental Receivables	112,819	-	112,819
Other Receivable	352,004	-	352,004
Interfund Receivable	-	11,572	11,572
Inventories	29,139	-	29,139
Total Current Assets	<u>1,013,546</u>	<u>11,572</u>	<u>1,025,118</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	516,560	-	516,560
Less Accumulated Depreciation	<u>(440,767)</u>	<u>-</u>	<u>(440,767)</u>
Total Noncurrent Assets	<u>75,793</u>	<u>-</u>	<u>75,793</u>
Total Assets	<u><u>\$ 1,089,339</u></u>	<u><u>\$ 11,572</u></u>	<u><u>\$ 1,100,911</u></u>
LIABILITIES			
Current liabilities:			
Accounts Payable	\$ 289,466	\$ -	\$ 289,466
Interfund Payable	392,159	-	392,159
Deferred Revenue	22,174	11,572	33,746
Total Current Liabilities	<u><u>\$ 703,799</u></u>	<u><u>\$ 11,572</u></u>	<u><u>\$ 715,371</u></u>
NET POSITION			
Net investment in capital assets	\$ 75,793	\$ -	\$ 75,793
Unrestricted	<u>309,747</u>	<u>-</u>	<u>309,747</u>
Total Net Position	<u><u>\$ 385,540</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 385,540</u></u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Major Fund Food Service Fund	Non-Major Fund Extra Curricular	Total
OPERATING REVENUES			
Charges for Services:			
Daily Sales - Non-reimbursable Programs	\$ 2,642,037	\$ -	\$ 2,642,037
Fees for Services	-	190,193	190,193
	<u>2,642,037</u>	<u>190,193</u>	<u>2,832,230</u>
OPERATING EXPENSES			
Cost of Sales	1,086,686	-	1,086,686
Salaries	1,464,067	87,412	1,551,479
Employee Benefits	480,674	-	480,674
Supplies and Materials	81,556	1,845	83,401
Equipment Repair and Maintenance	41,262	-	41,262
Insurance	98,051	-	98,051
Technology	99,819	-	99,819
Laundry and Uniforms	8,660	-	8,660
Travel	12,376	3,526	15,902
Depreciation	34,567	-	34,567
Licenses	7,272	-	7,272
Miscellaneous	18,777	-	18,777
Facility Rental	-	108,310	108,310
League Fees	-	12,900	12,900
Total Operating Expenses	<u>3,433,767</u>	<u>213,993</u>	<u>3,647,760</u>
Operating Gain/(Loss)	<u>(791,730)</u>	<u>(23,800)</u>	<u>(815,530)</u>
NONOPERATING REVENUES			
State Sources:			
State School Lunch Program	9,417	-	9,417
Federal Sources:			
National School Lunch Program	317,775	-	317,775
National School Breakfast Program	17,149	-	17,149
Food Distribution Program	142,441	-	142,441
Total Nonoperating Revenues	<u>486,782</u>	<u>-</u>	<u>486,782</u>
Change in Net Position	(304,948)	(23,800)	(328,748)
Total Net Position - Beginning	<u>690,488</u>	<u>23,800</u>	<u>714,288</u>
Total Net Position - Ending	<u>\$ 385,540</u>	<u>\$ -</u>	<u>\$ 385,540</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Major Fund Food Service Fund	Non-Major Fund Extra Curricular	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 2,659,437	\$ 172,577	\$ 2,832,014
Payments to Employees	(1,426,105)	(87,412)	(1,513,517)
Payments for Employee Benefits	(476,459)	-	(476,459)
Payments to Suppliers	(1,346,028)	(126,581)	(1,472,609)
Net Cash Provided by (Used in) Operating Activities	<u>(589,155)</u>	<u>(41,416)</u>	<u>(630,571)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
State Sources	9,089	-	9,089
Federal Sources	283,021	-	283,021
Transfers to other funds	734,106	41,416	775,522
Net Cash Provided by Non-Capital Financing Activities	<u>1,026,216</u>	<u>41,416</u>	<u>1,067,632</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(6,325)	-	(6,325)
Net Cash Used for Capital and Related Financing Activities	<u>(6,325)</u>	<u>-</u>	<u>(6,325)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	430,736	-	430,736
Balance - Beginning of Year	<u>88,848</u>	<u>-</u>	<u>88,848</u>
Balance - End of Year	<u>\$ 519,584</u>	<u>\$ -</u>	<u>\$ 519,584</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:			
Operating Gain/Loss	\$ (791,730)	\$ (23,800)	(815,530)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	20,524	-	20,524
Donated Commodities Received During the Year	142,441	-	142,441
(Increase)Decrease in Accounts Receivable, Net	(24,020)	(5,388)	(29,408)
(Increase)Decrease in Inventories	(8,717)	-	(8,717)
Increase(Decrease) in Deferred Revenue	22,174	(12,228)	9,946
Increase(Decrease) in Accounts Payable	50,173	-	50,173
Total Adjustments	<u>202,575</u>	<u>(17,616)</u>	<u>184,959</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (589,155)</u>	<u>\$ (41,416)</u>	<u>\$ (630,571)</u>

FIDUCIARY FUNDS DETAIL STATEMENTS
--

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Agency Funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

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

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

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2013

	Unemployment Compensation Insurance Trust	Private Purpose Trust	Agency Funds	Totals
ASSETS				
Cash and Cash Equivalents	\$ 866,186	\$ 974,251	\$ 3,121,602	\$ 4,962,039
Accounts Receivable	243,000	-	-	243,000
Intrafund Receivable	48,042	-	-	48,042
Total Assets	<u>\$ 1,157,228</u>	<u>\$ 974,251</u>	<u>\$ 3,121,602</u>	<u>\$ 5,253,081</u>
LIABILITIES				
Accounts Payable	\$ 58,497	\$ 1,000	\$ -	\$ 59,497
Intrafund Payable	-	-	48,042	48,042
Interfund Payable	-	-	2,182,785	2,182,785
Payable to Student Groups	-	-	883,145	883,145
Payroll Deductions and Withholdings	-	-	7,630	7,630
Total Liabilities	<u>\$ 58,497</u>	<u>\$ 1,000</u>	<u>\$ 3,121,602</u>	<u>\$ 3,181,099</u>
NET POSITION				
Held in Trust for Unemployment Claims and Other Purposes	\$ 1,098,731	\$ -	\$ -	\$ 1,098,731
Held in trust for scholarships and other purposes	-	973,251	-	973,251
Total Net Position	<u>\$ 1,098,731</u>	<u>\$ 973,251</u>	<u>\$ -</u>	<u>\$ 2,071,982</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Unemployment Compensation Insurance Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Plan Members	\$ 237,623	\$ -	\$ 237,623
Donations	<u>-</u>	<u>9,143</u>	<u>9,143</u>
Total Contributions	<u>237,623</u>	<u>9,143</u>	<u>246,766</u>
Investment Earnings:			
Interest	<u>383</u>	<u>446</u>	<u>829</u>
Net Investment Earnings	<u>383</u>	<u>446</u>	<u>829</u>
Total Additions	<u>238,006</u>	<u>9,589</u>	<u>247,595</u>
DEDUCTIONS			
Quarterly Contribution Reports	103,932	-	103,932
Unemployment Claims	286,996	-	286,996
Scholarships Awarded	<u>-</u>	<u>45,600</u>	<u>45,600</u>
Total Deductions	<u>390,928</u>	<u>45,600</u>	<u>436,528</u>
Change in Net Position	(152,922)	(36,011)	(188,933)
Net Position - Beginning of the Year	<u>1,251,653</u>	<u>1,009,262</u>	<u>2,260,915</u>
Net Position - End of the Year	<u>\$ 1,098,731</u>	<u>\$ 973,251</u>	<u>\$ 2,071,982</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance July 1, 2012</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2013</u>
HIGH SCHOOLS:				
Colts Neck	\$ 89,478	\$ 402,982	\$ 426,686	\$ 65,774
Freehold Borough	109,559	263,349	263,981	108,927
Freehold Township	200,906	476,459	517,387	159,978
Howell	111,254	367,574	320,681	158,147
Manalapan	152,247	445,776	417,141	180,882
Marlboro	<u>192,172</u>	<u>405,820</u>	<u>388,555</u>	<u>209,437</u>
 TOTAL ASSETS	 <u>\$ 855,616</u>	 <u>\$ 2,361,960</u>	 <u>\$ 2,334,431</u>	 <u>\$ 883,145</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
 PAYROLL AGENCY FUND
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
ASSETS:				
Cash and Cash Equivalents	\$ 487,359	\$ 108,420,472	\$ 106,669,374	\$ 2,238,457
TOTAL ASSETS	<u>\$ 487,359</u>	<u>\$ 108,420,472</u>	<u>\$ 106,669,374</u>	<u>\$ 2,238,457</u>
LIABILITIES:				
Payroll Deductions and Withholding	\$ 27,289	\$ 46,174,425	\$ 46,194,084	\$ 7,630
Employee Pay	-	60,237,667	60,237,667	-
Intrafund Payable	48,042	237,623	237,623	48,042
Interfund Payable	<u>412,028</u>	<u>1,770,757</u>	<u>-</u>	<u>2,182,785</u>
TOTAL LIABILITIES	<u>\$ 487,359</u>	<u>\$ 108,420,472</u>	<u>\$ 106,669,374</u>	<u>\$ 2,238,457</u>

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LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF SERIAL BONDS
AS OF JUNE 30, 2013

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2012	Retired Current Year	Balance June 30, 2013
			Date	Amount				
Refunded - Additions and renovations of Colts Neck, Freehold, Freehold Twp, Howell, Manalapan, and Marlboro High Schools	11/16/2001	\$ 42,690,000	3/1/2014	3,830,000	5.00%	35,035,000	3,635,000	31,400,000
			3/1/2015	4,030,000	5.00%			
			3/1/2016	4,240,000	5.00%			
			3/1/2017	4,460,000	5.00%			
			3/1/2018	4,695,000	5.00%			
			3/1/2019	4,940,000	5.00%			
			3/1/2020	5,205,000	5.00%			
						-	-	
						\$ 35,035,000	\$ 3,635,000	\$ 31,400,000

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
AS OF JUNE 30, 2013

<u>Series</u>	<u>Interest Rate</u>	<u>Amount of</u>	<u>Increase</u>	<u>Balance</u>
<u>Governmental Funds:</u>	<u>Payable</u>	<u>Original Lease</u>		<u>June 30, 2013</u>
School Buses and Technology	1.433%	\$ 1,155,791	\$ 1,155,792	\$ 1,155,792
Grand Total		\$	\$ 1,155,792	\$ 1,155,792

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 4,076,750	\$ -	\$ 4,076,750	\$ 4,076,750	\$ -
State Sources:					
Debt Service Aid	1,310,000	-	1,310,000	1,310,000	-
Total - State Sources	1,310,000	-	1,310,000	1,310,000	-
Total Revenues	5,386,750	-	5,386,750	5,386,750	-
EXPENDITURES:					
Regular Debt Service:					
Interest	1,751,750	-	1,751,750	1,751,750	-
Redemption of Principal	3,635,000	-	3,635,000	3,635,000	-
Total Regular Debt Service	5,386,750	-	5,386,750	5,386,750	-
Total Expenditures	5,386,750	-	5,386,750	5,386,750	-
Deficiency of Revenues Under Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -
Recapitulation of Deficiency of Revenues Under Expenditures					
Budgeted Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -

STATISTICAL SECTION (UNAUDITED)

<u>Contents</u>	<u>Pages</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.	72-83
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	84-99
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.	100-104
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.	105-108
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.	109-115

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ended June 30,				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities					
Net investment in capital assets	\$ 66,116,990	\$ 64,842,350	\$ 65,477,800	\$ 66,304,436	\$ 64,266,384
Restricted	27,073,451	21,024,274	12,809,243	6,513,220	8,567,707
Unrestricted	<u>(1,962,535)</u>	<u>(195,128)</u>	<u>951,687</u>	<u>3,468,668</u>	<u>(395,231)</u>
Total governmental activities net position	<u>\$ 91,227,906</u>	<u>\$ 85,671,496</u>	<u>\$ 79,238,730</u>	<u>\$ 76,286,324</u>	<u>\$ 72,438,860</u>
Business-type activities					
Net investment in capital assets	\$ 75,793	\$ 89,992	\$ 105,119	\$ 126,753	\$ 118,069
Unrestricted	<u>309,747</u>	<u>624,296</u>	<u>814,829</u>	<u>751,526</u>	<u>746,865</u>
Total business-type activities net position	<u>\$ 385,540</u>	<u>\$ 714,288</u>	<u>\$ 919,948</u>	<u>\$ 878,279</u>	<u>\$ 864,934</u>
District-wide					
Net investment in capital assets	\$ 66,192,783	\$ 64,932,342	\$ 65,582,919	\$ 66,431,189	\$ 64,384,453
Restricted	27,073,451	21,024,274	12,809,243	6,513,220	8,567,707
Unrestricted	<u>(1,652,788)</u>	<u>429,168</u>	<u>1,766,516</u>	<u>4,220,194</u>	<u>351,634</u>
Total district net position	<u>\$ 91,613,446</u>	<u>\$ 86,385,784</u>	<u>\$ 80,158,678</u>	<u>\$ 77,164,603</u>	<u>\$ 73,303,794</u>

Source: CAFR Schedule A-1

Fiscal Year Ended June 30,				
<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 62,547,581	\$ 60,099,328	\$ 57,132,033	\$ 53,718,752	\$ 50,450,216
7,261,951	5,619,907	5,619,979	8,133,035	6,393,712
<u>(741,832)</u>	<u>1,620,498</u>	<u>2,532,519</u>	<u>1,360,260</u>	<u>2,731,986</u>
<u>\$ 69,067,700</u>	<u>\$ 67,339,733</u>	<u>\$ 65,284,531</u>	<u>\$ 63,212,047</u>	<u>\$ 59,575,914</u>
\$ 136,825	\$ 116,619	\$ 68,813	\$ 62,639	\$ 46,755
<u>631,922</u>	<u>765,204</u>	<u>727,740</u>	<u>454,205</u>	<u>556,151</u>
<u>\$ 768,747</u>	<u>\$ 881,823</u>	<u>\$ 796,553</u>	<u>\$ 516,844</u>	<u>\$ 602,906</u>
\$ 62,684,406	\$ 60,215,947	\$ 57,200,846	\$ 53,781,391	\$ 50,496,971
7,261,951	5,619,907	5,619,979	8,133,035	6,393,712
<u>(109,910)</u>	<u>2,385,702</u>	<u>3,260,259</u>	<u>1,814,465</u>	<u>3,288,137</u>
<u>\$ 69,836,447</u>	<u>\$ 68,221,556</u>	<u>\$ 66,081,084</u>	<u>\$ 63,728,891</u>	<u>\$ 60,178,820</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ended June 30,				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses					
Governmental Activities					
Instruction:					
Regular	\$ 80,476,846	\$ 79,320,371	\$ 77,375,649	\$ 79,855,943	\$ 72,166,199
Special Education	17,229,076	13,906,774	12,282,407	9,471,600	10,412,993
Other Instruction	8,998,877	8,916,004	8,978,180	9,136,052	9,114,401
Support Services:					
Tuition	13,343,824	13,994,362	13,678,378	12,197,151	13,015,812
Student & Instruction Related Services	19,632,989	18,231,436	17,684,670	18,477,174	17,399,289
School Administrative Services	9,448,283	9,419,268	9,211,957	9,288,344	8,678,752
General Administrative Services	2,011,069	2,155,127	1,754,559	2,267,175	5,477,731
Central Service/Admin Information Technology	4,122,564	3,588,070	3,419,374	3,299,725	-
Plant Operations and Maintenance	15,303,296	15,753,689	16,427,929	17,465,039	18,045,436
Pupil Transportation	16,297,004	16,174,059	15,747,415	18,190,193	18,485,087
Special Schools	-	-	240	390,309	347,995
Capital Outlay	-	-	-	-	-
Transfer to Charter School	-	29,312	14,656	15,292	-
Interest on Long-Term Debt	1,699,266	1,872,820	2,033,833	2,201,017	2,364,710
Unallocated Depreciation and Amortization	34,303	34,303	34,303	34,303	34,303
Total Governmental Activities	<u>188,597,397</u>	<u>183,395,595</u>	<u>178,643,552</u>	<u>182,289,317</u>	<u>175,542,708</u>
Business-Type Activities					
Food Service	\$ 3,433,767	\$ 3,568,347	\$ 3,360,076	\$ 3,426,440	\$ 3,919,325
Extra Curricular Fund	213,993	238,976	227,348	222,845	-
SAT Prep Program	-	25,538	20,963	-	-
Total Business-Type Activities	<u>3,647,760</u>	<u>3,832,861</u>	<u>3,608,387</u>	<u>3,649,285</u>	<u>3,919,325</u>
Total District Expenses	<u>\$ 192,245,157</u>	<u>\$ 187,228,456</u>	<u>\$ 182,251,939</u>	<u>\$ 185,938,602</u>	<u>\$ 179,462,033</u>
Program Revenues					
Governmental Activities					
Charges for services	\$ 159,313	\$ 254,971	\$ 75,241	\$ 352,974	\$ 107,441
Operating Grants and Contributions	426,007	468,018	609,714	798,443	855,928
Capital Grants and Contributions	-	-	-	-	-
Total Governmental Activities Program Revenues	<u>585,320</u>	<u>722,989</u>	<u>684,955</u>	<u>1,151,417</u>	<u>963,369</u>
Business-Type Activities					
Charges for services:					
Food Service	2,642,037	2,909,211	2,941,180	2,944,677	3,461,930
Extra Curricular Fund	190,193	262,776	227,348	222,845	-
SAT Prep Program	-	22,202	24,299	-	-
Operating grants and contributions	486,782	433,012	457,229	495,107	553,582
Total Business-Type Activities Program Revenues	<u>3,319,012</u>	<u>3,627,201</u>	<u>3,650,055</u>	<u>3,662,629</u>	<u>4,015,512</u>
Total District Program Revenue	<u>\$ 3,904,332</u>	<u>\$ 4,350,190</u>	<u>\$ 4,335,010</u>	<u>\$ 4,814,046</u>	<u>\$ 4,978,881</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (188,012,077)	\$ (182,672,605)	\$ (177,958,597)	\$ (181,137,900)	\$ (174,579,339)
Business-Type Activities	(328,748)	(205,660)	41,669	13,344	96,187
Total District-Wide Net Expense	<u>\$ (188,340,825)</u>	<u>\$ (182,878,265)</u>	<u>\$ (177,916,928)</u>	<u>\$ (181,124,556)</u>	<u>\$ (174,483,152)</u>

Fiscal Year Ended June 30,				
<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 70,640,599	\$ 65,596,742	\$ 61,929,493	\$ 59,266,285	\$ 56,192,631
8,983,892	11,840,343	8,672,561	5,079,128	4,224,671
8,612,612	8,751,303	7,879,500	6,172,818	5,480,418
15,013,306	10,952,382	10,652,056	10,205,890	9,272,579
15,462,451	15,742,207	14,558,601	16,927,159	16,076,923
8,517,200	9,288,997	8,272,250	7,761,954	7,188,001
5,547,284	4,932,793	4,472,690	4,337,969	4,086,259
-	-	-	-	-
19,505,838	17,834,928	17,045,818	15,944,586	14,574,434
16,490,332	16,617,218	15,520,978	13,971,301	13,174,106
235,386	285,750	262,183	214,950	192,363
83,796	-	-	-	-
-	2,062	9,220	8,950	-
3,382,765	2,874,208	3,171,408	3,466,983	3,762,081
34,303	34,303	41,323	41,327	41,327
<u>172,509,764</u>	<u>164,753,236</u>	<u>152,488,081</u>	<u>143,399,300</u>	<u>134,265,793</u>
\$ 3,663,544	\$ 3,606,359	\$ 3,300,482	\$ 3,413,177	\$ 2,889,955
-	-	-	-	-
-	-	-	-	-
<u>3,663,544</u>	<u>3,606,359</u>	<u>3,300,482</u>	<u>3,413,177</u>	<u>2,889,955</u>
<u>\$ 176,173,308</u>	<u>\$ 168,359,595</u>	<u>\$ 155,788,563</u>	<u>\$ 146,812,477</u>	<u>\$ 137,155,748</u>
\$ 214,292	\$ 174,415	\$ 147,684	\$ 143,591	\$ 191,252
1,471,379	1,006,820	1,109,485	1,211,572	1,313,658
-	17,060	40,901	-	15,012
<u>1,685,671</u>	<u>1,198,295</u>	<u>1,298,070</u>	<u>1,355,163</u>	<u>1,519,922</u>
3,128,462	3,316,227	3,226,904	3,017,514	2,739,477
-	-	-	-	-
-	-	-	-	-
<u>422,006</u>	<u>375,402</u>	<u>353,287</u>	<u>309,601</u>	<u>231,812</u>
<u>3,550,468</u>	<u>3,691,629</u>	<u>3,580,191</u>	<u>3,327,115</u>	<u>2,971,289</u>
<u>\$ 5,236,139</u>	<u>\$ 4,889,924</u>	<u>\$ 4,878,261</u>	<u>\$ 4,682,278</u>	<u>\$ 4,491,211</u>
\$ (170,824,093)	\$ (163,554,941)	\$ (151,190,011)	\$ (142,044,137)	\$ (132,745,871)
(113,076)	85,270	279,709	(86,062)	81,334
<u>\$ (170,937,169)</u>	<u>\$ (163,469,671)</u>	<u>\$ (150,910,302)</u>	<u>\$ (142,130,199)</u>	<u>\$ (132,664,537)</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ended June 30,				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Revenues					
Governmental Activities					
Property Taxes Levied for General Purposes	116,756,256	115,600,253	-	112,783,657	110,882,300
Property Taxes Levied for Debt Service	4,076,750	4,071,262	-	3,462,300	3,474,896
Unrestricted Grants and Contributions	68,350,311	64,262,301	-	62,218,157	62,811,715
Restricted Grants and Contributions	3,808,529	4,250,267	-	5,935,387	-
Interest and Investment Earnings	-	-	-	-	194,536
Miscellaneous Income	576,640	931,185	-	585,862	587,052
Transfers	-	-	-	-	-
Gain (Loss) on Sale of Equipment	-	(9,896)	-	-	-
Total Governmental Activities	<u>193,568,486</u>	<u>189,105,372</u>	<u>-</u>	<u>184,985,363</u>	<u>177,950,499</u>
Change in Net Assets					
Governmental Activities	\$ 5,556,409	\$ 6,432,766	\$ (177,958,597)	\$ 3,847,463	\$ 3,371,160
Business-Type Activities	<u>(328,748)</u>	<u>(205,660)</u>	<u>41,669</u>	<u>13,344</u>	<u>96,187</u>
Total District	<u>\$ 5,227,661</u>	<u>\$ 6,227,106</u>	<u>\$ (177,916,928)</u>	<u>\$ 3,860,807</u>	<u>\$ 3,467,347</u>

Source: CAFR Schedule A-2

Fiscal Year Ended June 30,				
<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
106,617,596	100,847,680	93,500,842	87,604,595	83,109,154
5,025,434	5,216,532	5,374,658	5,010,198	5,539,983
60,138,111	58,446,860	53,489,295	52,341,174	51,033,636
-	-	-	-	-
603,643	856,768	653,451	442,853	205,439
167,276	271,500	239,549	270,320	246,371
-	(28,875)	-	-	-
-	(322)	4,700	11,130	-
<u>172,552,060</u>	<u>165,610,143</u>	<u>153,262,495</u>	<u>145,680,270</u>	<u>140,134,583</u>
\$ 1,727,967	\$ 2,055,202	\$ 2,072,484	\$ 3,636,133	\$ 7,388,712
(113,076)	85,270	279,709	(86,062)	81,334
<u>\$ 1,614,891</u>	<u>\$ 2,140,472</u>	<u>\$ 2,352,193</u>	<u>\$ 3,550,071</u>	<u>\$ 7,470,046</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	As of June 30,			
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund				
Restricted	27,073,450	21,024,274	12,827,685	-
Assigned	1,000,000	2,218,598	2,587,356	-
Unassigned	-	-	153,276	-
Reserved	-	-	-	7,092,073
Unreserved	-	-	-	4,289,726
Total general fund	<u>\$ 28,073,450</u>	<u>\$ 23,242,872</u>	<u>\$ 15,568,317</u>	<u>\$ 11,381,799</u>
All Other Governmental Funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue fund	-	-	-	-
Capital projects fund	-	-	-	-
Debt service fund	-	-	-	-
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source: CAFR Schedule B-1

As of June 30,					
<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,550,771	7,019,262	3,795,928	5,619,907	8,117,877	6,940,735
741,628	1,487,631	5,556,140	4,054,842	2,853,669	3,562,866
<u>\$ 10,292,399</u>	<u>\$ 8,506,893</u>	<u>\$ 9,352,068</u>	<u>\$ 9,674,749</u>	<u>\$ 10,971,546</u>	<u>\$ 10,503,601</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	406,911
-	-	-	72	15,158	570,338
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72</u>	<u>\$ 15,158</u>	<u>\$ 977,249</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED

	As of June 30,				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenues					
Tax levy	\$ 120,833,006	\$ 119,671,515	\$ 119,663,191	\$ 116,245,957	\$ 114,357,196
Tuition charges	62,177	166,772	75,241	236,050	35,527
Interest Earned on Investments	36,974	38,940	70,015	60,443	194,536
Miscellaneous	636,802	917,144	629,048	642,344	658,966
State sources	69,676,088	63,785,249	58,073,019	56,905,827	60,739,212
Federal sources	2,908,759	5,195,337	3,085,445	12,046,159	2,928,431
Total Revenue	<u>194,153,806</u>	<u>189,774,957</u>	<u>181,595,959</u>	<u>186,136,780</u>	<u>178,913,868</u>
Expenditures					
Instruction					
Regular Instruction	\$ 54,461,270	\$ 53,010,885	\$ 50,466,657	\$ 55,759,577	\$ 51,645,808
Special Education Instruction	12,044,633	9,709,787	8,241,644	6,768,646	7,286,673
Other Instruction	6,519,860	6,474,132	6,342,900	6,879,582	6,633,811
Support Services					
Instruction	13,343,824	13,994,362	13,678,378	12,197,151	13,015,812
Student & Instruction Related Services	14,016,576	12,952,335	12,306,294	13,609,000	12,976,196
School Administrative Services	6,558,728	6,550,897	6,218,510	6,641,945	6,322,266
General Administration	1,817,374	1,985,654	1,635,170	2,108,923	-
General and Central Services	-	-	-	-	4,577,957
Central Services & Admin. Technology	2,792,121	2,660,101	2,433,933	2,404,433	-
Plant Operations and Maintenance	12,570,393	12,971,617	13,434,482	14,546,194	15,210,424
Pupil Transportation	14,006,185	13,836,574	13,149,260	15,718,142	15,526,401
Employee Benefits	43,899,725	41,829,101	43,493,500	39,128,215	35,400,749
Special Schools	-	-	240	278,502	251,758
Charter Schools	-	29,312	14,656	15,292	-
Capital Outlay	2,673,424	716,145	625,315	3,634,504	2,902,082
Debt Service :					
Principal	3,635,000	3,455,000	3,280,000	3,100,000	2,960,000
Interest and Other Charges	1,751,750	1,924,500	2,088,500	2,257,275	2,418,425
Total Expenditures	<u>190,090,863</u>	<u>182,100,402</u>	<u>177,409,441</u>	<u>185,047,381</u>	<u>177,128,362</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,062,943	7,674,555	4,186,518	1,089,399	1,785,506
Other Financing Sources (Uses)					
Capital leases (non-budgeted)	767,635	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>767,635</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 4,830,578</u>	<u>\$ 7,674,555</u>	<u>\$ 4,186,518</u>	<u>\$ 1,089,399</u>	<u>\$ 1,785,506</u>
Debt service as a percentage of noncapital expenditures	2.87%	2.97%	3.04%	2.95%	3.09%

Source: CAFR Schedule B-2

As of June 30,				
<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 111,643,030	\$ 106,064,212	\$ 98,875,500	\$ 92,614,793	\$ 88,649,137
108,800	174,415	147,684	143,591	191,252
603,643	856,768	653,451	442,853	205,439
272,768	271,500	239,549	270,320	246,371
58,666,732	56,864,580	52,184,257	51,201,486	50,054,618
<u>2,942,758</u>	<u>2,589,099</u>	<u>2,414,523</u>	<u>2,351,260</u>	<u>2,292,676</u>
<u>174,237,731</u>	<u>166,820,574</u>	<u>154,514,964</u>	<u>147,024,303</u>	<u>141,639,493</u>
\$ 50,031,689	\$ 44,767,309	\$ 44,619,339	\$ 43,305,122	\$ 40,894,540
6,965,827	8,503,189	5,983,465	3,330,368	2,751,555
6,649,245	6,525,571	6,106,800	5,074,464	4,446,557
11,494,308	10,952,382	10,652,056	10,205,890	9,272,579
11,952,401	11,631,945	11,122,006	13,068,619	12,408,491
6,516,811	6,427,288	6,148,834	5,877,922	5,445,479
-	-	-	-	-
4,353,463	3,961,467	3,671,247	3,639,488	3,477,389
-	-	-	-	-
14,803,886	14,919,095	14,602,429	13,733,038	12,450,365
14,984,584	13,890,500	13,166,507	11,814,953	11,051,896
37,266,935	35,107,074	28,694,578	26,254,248	23,371,727
235,386	202,322	193,217	161,244	144,805
-	2,062	9,220	8,950	-
2,196,026	2,298,640	2,664,341	2,580,760	8,249,737
4,985,000	4,980,000	4,950,000	4,925,000	4,895,000
<u>2,647,345</u>	<u>2,945,608</u>	<u>3,242,808</u>	<u>3,538,383</u>	<u>3,833,482</u>
<u>175,082,906</u>	<u>167,114,452</u>	<u>155,826,847</u>	<u>147,518,449</u>	<u>142,693,602</u>
(845,175)	(293,878)	(1,311,883)	(494,146)	(1,054,109)
-	-	288,216	594,953	582,127
<u>-</u>	<u>(28,875)</u>	<u>(288,216)</u>	<u>(594,953)</u>	<u>(582,127)</u>
<u>-</u>	<u>(28,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (845,175)</u>	<u>\$ (322,753)</u>	<u>\$ (1,311,883)</u>	<u>\$ (494,146)</u>	<u>\$ (1,054,109)</u>
4.41%	4.81%	5.35%	5.84%	6.49%

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

	As of June 30,				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Athletic Fees	\$ 68,612	\$ 69,310	\$ 103,985	\$ 97,112	\$ 113,391
Facility Rental	97,136	88,199	101,813	116,924	71,914
Refund of Prior Year Expenditures	91,737	429,465	122,723	197,482	280,321
Miscellaneous	<u>240,266</u>	<u>244,140</u>	<u>194,264</u>	<u>134,864</u>	<u>87,665</u>
Total	<u>\$ 497,751</u>	<u>\$ 831,114</u>	<u>\$ 522,785</u>	<u>\$ 546,382</u>	<u>\$ 553,291</u>

Source: District records

As of June 30,				
<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 122,378	\$ 114,218	\$ 119,080	\$ 104,494	\$ 103,734
105,492	84,675	91,783	105,048	108,411
722	17,959	2,447	-	5,816
<u>6,042</u>	<u>8,926</u>	<u>7,944</u>	<u>23,803</u>	<u>7,910</u>
<u>\$ 234,634</u>	<u>\$ 225,778</u>	<u>\$ 221,254</u>	<u>\$ 233,345</u>	<u>\$ 225,871</u>

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
Colts Neck							
2013	\$	41,257,000	\$2,558,728,600	\$ 263,081,000	\$ 4,158,700	\$ 178,123,400	\$ -
2012		44,509,600	2,575,313,400	255,778,700	4,145,400	184,744,300	-
2011		44,725,400	2,580,986,900	253,914,500	4,109,600	192,544,000	-
2010		47,351,200	2,590,014,000	269,599,800	4,158,600	196,701,900	-
2009		20,075,000	1,230,598,800	116,469,200	3,595,050	81,269,400	-
2008		23,323,500	1,223,359,000	112,221,650	4,585,550	78,003,100	-
2007		24,759,000	1,206,627,700	106,773,400	3,712,550	71,775,300	-
2006		23,410,900	1,175,807,800	114,839,800	3,826,700	73,643,900	-
2005		22,918,500	1,150,175,800	114,367,600	3,846,100	72,887,300	-
2004		26,471,300	1,121,359,100	124,968,700	3,808,900	57,503,400	-
Englishtown							
2013	\$	3,274,100	\$ 206,535,000	\$ -	\$ -	\$ 35,332,500	\$ 7,617,200
2012		2,384,300	201,896,900	-	-	35,742,000	8,583,900
2011		3,788,700	198,279,700	-	-	39,134,100	9,879,300
2010		3,892,300	198,206,200	-	-	42,019,600	9,879,300
2009		3,978,000	198,110,000	-	-	42,080,100	9,879,300
2008		3,353,400	198,838,400	-	-	42,425,900	10,229,600
2007		1,454,000	80,771,800	-	-	14,729,700	2,975,900
2006		2,781,400	75,336,000	-	-	13,585,100	3,275,900
2005		1,576,400	74,384,600	164,000	2,500	13,476,100	3,275,900
2004		1,444,600	74,025,200	164,000	2,500	13,026,100	3,275,900
Farmingdale							
2013	\$	1,865,300	\$ 111,706,500	\$ 721,700	\$ 14,200	\$ 20,320,000	\$ 2,742,800
2012		1,918,800	112,133,500	721,700	14,200	20,320,000	2,742,800
2011		1,918,800	111,858,800	721,700	14,200	20,480,300	2,742,800
2010		1,918,800	112,002,400	721,700	14,200	20,480,300	2,742,800
2009		2,179,300	110,849,000	721,700	14,200	19,871,300	2,742,800
2008		2,129,800	110,554,200	721,700	14,200	19,871,300	2,742,800
2007		2,192,700	110,413,000	721,700	14,200	19,617,700	2,742,800
2006		2,393,100	109,439,200	721,700	14,200	19,613,700	2,742,800
2005		2,312,300	109,362,000	721,700	14,200	19,613,700	2,742,800
2004		1,132,400	43,655,600	416,900	10,200	12,721,300	1,757,400

Apartment	Total Assessed Value	Less: Tax- Exempt Property	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
\$ -	\$ 3,045,348,700	\$ -	\$ 3,723,634	\$ 3,049,072,334	0.408	\$ 3,122,799,191
-	3,064,491,400	-	3,723,975	3,068,215,375	0.390	3,117,456,897
-	3,076,280,400	-	3,812,767	3,080,093,167	0.391	3,203,755,368
-	3,107,825,500	-	5,087,706	3,112,913,206	0.383	3,342,807,536
-	1,452,007,450	-	1,787,172	1,453,794,622	0.822	3,445,743,076
-	1,441,492,800	-	1,315,836	1,442,808,636	0.831	3,388,417,905
-	1,413,647,950	-	1,280,728	1,414,928,678	0.812	3,263,252,356
-	1,391,529,100	-	1,346,355	1,392,875,455	0.765	2,929,709,638
-	1,364,195,300	-	1,623,568	1,365,818,868	0.755	2,607,555,477
-	1,334,111,400	-	1,869,149	1,335,980,549	0.715	2,317,921,254
\$ 1,262,100	\$ 254,020,900	\$ -	\$ -	\$ 254,020,900	0.404	\$ 231,103,589
1,262,100	249,869,200	-	-	249,869,200	0.393	235,241,820
1,262,100	252,343,900	-	-	252,343,900	0.299	242,547,058
1,262,100	255,259,500	-	4,454,063	259,713,563	0.320	250,970,511
1,262,100	255,309,500	-	5,904,759	261,214,259	0.303	246,645,548
1,262,100	256,109,400	-	3,772,717	259,882,117	0.268	237,664,306
743,200	100,674,600	-	1,170,831	101,845,431	0.646	218,018,531
743,200	95,721,600	-	1,551,774	97,273,374	0.683	189,388,163
633,000	93,512,500	-	1,725,109	95,237,609	0.595	169,651,537
633,000	92,571,300	-	1,980,282	94,551,582	0.631	151,953,225
\$ 13,947,400	\$ 151,317,900	\$ -	\$ -	\$ 151,317,900	0.397	\$ 145,089,919
13,947,400	151,798,400	-	2,529,438	154,327,838	0.350	149,581,365
13,947,400	151,684,000	-	2,558,005	154,242,005	0.360	147,441,135
13,947,400	151,827,600	-	2,815,873	154,643,473	0.277	153,164,638
13,947,400	150,325,700	-	2,462,182	152,787,882	0.316	158,529,010
13,947,400	149,981,400	-	2,330,926	152,312,326	0.335	153,839,777
13,507,100	149,209,200	-	1,971,969	151,181,169	0.372	150,439,213
13,507,100	148,431,800	-	2,288,899	150,720,699	0.419	150,166,193
13,507,100	148,273,800	-	2,321,144	150,594,944	0.403	143,425,224
4,959,400	64,653,200	-	1,299,042	65,952,242	0.827	116,403,768

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
Freehold Borough							
2013	\$	10,236,400	\$ 764,565,800	\$ -	\$ -	\$ 239,840,300	\$ 25,345,900
2012		10,244,400	767,610,400	-	-	241,264,600	25,345,900
2011		10,342,700	768,700,500	-	-	241,539,000	25,345,900
2010		11,375,600	766,577,000	-	-	242,880,100	25,345,900
2009		11,552,000	765,785,300	-	-	236,440,200	25,345,900
2008		11,815,100	763,101,500	-	-	237,093,900	34,727,100
2007		13,574,000	761,011,000	-	-	238,891,500	34,727,100
2006		16,481,600	756,389,400	-	-	243,545,100	34,727,100
2005		16,243,200	756,435,500	-	-	243,404,500	35,266,400
2004		4,440,800	333,950,200	-	-	103,596,400	28,234,100
Freehold Township							
2013	\$	56,004,900	\$3,949,909,700	\$ 28,280,200	\$ 1,466,400	\$1,243,834,300	\$ 146,521,200
2012		67,931,000	4,548,659,400	32,524,700	1,509,700	1,245,930,300	156,782,100
2011		69,363,900	4,551,925,900	31,282,000	1,541,900	1,247,563,400	154,791,300
2010		79,832,500	4,549,534,600	30,233,300	1,654,900	1,291,205,600	154,573,100
2009		95,225,000	4,529,646,900	30,709,200	1,670,000	1,341,345,700	154,573,100
2008		43,886,000	2,245,621,400	14,932,600	1,700,500	644,466,200	74,628,300
2007		49,811,400	2,205,318,600	14,730,600	1,764,500	633,230,100	71,697,200
2006		65,790,600	2,146,671,100	15,123,200	1,726,900	642,767,600	79,946,600
2005		66,615,000	2,096,875,500	15,635,600	1,779,600	636,922,000	78,428,200
2004		51,833,800	2,021,577,700	15,765,400	2,077,500	634,523,200	75,334,300
Howell							
2013	\$	155,567,400	\$4,579,708,000	\$ 89,858,000	\$ 2,768,800	\$ 594,385,000	\$ 101,856,600
2012		147,940,600	4,554,735,400	85,598,100	2,640,500	595,545,700	103,344,900
2011		209,120,660	5,751,615,760	107,280,600	2,607,500	660,378,520	133,162,000
2010		237,133,360	5,747,380,000	107,553,000	2,707,600	662,086,020	134,095,700
2009		253,365,700	5,735,865,900	104,001,400	2,426,100	662,057,600	109,299,300
2008		264,011,700	5,707,045,800	107,499,400	2,543,100	667,961,100	111,543,900
2007		249,995,100	5,667,270,700	108,077,700	2,510,100	703,025,300	115,926,300
2006		101,993,950	2,438,894,540	43,202,800	2,265,300	297,604,900	55,716,850
2005		120,597,750	2,375,496,640	43,161,300	2,551,300	296,105,200	57,612,450
2004		117,997,150	2,324,256,240	51,243,300	2,666,300	259,498,000	57,078,250

Apartment	Total Assessed Value	Less: Tax- Exempt Property	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
\$ 22,388,400	\$1,062,376,800	\$ 2,476,800	\$ -	\$1,062,376,800	0.321	\$1,025,327,919
22,388,400	1,066,853,700	3,408,000	-	1,066,853,700	0.341	1,139,215,781
22,388,400	1,068,316,500	4,151,700	9,917,155	1,078,233,655	0.378	1,205,130,817
22,374,900	1,068,553,500	1,254,600	10,281,773	1,078,835,273	0.379	1,193,198,764
23,097,700	1,062,221,100	1,180,800	11,377,335	1,073,598,435	0.382	1,275,015,424
22,941,400	1,069,679,000	1,360,200	10,469,969	1,080,148,969	0.375	1,232,617,952
22,941,400	1,071,145,000	1,430,600	9,846,278	1,080,991,278	0.368	1,172,895,348
23,720,400	1,074,863,600	1,586,600	10,503,653	1,085,367,253	0.372	1,075,024,072
23,720,400	1,075,070,000	1,467,400	10,492,930	1,085,562,930	0.339	904,115,361
11,341,900	481,563,400	1,315,600	6,011,295	487,574,695	0.629	731,505,470
\$ 60,794,300	\$5,486,811,000	\$ -	\$ -	\$5,486,811,000	0.471	\$5,873,438,863
61,500,000	6,114,837,200	-	-	6,114,837,200	0.411	6,197,354,750
61,500,000	6,117,968,400	-	41,218,304	6,159,186,704	0.399	6,427,603,681
61,500,000	6,168,534,000	-	49,220,887	6,217,754,887	0.394	6,647,432,225
64,320,400	6,217,490,300	-	68,077,410	6,285,567,710	0.373	6,734,691,283
30,165,900	3,055,400,900	-	32,780,996	3,088,181,896	0.707	6,390,779,856
30,948,600	3,007,501,000	-	36,970,360	3,044,471,360	0.700	6,037,954,660
30,948,600	2,982,974,600	-	42,025,816	3,025,000,416	0.662	5,391,727,021
30,958,400	2,927,214,300	-	48,144,874	2,975,359,174	0.597	4,663,434,469
30,958,400	2,832,070,300	-	57,693,210	2,889,763,510	0.587	4,177,454,308
\$ -	\$5,524,143,800	\$ -	\$ 8,867,486	\$5,533,011,286	0.483	\$6,199,518,124
-	5,489,805,200	-	11,032,948	5,500,838,148	0.478	6,509,420,350
-	6,864,165,040	-	11,110,173	6,875,275,213	0.380	6,762,336,368
-	6,890,955,680	-	13,114,350	6,904,070,030	0.385	6,954,660,611
-	6,867,016,000	-	10,565,151	6,877,581,151	0.370	7,070,767,733
-	6,860,605,000	-	9,626,317	6,870,231,317	0.371	7,044,038,272
-	6,846,805,200	-	8,875,863	6,855,681,063	0.353	6,558,866,149
-	2,939,678,340	-	4,399,393	2,944,077,733	0.786	5,787,205,601
-	2,895,524,640	-	5,407,198	2,900,931,838	0.724	4,892,925,316
-	2,812,739,240	-	6,303,982	2,819,043,222	0.681	4,232,410,832

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	

Manalapan

2013	\$	58,673,900	\$5,299,331,500	\$	31,538,900	\$	2,316,400	\$	378,911,200	\$	20,269,600
2012		70,482,900	5,241,149,800		32,267,800		2,352,300		377,401,400		22,667,200
2011		84,044,500	5,183,906,700		32,780,800		2,354,500		371,293,700		22,667,200
2010		102,803,800	5,111,395,600		32,933,900		2,253,000		380,040,400		22,667,200
2009		160,219,400	5,732,755,500		36,725,800		2,314,400		425,667,300		24,603,500
2008		200,478,700	5,658,484,200		36,779,500		2,315,700		403,109,300		24,603,500
2007		200,229,100	5,485,094,000		36,588,500		2,296,200		402,831,900		24,603,500
2006		85,683,900	2,214,784,300		17,355,100		2,183,400		182,740,300		11,519,100
2005		79,348,800	2,154,592,600		16,211,800		2,126,100		181,799,700		11,519,100
2004		47,746,800	2,116,801,900		16,905,600		2,828,900		178,727,000		11,519,100

Marlboro

2013	\$	85,204,500	\$6,098,106,500	\$	36,036,300	\$	1,036,500	\$	424,031,300	\$	86,543,000
2012		92,253,900	6,234,133,500		38,633,800		1,045,400		420,120,900		88,021,000
2011		94,958,900	6,231,140,500		37,886,600		1,046,500		415,286,900		88,491,100
2010		103,816,500	6,236,324,400		38,815,400		1,051,500		425,388,900		94,454,200
2009		43,870,600	2,899,810,000		16,268,600		765,050		179,521,700		40,955,700
2008		49,225,500	2,869,073,200		16,223,300		770,350		176,080,600		39,136,700
2007		53,984,300	2,839,037,100		16,367,200		786,550		173,463,400		40,301,700
2006		59,314,400	2,776,197,500		16,205,900		783,750		179,117,800		42,131,400
2005		57,950,900	2,720,795,700		14,787,100		783,950		172,691,600		42,131,400
2004		61,221,900	2,647,082,900		15,421,200		835,750		166,547,200		43,347,300

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.

Apartment	Total Assessed Value	Less: Tax- Exempt Property	Public Utilities (1)	Net Valuation Taxable	Total Direct School Tax Rate (2)	Estimated Actual (County Equalized) Value
\$ -	\$5,791,041,500	\$ -	\$ -	\$5,791,041,500	0.425	\$5,978,278,610
-	5,746,321,400	-	-	5,746,321,400	0.420	6,169,252,662
-	5,697,047,400	-	6,951,526	5,703,998,926	0.421	6,281,820,516
-	5,652,093,900	-	9,382,496	5,661,476,396	0.432	6,459,604,048
-	6,382,285,900	-	7,636,903	6,389,922,803	0.364	6,480,948,402
-	6,325,770,900	-	6,259,661	6,332,030,561	0.360	6,261,851,792
-	6,151,643,200	-	5,707,918	6,157,351,118	0.363	5,837,550,667
-	2,514,266,100	-	2,632,821	2,516,898,921	0.825	5,056,910,192
-	2,445,598,100	-	2,977,355	2,448,575,455	0.812	4,480,195,412
-	2,374,529,300	-	3,330,216	2,377,859,516	0.798	3,977,921,781
\$ 18,619,900	\$6,749,578,000	\$ -	\$ -	\$6,749,578,000	0.433	\$7,085,446,679
18,619,900	6,892,828,400	-	9,347,305	6,902,175,705	0.403	7,266,197,377
19,584,200	6,888,394,700	-	9,144,385	6,897,539,085	0.395	7,482,621,521
23,225,300	6,923,076,200	-	10,332,044	6,933,408,244	0.388	7,588,204,970
3,343,100	3,184,534,750	-	4,173,653	3,188,708,403	0.827	7,698,068,929
3,343,100	3,153,852,750	-	3,868,514	3,157,721,264	0.843	7,588,651,622
3,343,100	3,127,283,350	-	4,230,659	3,131,514,009	0.851	7,209,924,440
2,965,200	3,076,715,950	-	4,500,670	3,081,216,620	0.834	6,365,196,819
2,965,200	3,012,105,850	-	5,176,020	3,017,281,870	0.817	5,696,176,531
2,965,200	2,937,421,450	-	5,704,911	2,943,126,361	0.790	5,044,169,053

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
UNAUDITED

(RATE PER \$100 OF ASSESSED VALUATION)

	Freehold Regional			Overlapping Rates				Total Direct & Overlapping Tax Rate
	Basic Rate a	General Obligation Debt Service b	Total Direct	Elementary School	Local Purpose	Library/ Other	Monmouth County	
Colts Neck								
2013	0.394	0.014	0.408	0.686	0.203	0.012	0.309	1.618
2012	0.377	0.013	0.390	0.680	0.194	0.012	0.294	1.570
2011	0.378	0.013	0.391	0.674	0.188	0.012	0.286	1.551
2010	0.370	0.013	0.383	0.667	0.170	0.025	0.292	1.537
2009	0.797	0.025	0.822	1.407	0.343	0.025	0.615	3.212
2008	0.805	0.026	0.831	1.392	0.334	0.025	0.610	3.192
2007	0.775	0.037	0.812	1.378	0.305	0.025	0.631	3.151
2006	0.728	0.037	0.765	1.348	0.295	0.091	0.571	3.070
2005	0.714	0.041	0.755	1.313	0.272	0.092	0.585	3.017
2004	0.676	0.039	0.715	1.270	0.250	0.093	0.587	2.915
Englishtown								
2013	0.391	0.013	0.404	0.786	0.498	-	0.281	1.969
2012	0.376	0.017	0.393	0.778	0.462	-	0.276	1.909
2011	0.289	0.010	0.299	0.860	0.405	-	0.264	1.828
2010	0.309	0.011	0.320	0.808	0.385	-	0.264	1.777
2009	0.294	0.009	0.303	0.752	0.365	-	0.249	1.669
2008	0.260	0.008	0.268	0.758	0.328	-	0.237	1.591
2007	0.616	0.030	0.646	1.912	0.785	-	0.617	3.960
2006	0.650	0.033	0.683	1.789	0.785	0.071	0.533	3.861
2005	0.563	0.032	0.595	1.758	0.725	0.072	0.541	3.691
2004	0.597	0.034	0.631	1.711	0.668	0.070	0.524	3.604
Farmingdale								
2013	0.384	0.013	0.397	1.041	0.212	-	0.293	1.943
2012	0.342	0.008	0.350	0.960	0.211	-	0.290	1.811
2011	0.348	0.012	0.360	0.926	0.208	-	0.275	1.769
2010	0.268	0.009	0.277	0.920	0.203	-	0.278	1.678
2009	0.307	0.009	0.316	0.900	0.183	-	0.275	1.674
2008	0.325	0.010	0.335	0.915	0.173	-	0.269	1.692
2007	0.355	0.017	0.372	0.928	0.140	-	0.276	1.716
2006	0.398	0.021	0.419	0.913	0.124	0.036	0.268	1.760
2005	0.381	0.022	0.403	0.882	0.109	0.039	0.292	1.725
2004	0.782	0.045	0.827	1.921	0.238	0.079	0.594	3.659

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				
	Basic Rate a	General Obligation Debt Service b	Total Direct	Elementary School	Local Purpose	Library/ Other	Monmouth County	Total Direct & Overlapping Tax Rate
Freehold Boro								
2013	0.310	0.011	0.321	0.862	0.851	0.032	0.277	2.343
2012	0.329	0.012	0.341	0.842	0.814	0.036	0.293	2.326
2011	0.365	0.013	0.378	0.810	0.785	0.037	0.300	2.310
2010	0.366	0.013	0.379	0.796	0.791	-	0.283	2.249
2009	0.371	0.011	0.382	0.780	0.756	-	0.289	2.207
2008	0.363	0.012	0.375	0.756	0.718	-	0.278	2.127
2007	0.351	0.017	0.368	0.736	0.659	-	0.277	2.040
2006	0.354	0.018	0.372	0.667	0.630	0.015	0.265	1.949
2005	0.321	0.018	0.339	0.609	0.598	0.015	0.254	1.815
2004	0.595	0.034	0.629	1.272	1.110	0.031	0.510	3.552
Freehold Twp.								
2013	0.455	0.016	0.471	1.117	0.348	0.030	0.327	2.293
2012	0.398	0.013	0.411	0.983	0.294	0.030	0.292	2.010
2011	0.385	0.014	0.399	0.966	0.274	0.030	0.291	1.960
2010	0.381	0.013	0.394	0.936	0.250	0.030	0.286	1.896
2009	0.362	0.011	0.373	0.922	0.235	0.030	0.282	1.842
2008	0.685	0.022	0.707	1.792	0.445	0.030	0.523	3.497
2007	0.669	0.032	0.700	1.791	0.409	0.030	0.541	3.471
2006	0.630	0.032	0.662	1.722	0.389	0.086	0.484	3.343
2005	0.565	0.032	0.597	1.634	0.359	0.086	0.485	3.161
2004	0.555	0.032	0.587	1.546	0.308	0.086	0.492	3.019
Howell								
2013	0.467	0.016	0.483	1.277	0.457	0.020	0.348	2.585
2012	0.367	0.111	0.478	1.287	0.453	0.020	0.347	2.585
2011	0.367	0.013	0.380	1.037	0.354	0.020	0.279	2.070
2010	0.372	0.013	0.385	1.029	0.326	0.020	0.277	2.037
2009	0.359	0.011	0.370	1.021	0.282	0.020	0.268	1.961
2008	0.359	0.012	0.371	0.999	0.266	0.020	0.266	1.922
2007	0.337	0.016	0.353	0.977	0.266	0.020	0.267	1.883
2006	0.747	0.039	0.786	2.123	0.533	0.090	0.530	4.062
2005	0.685	0.039	0.724	1.990	0.457	0.088	0.519	3.778
2004	0.644	0.037	0.681	1.933	0.410	0.089	0.514	3.627

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
UNAUDITED

(RATE PER \$100 OF ASSESSED VALUATION)

	Freehold Regional			Overlapping Rates				Total Direct & Overlapping Tax Rate
	Basic Rate a	General Obligation Debt Service b	Total Direct	Elementary School	Local Purpose	Library/ Other	Monmouth County	
Manalapan								
2013	0.411	0.014	0.425	0.925	0.345	0.020	0.316	2.031
2012	0.410	0.010	0.420	0.912	0.339	0.020	0.315	2.006
2011	0.407	0.014	0.421	0.902	0.332	0.020	0.312	1.987
2010	0.418	0.015	0.432	0.889	0.332	0.020	0.313	1.986
2009	0.353	0.011	0.364	0.758	0.295	0.020	0.264	1.701
2008	0.349	0.011	0.360	0.776	0.284	0.020	0.259	1.699
2007	0.347	0.016	0.363	0.748	0.248	0.020	0.266	1.645
2006	0.785	0.040	0.825	1.675	0.474	0.083	0.550	3.607
2005	0.768	0.044	0.812	1.592	0.474	0.085	0.565	3.528
2004	0.755	0.043	0.798	1.660	0.479	0.086	0.568	3.591
Marlboro								
2013	0.419	0.014	0.433	0.985	0.360	0.010	0.317	2.105
2012	0.399	0.004	0.403	0.956	0.338	0.010	0.311	2.018
2011	0.382	0.013	0.395	0.981	0.310	0.010	0.308	2.004
2010	0.374	0.013	0.388	0.980	0.297	0.010	0.304	1.979
2009	0.802	0.025	0.827	2.070	0.588	0.020	0.639	4.144
2008	0.817	0.026	0.843	2.073	0.567	0.020	0.626	4.129
2007	0.813	0.038	0.851	2.043	0.544	0.020	0.641	4.099
2006	0.793	0.041	0.834	2.013	0.533	0.095	0.562	4.037
2005	0.773	0.044	0.817	1.832	0.513	0.098	0.580	3.840
2004	0.747	0.043	0.790	1.725	0.433	0.099	0.588	3.635

Source: County Board of Taxation

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

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

Community/Taxpayer	2013	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Colts Neck		
Trump National Golf Club	\$ 31,006,800	1.02%
Due Process Golf & Horse Stables, LLC	21,000,000	0.69%
Individual Taxpayer 1	11,173,500	0.37%
Wellspring Stables Florida, LLC	10,934,700	0.36%
Individual Taxpayer 2	9,017,400	0.30%
24 Realty, LLC	8,507,400	0.28%
Laird & Co. Inc.	8,000,000	0.26%
36 Highway 34 South Associates, LLC	6,809,700	0.22%
Pegasus Properties LLC	5,970,000	0.20%
Colts Neck Shopping Center Associates	<u>\$ 5,967,400</u>	<u>0.20%</u>
Total	<u><u>\$ 118,386,900</u></u>	<u><u>3.89%</u></u>
Englishtown		
Stamford Square LLC	\$ 10,223,500	4.02%
BTR Englishtown LLC	7,229,300	2.85%
BAL Governor's Crossing LLC	4,200,000	1.65%
Village Center Associates LLC	3,165,700	1.25%
Wemacs, LLC	2,400,000	0.94%
Dorothy Leo, Inc.	2,200,000	0.87%
DCD, LLC	2,150,300	0.85%
Brooklawn Gardens Inc	2,021,800	0.80%
K&K Englishtown, Inc.	1,782,800	0.70%
Moskowitz, K Trust & Berger, V Trust	<u>\$ 1,374,700</u>	<u>0.54%</u>
Total	<u><u>\$ 36,748,100</u></u>	<u><u>14.47%</u></u>
Farmingdale		
Farmingdale Garden Apartments, LLC	\$ 11,500,000	7.60%
30 Southard Ave, Farmingdale LLC	3,795,400	2.51%
Farmingdale Shopping Center, LLC	2,442,200	1.61%
R.T. Equities LLC	2,107,200	1.39%
Individual Taxpayer 1	1,476,600	0.98%
Academy Apartments LLC	1,400,000	0.93%
Individual Taxpayer 2	1,297,000	0.86%
Farmingdale Train Station, LLC	1,190,000	0.79%
Bell Atlantic	992,800	0.66%
Farmingdale BP JFD Associates	<u>\$ 904,100</u>	<u>0.60%</u>
Total	<u><u>\$ 27,105,300</u></u>	<u><u>17.91%</u></u>

Source: Municipal Tax Assessors

Community/Taxpayer	2003	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Colts Neck		
Individual Taxpayer 1	\$ 9,800,000	0.73%
Laird & Co. Inc.	4,788,100	0.36%
Pegasus Properties LLC	3,798,700	0.28%
Rojen Inc.	3,772,000	0.28%
Assisted Living at Colts Neck, Inc.	3,700,000	0.28%
Pebble Creek at Colts Neck	3,095,000	0.23%
Individual Taxpayer 2	3,072,200	0.23%
36 Highway 34 South Associates, LLC	2,908,400	0.22%
Colts Neck Shopping Center Associates	2,595,400	0.19%
Individual Taxpayer 3	<u>\$ 2,375,600</u>	<u>0.18%</u>
Total	<u>\$ 39,905,400</u>	<u>2.98%</u>
Englishtown		
Ruck, Di Rubbio & Maccauley	\$ 6,500,000	6.87%
Englishtown Industrial Park	2,462,500	2.60%
Individual Taxpayer 1	1,203,100	1.27%
Verizon New Jersey	600,000	0.63%
Wemacs LLC	598,000	0.63%
K&K Englishtown, Inc.	550,000	0.58%
Jolor Realty Co.	422,800	0.45%
Individual Taxpayer 2	412,600	0.44%
Individual Taxpayer 3	406,300	0.43%
Exxon Corporation	<u>\$ 372,400</u>	<u>0.39%</u>
Total	<u>\$ 13,527,700</u>	<u>14.29%</u>
Farmingdale		
Individual Taxpayer 1	\$ 3,993,400	6.05%
Individual Taxpayer 2	2,700,000	4.09%
Farmingdale Shopping Center LLC	1,450,000	2.20%
R.T. Equities LLC	1,324,900	2.01%
Verizon Communications	1,299,042	1.97%
Individual Taxpayer 3	1,228,800	1.86%
Bell Atlantic	693,400	1.05%
Schauer Medical Group	635,700	0.96%
Penn Federal Savings Bank	583,100	0.88%
Fleet National Bank	<u>\$ 512,000</u>	<u>0.78%</u>
Total	<u>\$ 14,420,342</u>	<u>21.85%</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS (CONTINUED)
CURRENT YEAR AND TEN YEARS AGO

Community/Taxpayer	2013	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Freehold Borough		
Freehold Racing Association	\$ 29,225,300	2.75%
Nestle USA	23,674,400	2.23%
AEW Brookside	14,269,000	1.34%
East Coach Post & Coach	6,495,700	0.61%
Park Plaza Shopping	5,560,900	0.52%
Freefern Associates	4,565,000	0.43%
18-20 E.Main Street LLC	3,960,600	0.37%
Spring Terrace Apartments LLC	3,000,000	0.28%
Bell Atlantic	3,000,000	0.28%
Chiu's Property Inc.	\$ 2,650,000	0.25%
Total	<u>\$ 96,400,900</u>	<u>9.07%</u>
Freehold Twp.		
Freemall Associates, LLC	\$ 300,654,600	5.48%
Center for Aging DBA/Applewood	47,933,400	0.87%
Freehold Financing, LLC	45,393,900	0.83%
Iron Mountain, Inc.	44,595,700	0.81%
New Jersey Bell Tel. Co.	25,254,900	0.46%
Raintreetowne Center Associates, LP	22,998,900	0.42%
Freehold Shopping Associates	22,573,200	0.41%
Wal-Mart Business Trust	22,558,600	0.41%
Macy's East, Inc.	21,984,700	0.40%
Ronardi Freehold Associates LLC	\$ 20,000,000	0.36%
Total	<u>\$ 573,947,900</u>	<u>10.46%</u>
Howell		
Buffalo-Parkton & Feuerstein & Wain Co.	\$ 45,138,000	0.82%
Centex Homes, LLC	22,921,200	0.41%
Howell Friendship Real Estate	22,105,600	0.40%
Home Depot USA	17,466,500	0.32%
Lowe's Home Centers Inc.	16,171,000	0.29%
DS & DJ Realty, LLC	15,305,700	0.28%
Target Corp.	13,800,000	0.25%
Levin Management Corp	13,714,600	0.25%
Fairfield Park, LLC	13,259,300	0.24%
Eagle Golf Enterprises, LLC	\$ 12,437,600	0.23%
Total	<u>\$ 192,319,500</u>	<u>3.48%</u>

Source: Municipal Tax Assessors

Community/Taxpayer	2003	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Freehold Borough		
Nestle USA	\$ 27,300,000	5.60%
Freehold Racing Association	20,499,200	4.20%
Bell Atlantic	3,000,000	0.62%
Post & Coach Freehold Association	2,925,000	0.60%
Freefern Associates	2,600,000	0.53%
Park Plaza Shopping Center	2,500,000	0.51%
Delli Santi	1,750,000	0.36%
Chiu's Building	1,550,100	0.32%
31 East Main Street, LLC	1,468,700	0.30%
Millennium Assisted	<u>\$ 1,386,100</u>	<u>0.28%</u>
Total	<u>\$ 64,979,100</u>	<u>13.32%</u>
Freehold Twp.		
Freemall Associates	\$ 154,401,000	5.34%
Macy's East	24,897,800	0.86%
New Jersey Bell	23,220,000	0.80%
Center for Aging (Applewood)	19,489,500	0.67%
Iron Mountain, Inc.	16,423,500	0.57%
Raintreetowne Center Associates, LP	15,614,900	0.54%
Nordstrom, Inc.	14,257,000	0.49%
Loews Theater c/o Freemall	12,557,600	0.43%
The May Dept. Stores Co.(Lord & Taylor)	12,204,600	0.42%
JC Penney	<u>12,050,600</u>	<u>0.42%</u>
Total	<u>\$ 305,116,500</u>	<u>10.54%</u>
Howell		
Howell Friendship Real Estate Co.	\$ 14,194,800	0.50%
WDH LLC	12,613,100	0.45%
Home Depot USA Inc.	11,380,000	0.40%
Reserve at River Park LLC	11,040,800	0.39%
Target Corp.	9,900,000	0.35%
Buffalo - Parkton	9,000,000	0.32%
Wal-Mart Stores, Inc.	8,488,700	0.30%
Colts Neck Crossings	7,467,000	0.26%
Individual Taxpayer 1	6,661,600	0.24%
Eagle Golf Enterprises, LLC	5,850,700	<u>0.21%</u>
Total	<u>\$ 96,596,700</u>	<u>3.42%</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS (CONTINUED)
CURRENT YEAR AND TEN YEARS AGO

Community/Taxpayer	2013	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan		
Manalapan Realty	\$ 42,593,600	0.74%
Manalapan VF	29,989,700	0.52%
Towne Pointe Associates	11,387,600	0.20%
Trans Equity Realty, LLC	9,694,600	0.17%
Taylor 9 South Assoc., LLC	7,593,400	0.13%
Lenine, LLC	7,356,000	0.13%
Pension Road Realty Associates	7,200,000	0.12%
Monmouth Investors, LLC	6,359,200	0.11%
Bleach Associates	6,218,700	0.11%
Summerton Group, LLC	\$ 6,044,800	0.10%
Total	<u>\$ 134,437,600</u>	<u>2.32%</u>
Marlboro		
Marlboro Plaza	\$ 45,642,400	0.68%
Union Hill Nine	30,549,100	0.45%
TMC Marlboro	22,500,000	0.33%
American Plaza, LLC	20,718,500	0.31%
Brooks Edge Plaza LLC	12,700,000	0.19%
Marlboro Lowe's	12,501,900	0.19%
Royal Pines	11,400,000	0.17%
Triangle Business Park, LLC	11,043,800	0.16%
Individual Taxpayer 1	9,446,400	0.14%
Sunrise Assisted Living	\$ 9,300,000	0.14%
Total	<u>\$ 185,802,100</u>	<u>2.75%</u>

Source: Municipal Tax Assessors

Community/Taxpayer	2003	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan		
Manalapan Realty	\$ 26,921,600	1.13%
Manalapan VF	11,793,000	0.50%
Towne Pointe Associates	8,082,300	0.34%
Battleground Dev d/b/a Fairways	6,994,000	0.29%
Westmon Corporation	4,737,500	0.20%
Trans Equity Realty, LLC	4,450,000	0.19%
Pension Road Realty Associates	4,192,000	0.18%
200 Manalapan, LLC	4,100,000	0.17%
Lenine, LLC	3,850,000	0.16%
Reiss Manufacturing	<u>\$ 3,779,800</u>	<u>0.16%</u>
Total	<u>\$ 78,900,200</u>	<u>3.32%</u>
Marlboro		
Marlboro Plaza	\$ 20,897,800	0.71%
Union Hill Nine	16,704,700	0.57%
TMC Marlboro	13,624,200	0.46%
Marlboro Lowe's	9,058,400	0.31%
BTS Marlboro	6,384,400	0.22%
Toll Brothers	5,718,700	0.19%
Verizon	5,704,911	0.19%
Sunrise Assisted Living	5,464,700	0.19%
Lucas Development	4,669,100	0.16%
Exclusive Plaza	<u>\$ 4,155,800</u>	<u>0.14%</u>
Total	<u><u>\$ 92,382,711</u></u>	<u><u>3.14%</u></u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTION
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	<u>Collected within the Fiscal Year of the Levy</u>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 120,833,006	\$ 120,833,006	100.00%	\$ -
2012	119,671,515	119,671,515	100.00%	-
2011	119,663,191	119,663,191	100.00%	-
2010	116,245,957	109,834,446	94.48%	6,411,511
2009	114,357,196	110,406,396	96.55%	3,950,800
2008	111,643,030	111,643,030	100.00%	-
2007	106,064,212	106,064,212	100.00%	-
2006	98,875,500	98,875,500	100.00%	-
2005	92,614,793	92,614,793	100.00%	-
2004	88,649,137	88,649,137	100.00%	-

Source: District records

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2013	\$31,400,000	\$ -	\$ -	\$ -	\$ -	\$ 31,400,000	N/A	N/A
2012	35,035,000	-	-	-	-	35,035,000	0.31%	183
2011	38,490,000	-	-	-	-	38,490,000	0.50%	201
2010	41,770,000	-	-	-	-	41,770,000	0.40%	219
2009	44,870,000	-	-	-	-	44,870,000	0.41%	235
2008	47,830,000	-	-	-	-	47,830,000	0.45%	251
2007	52,815,000	-	-	-	-	52,815,000	0.53%	278
2006	57,795,000	-	-	-	-	57,795,000	0.64%	307
2005	62,745,000	-	-	-	-	62,745,000	0.72%	334
2004	67,670,000	-	5	-	-	67,670,005	0.84%	362

N/A - Information not currently available.

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

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

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>School District Population</u>	<u>Net Assessed Value Taxable</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2013	\$ 31,400,000	\$ 192,039	\$ 28,077,229,720	0.11%	\$ 164
2012	35,035,000	191,883	28,803,438,566	0.12%	183
2011	38,490,000	191,883	30,200,912,655	0.13%	201
2010	41,770,000	191,860	30,322,815,072	0.14%	218
2009	44,870,000	191,061	25,683,175,265	0.17%	235
2008	47,830,000	190,338	22,383,317,086	0.21%	252
2007	52,815,000	190,196	21,937,964,106	0.24%	278
2006	57,795,000	188,422	14,293,430,471	0.40%	307
2005	62,745,000	187,616	14,039,362,689	0.45%	335
2004	67,670,000	187,059	13,013,851,677	0.52%	362

N/A - Information not currently available.

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

a See J-6 for property tax data.

b Population data can be found in J-14.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013
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	\$ 9,429,071	100.000%	\$ 9,429,071
Englishtown Borough	1,821,425	100.000%	1,821,425
Borough of Farmingdale	478,135	100.000%	478,135
Borough of Freehold	8,654,555	100.000%	8,654,555
Freehold Township	46,656,979	100.000%	46,656,979
Howell Township	53,158,359	100.000%	53,158,359
Manalapan Township	16,573,560	100.000%	16,573,560
Marlboro Township	34,338,223	100.000%	34,338,223
Other debt			
Monmouth County	459,980,960	<u>Net Valuation</u>	
Colts Neck Township		3,049,072,334	2.986% 13,732,948
Englishtown Borough		254,020,900	0.249% 1,144,104
Borough of Farmingdale		151,317,900	0.148% 681,532
Borough of Freehold		1,062,376,800	1.040% 4,784,919
Freehold Township		5,486,811,000	5.372% 24,712,463
Howell Township		5,533,011,286	5.418% 24,920,548
Manalapan Township		5,791,041,500	5.670% 26,082,710
Marlboro Township		6,749,578,000	6.609% 30,399,935
Subtotal, overlapping debt			297,569,466
Freehold Regional High School District Direct Debt		<u>County total</u>	<u>31,400,000</u>
		102,127,763,540	
Total Direct and Overlapping Debt			\$ 328,969,466

Sources: Debt outstanding provided by each governmental unit.

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

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year Ended June 30,			
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 919,819,452	\$ 948,256,347	\$ 971,666,105	\$ 978,159,048
Total Net Debt Applicable to Limit	<u>31,400,000</u>	<u>35,035,000</u>	<u>38,490,000</u>	<u>41,770,000</u>
Legal Debt Margin	<u>\$ 884,784,452</u>	<u>\$ 913,221,347</u>	<u>\$ 933,176,105</u>	<u>\$ 936,389,048</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.55%	3.84%	4.12%	4.46%

<u>Year</u>	<u>Equalized Valuation Basis</u>
2010	31,648,567,272
2011	30,699,008,687
2012	29,634,369,228
	[A] <u>\$ 91,981,945,187</u>
Average Equalized Valuation of Taxable Property	[A/3] <u>\$ 30,660,648,396</u>
Debt limit (3% of average)	[B] \$ 919,819,452 (a)
Net bonded school debt as of June 30, 2011	[C] <u>35,035,000</u>
Legal debt margin	[B-C] <u>\$ 884,784,452</u>

Source: Abstract of Ratables and District Records.

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

Fiscal Year Ended June 30,					
<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 955,264,285	\$ 895,449,731	\$ 780,200,630	\$ 712,525,468	\$ 546,288,447	\$ 623,447,146
<u>44,870,000</u>	<u>47,830,000</u>	<u>52,815,000</u>	<u>57,795,000</u>	<u>67,670,000</u>	<u>62,745,000</u>
<u>\$ 910,394,285</u>	<u>\$ 847,619,731</u>	<u>\$ 727,385,630</u>	<u>\$ 654,730,468</u>	<u>\$ 478,618,447</u>	<u>\$ 560,702,146</u>
4.93%	5.64%	7.26%	8.83%	14.14%	11.19%

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
2012	Colts Neck	10,094	NA	NA	7.6%
	Englishtown	1,909	NA	NA	7.1%
	Farmingdale	1,314	NA	NA	5.0%
	Freehold Borough	12,097	NA	NA	12.6%
	Freehold Twp.	36,086	NA	NA	7.4%
	Howell	51,109	NA	NA	8.9%
	Manalapan	39,229	NA	NA	8.3%
	Marlboro	40,201	NA	NA	6.8%
2011	Colts Neck	10,151	\$ 592,361,605	\$ 58,355	7.3%
	Englishtown	1,848	107,840,040	58,355	6.8%
	Farmingdale	1,330	77,612,150	58,355	4.8%
	Freehold Borough	12,063	703,936,365	58,355	12.1%
	Freehold Twp.	36,219	2,113,559,745	58,355	7.1%
	Howell	51,127	2,983,516,085	58,355	8.8%
	Manalapan	38,913	2,270,768,115	58,355	7.9%
	Marlboro	40,232	2,347,738,360	58,355	6.2%
2010	Colts Neck	10,152	\$ 669,209,688	\$ 65,919	7.3%
	Englishtown	1,848	56,018,424	30,313	6.8%
	Farmingdale	1,330	41,795,250	31,425	4.7%
	Freehold Borough	12,063	281,441,853	23,331	12.0%
	Freehold Twp.	36,214	1,466,811,856	40,504	7.7%
	Howell	51,119	1,811,606,241	35,439	8.9%
	Manalapan	38,908	1,597,134,492	41,049	7.8%
	Marlboro	40,226	2,030,608,480	50,480	6.6%

FREEHOLD REGIONAL HIGH SCHOOL 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
2009	Colts Neck	10,065	\$ 551,270,115	\$ 54,771	7.2%
	Englishtown	1,916	104,941,236	54,771	6.7%
	Farmingdale	1,572	86,100,012	54,771	4.7%
	Freehold Borough	11,432	626,142,072	54,771	11.9%
	Freehold Twp.	34,589	1,894,474,119	54,771	7.5%
	Howell	51,551	2,823,499,821	54,771	8.8%
	Manalapan	39,390	2,157,429,690	54,771	7.8%
	Marlboro	40,546	2,220,744,966	54,771	6.6%
2008	Colts Neck	10,055	\$ 576,684,415	\$ 57,353	4.3%
	Englishtown	1,915	109,830,995	57,353	4.0%
	Farmingdale	1,569	89,986,857	57,353	2.8%
	Freehold Borough	11,413	654,569,789	57,353	7.3%
	Freehold Twp.	34,674	1,988,657,922	57,353	4.2%
	Howell	51,297	2,942,036,841	57,353	4.7%
	Manalapan	38,912	2,231,719,936	57,353	4.2%
	Marlboro	40,503	2,322,968,559	57,353	3.6%
2007	Colts Neck	10,076	\$ 562,502,776	\$ 55,826	3.4%
	Englishtown	1,892	105,622,792	55,826	3.1%
	Farmingdale	1,574	87,870,124	55,826	2.2%
	Freehold Borough	11,444	638,872,744	55,826	5.7%
	Freehold Twp.	34,828	1,944,307,928	55,826	3.2%
	Howell	51,274	2,862,422,324	55,826	3.5%
	Manalapan	38,535	2,151,254,910	55,826	3.2%
	Marlboro	40,573	2,265,028,298	55,826	2.7%
2006	Colts Neck	10,150	\$ 532,864,850	\$ 52,499	3.7%
	Englishtown	1,863	97,805,637	52,499	3.4%
	Farmingdale	1,581	83,000,919	52,499	2.4%
	Freehold Borough	11,515	604,525,985	52,499	6.3%
	Freehold Twp.	34,282	1,799,770,718	52,499	3.5%
	Howell	51,135	2,684,536,365	52,499	3.8%
	Manalapan	37,617	1,974,854,883	52,499	3.5%
	Marlboro	40,279	2,114,607,221	52,499	3.0%

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
2005	Colts Neck	10,181	\$ 489,421,032	\$ 48,072	3.6%
	Englishtown	1,819	87,442,968	48,072	3.4%
	Farmingdale	1,593	76,578,696	48,072	3.5%
	Freehold Borough	11,589	557,106,408	48,072	6.2%
	Freehold Twp.	34,145	1,641,418,440	48,072	3.2%
	Howell	51,017	2,452,489,224	48,072	3.6%
	Manalapan	37,260	1,791,162,720	48,072	3.0%
	Marlboro	40,012	1,923,456,864	48,072	2.7%
2004	Colts Neck	10,166	\$ 473,176,470	\$ 46,545	2.4%
	Englishtown	1,831	85,223,895	46,545	4.8%
	Farmingdale	1,602	74,565,090	46,545	3.9%
	Freehold Borough	11,639	541,737,255	46,545	5.6%
	Freehold Twp.	34,033	1,584,065,985	46,545	2.8%
	Howell	50,807	2,364,811,815	46,545	4.6%
	Manalapan	37,178	1,730,450,010	46,545	3.7%
	Marlboro	39,803	1,852,630,635	46,545	3.3%
2003	Colts Neck	10,078	\$ 439,743,452	\$ 43,634	2.8%
	Englishtown	1,829	79,806,586	43,634	5.7%
	Farmingdale	1,602	69,901,668	43,634	4.6%
	Freehold Borough	11,649	508,292,466	43,634	6.7%
	Freehold Twp.	33,809	1,475,221,906	43,634	3.3%
	Howell	50,450	2,201,335,300	43,634	5.4%
	Manalapan	36,962	1,612,799,908	43,634	4.4%
	Marlboro	39,292	1,714,467,128	43,634	3.9%

^a Population information provided by the NJ Dept of Labor and Workforce Development, Municipal Population by Municipality; for 2010 and 2011, source - NJDOE

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

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis; for 2010 and 2011, source - NJDOLWD

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TWO YEARS AGO

Employer	2013		2011	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Meridian Health System Inc., Wall	9,200	2.75%	7,500	2.46%
Saker Shoprites Inc., Freehold	6,850	2.05%	6,800	2.23%
Air Safety Equipment Inc., Holmdel	2,600	0.78%	4,350	1.43%
Monmouth Medical Center, Long Branch	2,100	0.63%	2,100	0.69%
CentraState Healthcare Inc., Freehold	1,900	0.57%	2,354	0.77%
Food Circus Supermarkets Inc., Middletown	1,200	0.36%	1,300	0.43%
Monmouth University, W. Long Branch	1,200	0.36%	1,290	0.42%
Vonage Holdings Corp., Holmdel	1,056	0.32%	NA	NA
Visiting Nurse Assoc of Central Jersey, Red Bank	1,000	0.30%	1,700	0.56%
CEI, Holmdel	900	0.27%	NA	NA
	<u>28,006</u>	<u>8.36%</u>		

Most recent available data presented.

N/A - Information not currently available.

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

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

<u>Function/Program</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Instruction											
Regular	619.6	627.2	627.2	753.5	794.2	756.1	783.0	772.0	761.0	745.0	732.0
Special education	168.0	154.0	139.0	43.0	44.8	35.3	37.0	38.5	42.0	62.0	56.0
Other instruction	2.0	3.0	3.0	19.0	15.6	12.2	12.0	12.0	12.0	12.0	12.0
Support Services:											
Student & Instruction Rel. Svcs	223.0	205.8	202.8	177.7	185.1	187.5	176.0	186.0	180.0	138.0	138.0
School Administrative Services	44.0	61.0	61.0	59.0	65.5	61.4	65.0	61.0	78.0	63.0	85.0
General and Central Services	36.0	31.5	31.5	31.3	36.3	35.5	38.0	55.0	34.0	33.0	31.0
Plant Operations & Maintenance	117.0	128.5	128.5	137.0	158.0	149.0	150.0	151.0	151.0	151.0	147.0
Pupil Transportation	<u>145.0</u>	<u>148.0</u>	<u>148.0</u>	<u>148.0</u>	<u>158.0</u>	<u>159.0</u>	<u>136.0</u>	<u>159.0</u>	<u>165.0</u>	<u>158.0</u>	<u>158.0</u>
Total	<u>1,354.6</u>	<u>1,359.0</u>	<u>1,341.0</u>	<u>1,368.5</u>	<u>1,457.5</u>	<u>1,396.0</u>	<u>1,397.0</u>	<u>1,434.5</u>	<u>1,423.0</u>	<u>1,362.0</u>	<u>1,359.0</u>

Source: District Records

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Teaching Staff b	Pupil/Teacher Ratio	Average Daily			Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment		Student Attendance Percentage
							Enrollment (ADE) c	Daily	Enrollment		Average Daily Enrollment	Percentage	
2013	11,445.0	\$ 182,030,689	15,905	4.59%	726	1:15.8	11,247.1		11,247.1	10,573.5	1.64		94.0%
2012	11,573.0	175,985,090	15,207	4.12%	782	1:14.8	11,065.3		11,065.3	10,457.2	(4.56)		94.5%
2011	11,737.0	176,004,757	14,996	-0.12%	737	1:15.9	11,594.5		11,594.5	10,912.9	0.18		94.1%
2010	11,726.0	176,055,601	15,014	2.76%	796	1:14.7	11,573.8		11,573.8	10,919.7	0.19		94.3%
2009	11,556.5	168,847,855	14,611	3.47%	818	1:14.1	11,552.1		11,552.1	10,908.2	(1.13)		94.4%
2008	11,703.0	165,254,535	14,121	5.03%	813	1:14.4	11,684.2		11,684.2	11,036.7	2.21		94.5%
2007	11,669.0	156,890,204	13,445	7.90%	799	1:14.7	11,549.9		11,549.9	10,889.6	1.03		94.3%
2006	11,634.5	144,969,698	12,460	7.17%	800	1:14.6	11,432.1		11,432.1	10,737.2	2.41		93.9%
2005	11,737.5	136,474,306	11,627	5.03%	791	1:14.8	11,163.2		11,163.2	10,454.0	5.06		93.6%
2004	11,356.0	125,715,383	11,070	2.89%	776	1:14.6	10,625.4		10,625.4	9,957.7	4.89		93.7%

Source: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment & average daily attendance are obtained from the School Registers.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>District Building</u>					
<u>High Schools</u>					
Colts Neck High School (1998)					
Square Feet	219,490	219,490	219,490	219,490	219,490
Capacity (students)	1,748	1,748	1,748	1,748	1,748
Enrollment ^a	1,513	1,478	1,523	1,481	1,550
Freehold Borough High School (1954)					
Square Feet	187,256	187,256	187,256	187,256	187,256
Capacity (students)	1,564	1,564	1,564	1,564	1,564
Enrollment	1,580	1,566	1,534	1,433	1,395
Freehold Township High School (1968)					
Square Feet	256,293	256,293	256,293	256,293	256,293
Capacity (students)	2,224	2,224	2,224	2,224	2,224
Enrollment	2,127	2,162	2,193	2,208	2,191
Howell High School (1962)					
Square Feet	249,497	249,497	249,497	249,497	249,497
Capacity (students)	2,274	2,274	2,274	2,274	2,274
Enrollment	2,299	2,456	2,488	2,475	2,351
Manalapan High School (1968)					
Square Feet	256,293	256,293	256,293	256,293	256,293
Capacity (students)	2,341	2,341	2,341	2,341	2,341
Enrollment	1,948	1,991	2,038	2,065	2,018
Marlboro High School (1966)					
Square Feet	264,142	264,142	264,142	264,142	264,142
Capacity (students)	2,450	2,450	2,450	2,450	2,450
Enrollment	1,971	1,920	1,961	2,015	2,052
<u>Other</u>					
Administration Building (1982) ^b					
Square Feet	22,000	22,000	22,000	22,000	22,000
Transportation ^c					
Square Feet	9,600	9,600	9,600	9,600	9,600
Maintenance Offices					
Square Feet	400	400	400	400	400
Number of Schools at June 30, 2013					
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.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
219,490	219,490	219,490	219,490	219,490
1,748	1,748	1,748	1,748	1,748
1,721	1,780	1,773	1,604	1,388
187,256	187,256	187,256	187,256	187,256
1,564	1,564	1,564	1,564	1,564
1,416	1,402	1,387	1,268	1,194
256,293	256,293	256,293	256,293	256,293
2,224	2,224	2,224	2,224	2,224
2,240	2,190	2,151	2,011	1,961
249,497	249,497	249,497	249,497	249,497
2,274	2,274	2,274	2,274	2,274
2,317	2,115	1,948	1,853	1,730
256,293	256,293	256,293	256,293	256,293
2,341	2,341	2,341	2,341	2,341
2,029	1,952	1,974	2,222	2,218
264,142	264,142	264,142	264,142	264,142
2,450	2,450	2,450	2,450	2,450
2,155	2,160	2,246	2,222	2,218
22,000	22,000	22,000	22,000	22,000
9,600	9,600	9,600	9,600	9,600
400	400	400	400	400

a Colts Neck High School opened in September 1998 with a total of 383 freshman and sophomore students.

b The Administration building was purchased in 1982 but was originally built in 1954 as an elementary school operated by the Manalapan-Englishtown Regional School District. The building was converted to office space housing the Superintendent of Schools, Curriculum, Student Services, Human Resources, Information Technology, and Business Administration Departments. In 2005, the former gymnasium was converted into a board meeting room and record storage area.

c The transportation building and site are leased. The transportation building is comprised of office space, drivers' area, storage, mechanical bays, and bus wash system.

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

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

<u>School Facilities</u>	<u>Project (#)s</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Colts Neck High School	NA	\$ 395,274	\$ 402,984	\$ 347,111	\$ 465,593
Freehold Borough High School	NA	337,225	343,802	296,135	397,217
Freehold Township High School	NA	461,552	470,555	405,313	543,662
Howell High School	NA	449,313	458,077	394,566	529,246
Manalapan-Englishtown High School	NA	461,552	470,555	405,313	543,662
Marlboro High School	NA	475,687	484,965	417,726	560,311
Total School Facilities		<u>2,580,602</u>	<u>2,630,938</u>	<u>2,266,164</u>	<u>3,039,691</u>
Other Facilities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grand Total		<u>\$ 2,580,602</u>	<u>\$ 2,630,938</u>	<u>\$ 2,266,164</u>	<u>\$ 3,039,691</u>

Source: District Records

Required maintenance, defined in N.J.A.C. 6:24, The Educational Facilities Construction and Financing Act, includes expenditures for systems warranty purposes that are approved for repairs and replacements for the purpose of keeping a school facility open, comfortable and safe for use or in its original condition, including repairs and replacements to a school facility's heating, lighting, ventilation, security and other fixtures to keep the facility or fixtures in effective working condition. Required maintenance includes periodic or occasional inspection; adjustment, lubrication, and cleaning (non-janitorial) of buildings or fixtures; replacement of parts; and other actions to assure continuing service and to prevent breakdown.

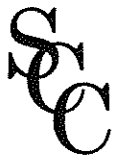
<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>Total</u>
\$ 510,603	\$ 370,897	\$ 444,859	\$ 338,483	\$ 486,325	\$ 3,425,378
442,524	347,255	560,535	515,354	559,857	3,471,230
612,725	454,676	602,446	281,188	526,825	3,870,898
612,725	454,676	896,564	421,414	502,941	4,244,420
612,725	454,676	799,762	396,202	526,825	4,183,228
612,725	454,676	902,624	690,887	506,825	4,603,437
<u>3,404,027</u>	<u>2,536,856</u>	<u>4,206,790</u>	<u>2,643,528</u>	<u>3,109,598</u>	<u>23,798,591</u>
-	-	-	-	-	-
<u>\$ 3,404,027</u>	<u>\$ 2,536,856</u>	<u>\$ 4,206,790</u>	<u>\$ 2,643,528</u>	<u>\$ 3,109,598</u>	<u>\$ 23,798,591</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Wachovia Insurance Services		
Property	\$ 218,040,884	\$ 5,000
Boiler/Machinery	75,000,000	1,000
Liability		
General	2,000,000	-
Excess Liability	10,000,000	1,000,000
Automobile	1,000,000	1,000
Employee Dishonesty	500,000	5,000
Board Legal	1,000,000	5,000
 New Jersey School Boards Insurance Group		
Workers Compensation	Statutory	N/A
Crime:		
Board Secretary	500,000	1,000

Source: District Records

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-1"

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

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

Honorable President and Members
of the Board of Education
Freehold Regional High School District
County of Monmouth
Englishtown, New Jersey 07726

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Freehold Regional High School District (the "District") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated November 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Freehold Regional High School District's internal control.

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

SUPLEE, CLOONEY & COMPANY

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did note immaterial instances of noncompliance that we have reported to the Board of Education of the Freehold Regional High School District in a separate Auditor's Management Report on Administrative Findings – Financial and Compliance dated November 26, 2013.

Compliance and Other Matters

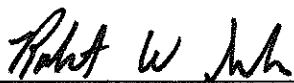
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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


CERTIFIED PUBLIC ACCOUNTANTS

November 26, 2013


PUBLIC SCHOOL ACCOUNTANT NO. 948



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-2"

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@senco.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH U.S. OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members
of the Board of Education
Freehold Regional High School District
County of Monmouth
Englishtown, New Jersey 07726

Report on Compliance for Each Major Federal and State Program

We have audited the Freehold Regional High School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Freehold Regional High School District's major federal and state programs for the year ended June 30, 2013. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Freehold Regional High School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and *New Jersey OMB 04-04*. Those standards, *OMB Circular A-133* and *New Jersey OMB 04-04* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Freehold Regional High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

SUPLEE, CLOONEY & COMPANY

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

Opinion on Each Major Federal and State Program

In our opinion, the Freehold Regional High School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the Freehold Regional High School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Freehold Regional High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *OMB Circular A-133* and *New Jersey OMB 04-04*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Freehold Regional High School District's internal control over compliance.

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

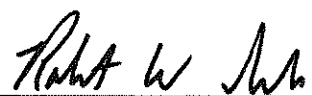
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

SUPLEE, CLOONEY & COMPANY

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 *OMB Circular A-133* and State of New Jersey *OMB 04-04*. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS

November 26, 2013


PUBLIC SCHOOL ACCOUNTANT NO. 948

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FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Award Amount	Grant Period	
				From	To
General Fund					
U.S. Department of Health and Human Services					
Passed-Through State Department of Education:					
Special Education Medicaid Initiative	93.778	N/A	\$ 1,317	7/1/2012	6/30/2013
U.S. Department of Education					
Passed-Through State Department of Education:					
Education Jobs Fund	84.410	N/A	\$ 1,823,301	7/1/2012	6/30/2013
Total General Fund					
Special Revenue Fund:					
Title I, Part A Basic	84.010	NCLB_12	523,292	9/1/2011	8/31/2012
Title I, Part A Basic	84.010	NCLB_13	386,616	9/1/2012	8/31/2013
Title II, Part A Teacher & Principal Training	84.281	NCLB_12	164,707	9/1/2011	8/31/2012
Title II, Part A Teacher & Principal Training	84.281	NCLB_13	150,382	9/1/2012	8/31/2013
Title III	84.365	NCLB_12	23,482	9/1/2011	8/31/2012
Title III	84.365	NCLB_13	24,799	9/1/2012	8/31/2013
I.D.E.A. Part B Basic	84.027	FT_12	2,276,818	9/1/2011	8/31/2012
I.D.E.A. Part B Basic	84.027	FT_13	2,345,898	9/1/2012	8/31/2013
Vocational Education - Perkins	84.048	PERK -1650-12	73,748	9/1/2011	8/31/2012
Vocational Education - Perkins	84.048	PERK -1650-11	34,991	9/1/2012	8/31/2013
JROTC					
Race to the Top	84.395	NA	41,675	9/1/2011	11/30/2015
Total Special Revenue Fund					
U.S. Department of Agriculture					
Passed-Through State Department of Education:					
Commodity Supplemental Food Program	10.565	N/A	130,747	7/1/2011	6/30/2012
Commodity Supplemental Food Program	10.565	N/A	144,768	7/1/2012	6/30/2013
School Breakfast Program	10.553	N/A	33,656	7/1/2009	6/30/2010
School Breakfast Program	10.553	N/A	32,783	7/1/2011	6/30/2012
School Breakfast Program	10.553	N/A	16,784	7/1/2012	6/30/2013
National School Lunch Program	10.555	N/A	321,806	7/1/2009	6/30/2010
National School Lunch Program	10.555	N/A	311,343	7/1/2011	6/30/2012
National School Lunch Program	10.555	N/A	293,534	7/1/2012	6/30/2013
Healthy Hunger Free Kids Act	10.551	N/A	10,934	7/1/2012	6/30/2013
Total Enterprise Fund					
Total Federal Financial Awards					

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Schedule A

Balance at June 30, 2012	Adjustment	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year's Balances	Balance at June 30, 2013		
					Accounts Receivable	Deferred Revenue	Due to Grantor
\$ -	\$ -	\$ 1,317	\$ (1,317)	\$ -	\$ -	\$ -	\$ -
(693,125)	-	693,125	(4,540)	-	(4,540)	-	-
(693,125)	-	694,442	(5,857)	-	(4,540)	-	-
(125,109)	-	264,851	(139,742)	-	-	-	-
-	-	-	(156,977)	-	(156,977)	-	-
(65,020)	-	78,722	(13,702)	-	-	-	-
-	-	-	(140,015)	-	(140,015)	-	-
(4,482)	-	6,377	(1,895)	-	-	-	-
-	-	-	(24,276)	-	(24,276)	-	-
(1,020,235)	-	1,022,301	(2,066)	-	-	-	-
-	-	-	(2,340,828)	-	(2,340,828)	-	-
(14,376)	-	14,376	-	-	-	-	-
-	-	-	(34,987)	-	(34,987)	-	-
-	-	7,100	(6,739)	-	-	-	-
-	-	-	(41,675)	-	(41,675)	-	-
(1,229,222)	-	1,393,727	(2,902,902)	-	(2,738,758)	-	-
2,798	-	-	(2,798)	-	-	-	-
-	-	142,206	(139,643)	-	-	2,563	-
-	-	365	(365)	-	-	-	-
(5,454)	-	5,454	-	-	-	-	-
-	-	10,292	(16,784)	-	(6,492)	-	-
-	-	13,307	(13,307)	-	-	-	-
(52,461)	-	52,461	-	-	-	-	-
-	-	193,966	(293,534)	-	(99,568)	-	-
-	-	7,175	(10,934)	-	(3,759)	-	-
(55,117)	-	425,226	(477,365)	-	(109,819)	2,563	-
\$ (1,977,464)	\$ -	\$ 2,513,395	\$ (3,386,124)	\$ -	\$ (2,853,117)	\$ 2,563	\$ -

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Deferred Revenue
			From	To	(Accts Receivable June 30, 2012)
State Department of Education:					
General Fund:					
Categorical Special Education Aid	12-495-034-5120-011	6,658,275	7/1/2011	6/30/2012	-
Equalization Aid	12-495-034-5120-078	40,722,021	7/1/2011	6/30/2012	-
Categorical Security Aid	12-495-034-5120-084	689,058	7/1/2011	6/30/2012	-
Categorical Special Education Aid	13-495-034-5120-011	7,025,068	7/1/2012	6/30/2013	-
Equalization Aid	13-495-034-5120-078	42,455,081	7/1/2012	6/30/2013	-
Categorical Security Aid	13-495-034-5120-084	725,356	7/1/2012	6/30/2013	-
Categorical Transportation Aid	13-495-034-5120-014	1,021,008	7/1/2012	6/30/2013	-
Extraordinary Special Education Costs Aid	12-100-034-5120-473	2,652,364	7/1/2011	6/30/2012	(2,652,364)
Extraordinary Special Education Costs Aid	13-100-034-5120-473	2,380,919	7/1/2012	6/30/2013	-
Non-Public Transportation Costs Aid	12-100-034-5120-068	104,481	7/1/2011	6/30/2012	(39,204)
Non-Public Transportation Costs Aid	13-100-034-5120-068	101,879	7/1/2012	6/30/2013	-
Reimbursed TPAF Social Security	13-495-034-5095-051	5,395,922	7/1/2012	6/30/2013	-
Total General Fund					<u>(2,691,568)</u>
Special Revenue Fund:					
N.J. Nonpublic Aid:					
Textbook Aid	12-100-034-5120-064	4,253	7/1/2011	6/30/2012	-
Textbook Aid	13-100-034-5120-064	4,651	7/1/2012	6/30/2013	-
Nursing Services	12-100-034-5120-070	4,962	7/1/2011	6/30/2012	-
Nursing Services	13-100-034-5120-070	6,453	7/1/2012	6/30/2013	-
Technology Aid		1,718	7/1/2012	6/30/2013	-
Handicapped Services:					
Supplemental Instruction	13-100-034-5120-066	2,359	7/1/2012	6/30/2013	-
Speech	13-100-034-5120-066	781	7/1/2012	6/30/2013	-
Exam and Classification	12-100-034-5120-066	2,898	7/1/2011	6/30/2012	-
Exam and Classification	13-100-034-5120-066	4,299	7/1/2012	6/30/2013	-
ELL Scaffolding Writer		2,040	7/1/2012	6/30/2013	-
Total Special Revenue Fund					<u>-</u>
Debt Service Fund:					
Debt Service Aid Type II	13-100-034-5120-125	1,310,000	7/1/2012	6/30/2013	-
Total Debt Service Fund					<u>-</u>
Enterprise Fund:					
National School Lunch Program (State Share)	13-100-010-3360-067	9,417	7/1/2012	6/30/2013	-
National School Lunch Program (State Share)	12-100-010-3360-067	16,524	7/1/2011	6/30/2012	(2,673)
Total Enterprise Fund					<u>(2,673)</u>
New Jersey Economic Development Authority					
Capital Projects Fund					
Freehold Boro High School - Corridor Roof Repair	1650-050-09-1001	40,900	7/1/2009	6/30/2010	(40,900)
Howell High School - Water Main Replacement	1650-050-09-1003	29,460	7/1/2009	6/30/2010	(29,460)
Manalapan High School - Partial Roof Replacemen	1650-050-09-1004	64,098	7/1/2009	6/30/2010	(64,098)
Total Capital Projects Fund					<u>(134,458)</u>
Total State Financial Assistance Subject to OMB 04-04					<u>\$ (2,828,699)</u>
On Behalf TPAF Contributions Not Subject to OMB 04-04:					
On-behalf TPAF Pension/Medica	12-495-034-5095-050	9,589,325	7/1/2012	6/30/2013	-
Total Indirect State Financial Assistance					<u>-</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Schedule B

Due to Grantor June 30, 2012	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year's Balances	Balance at June 30, 2013			MEMO		
					Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
-	-	664,934	-	(664,934)	-	-	-	-	6,658,275	
-	-	4,002,018	-	(4,002,018)	-	-	-	-	40,722,021	
-	-	68,813	-	(68,813)	-	-	-	-	689,058	
-	-	6,322,561	(7,025,068)	702,507	-	-	-	702,507	7,025,068	
-	-	38,246,356	(42,455,081)	4,208,725	-	-	-	4,208,725	42,455,081	
-	-	652,820	(725,356)	72,536	-	-	-	72,536	725,356	
-	-	918,907	(1,021,008)	102,101	-	-	-	102,101	1,021,008	
-	-	2,652,364	-	-	-	-	-	-	2,652,364	
-	-	-	(2,380,919)	-	(2,380,919)	-	-	2,380,919	2,380,919	
-	-	39,204	-	-	-	-	-	(39,204)	104,481	
-	-	24,562	(101,879)	-	(77,317)	-	-	77,317	101,879	
-	-	5,129,742	(5,395,922)	-	(266,180)	-	-	266,180	5,395,922	
-	-	58,722,281	(59,105,233)	350,104	(2,724,416)	-	-	7,771,081	109,931,432	
1,277	-	-	-	(1,277)	-	-	-	-	2,976	
-	-	4,651	(4,203)	-	-	-	(448)	-	4,203	
1,043	-	-	-	(1,043)	-	-	-	-	-	
-	-	6,453	(6,453)	-	-	-	-	-	6,453	
-	-	1,718	(1,644)	-	-	-	(74)	-	1,644	
-	-	2,359	(2,359)	-	-	-	-	-	2,359	
-	-	781	(781)	-	-	-	-	-	781	
525	-	-	-	-	-	-	(525)	-	-	
-	-	4,299	(4,299)	-	-	-	-	-	4,299	
-	-	2,040	(1,895)	-	-	145	-	-	1,895	
2,845	-	22,301	(21,634)	(2,320)	-	145	(1,047)	-	24,610	
-	-	1,310,000	(1,310,000)	-	-	-	-	-	1,310,000	
-	-	1,310,000	(1,310,000)	-	-	-	-	-	1,310,000	
-	-	6,416	(9,417)	-	(3,001)	-	-	3,001	9,417	
-	-	2,673	-	-	-	-	-	-	16,524	
-	-	9,089	(9,417)	-	(3,001)	-	-	3,001	25,941	
-	-	37,501	-	3,399	-	-	-	-	37,501	
-	-	29,182	-	278	-	-	-	-	29,182	
-	-	63,588	-	510	-	-	-	-	63,588	
-	-	130,271	-	4,187	-	-	-	-	130,271	
\$ 2,845	\$ -	\$ 60,193,942	\$ (60,446,284)	\$ 351,971	\$ (2,727,417)	\$ 145	\$ (1,047)	\$ 7,774,082	\$ 111,422,254	
-	-	9,589,325	(9,589,325)	-	-	-	-	-	-	
		69,783,267	(70,035,609)							111,422,254

Freehold Regional High School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2013

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Freehold Regional High School District. The Board of Education is defined in Note 1 to the Board's 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 awards and 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 Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, 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.

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

Freehold Regional High School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2013

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$66,307.00) for the general fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$5,857.00	68,344,454.00	\$68,350,311.00
Special Revenue Fund	2,902,902.00	21,634.00	2,924,536.00
Debt Service Fund		1,310,000.00	1,310,000.00
Food Service Fund	477,365.00	9,417.00	486,782.00
Financial Assistance	3,386,124.00	69,685,505.00	73,071,629.00
GAAP Adjustment		350,104.00	350,104.00
Total Awards & Financial Assistance	<u>\$3,386,124.00</u>	<u>\$70,035,609.00</u>	<u>\$73,421,733.00</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. 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, 2013. The amount reported as TPAF pension contributions reported in the financial statements represents the amount paid by the state on behalf of the district for the year ended June 30, 2013.

Freehold Regional High School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

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 identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (3) | Noncompliance material to basic financial statements noted? | No |

Federal Program(s)

- | | | |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with Section.510(a) of Circular OMB A-133? | No |

Freehold Regional High School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

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

Federal Program(s) (Continued)

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

<u>Number</u>	<u>Program</u>
84.027	I.D.E.A Basic

(5) Program Threshold Determination:

Type A Federal Program Threshold > \$300,000.00

Type B Federal Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

Freehold Regional High School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

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

State Program(s)

- (1) Internal Control Over Major State Programs:
- (a) Material weakness identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? N/A
- (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 04-04? No
- (4) Identification of Major State Program(s):

<u>Grant Number</u>	<u>Program</u>
13-495-034-5120-078	Equalization Aid
13-495-034-5120-089	Categorical Special Education Aid
13-495-034-5120-084	Categorical Security Aid
13-495-034-5120-014	Categorical Transportation Aid
13-100-034-5120-473	Extraordinary Aid

Freehold Regional High School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

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

State Program(s) Continued)

- (5) Program Threshold Determination:
Type A State Program Threshold > \$1,813,388.00
Type B State Program Threshold <= \$1,813,388.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

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

Internal Control Findings

None Reported

Compliance Findings

None Reported

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

Federal Programs – None Reported

State Programs – None Reported

Freehold Regional High School District

Schedule of Prior Year Audit Findings

Not Applicable