

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
ENGLISHTOWN, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

**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, 2011**

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INTRODUCTORY SECTION

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT

Charles Sampson
Superintendent

(732) 792-7300 ext. 8538, 8539, 8502

Fax (732) 446-9126

Administration Building
11 Pine Street
Englishtown, New Jersey 07726



November 21, 2011

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, 2011. 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.

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.

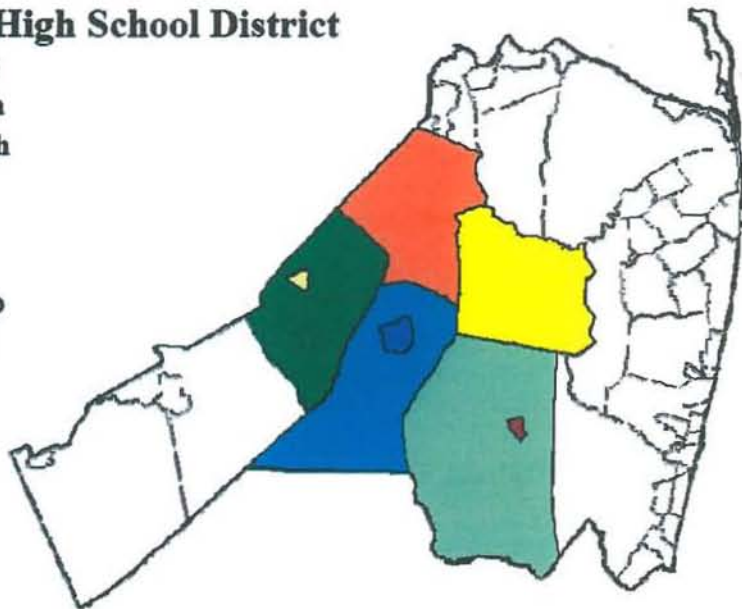
The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Assistant Superintendent for Business/Board Secretary is the chief financial officer of the School District, responsible to the Board for maintaining all 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 11,590.5 resident students, 11,428.5 students are enrolled in one of the Freehold Regional High School District's six high schools.

Freehold Regional High School District

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

**Monmouth County
New Jersey**



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.

Economic Condition

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

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

The District's resident student per the October 15, 2011 ASSA was 11,590.5, which is 227 students below the previous year's ASSA. The following details the changes in the average daily enrollment of the District over the last five years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2010-11	11,594.5	.18
2009-10	11,573.8	.19
2008-09	11,552.1	-1.13
2007-08	11,684.2	1.16
2006-07	11,549.9	1.04

Outlook for the Future: Fiscal Year 2011-2012 and Beyond

The district continues to strive for the efficient delivery of highly valued programs and services to the students of this community. With the prospect of additional revenue via state aid or property taxes remaining bleak, Freehold Regional High School District is working to refine the focus of public education in order to concentrate our scarce resources on the highest priority programs and services. In doing so, the district has undertaken a comprehensive strategic planning process that will serve as the blueprint for the district's future operations. Subsequent budgets will reflect a commitment to sustainable programs that support the core mission of the district.

Educational Program

"The mission of the Freehold Regional High School District is to develop global lifelong learners through a comprehensive educational program of diverse and enriching opportunities within a supportive environment. The district's educational community fosters the development of character, initiative, creativity and excellence while maximizing the unique potential of each individual."

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.

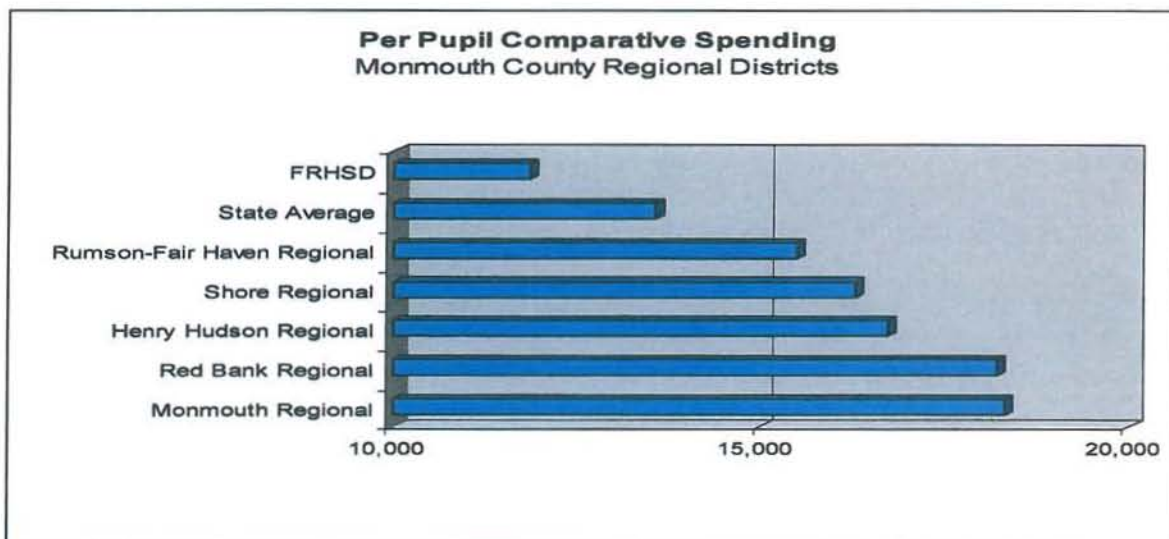
In addition to these specialized magnet programs the District also participates in cooperative dual education programs and articulation agreements with colleges, universities and trade schools across the country. District students also have the opportunity to receive credit for independent study and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

We have much to be proud of at the Freehold Regional High School District. Our staff works diligently to meet all expectations and continue to raise the bar of academic excellence for all students. We are also very fortunate to

have so many talented and enthusiastic students. FRHSD students excel in both academics and extra-curricular activities. High school proficiency tests and PSAT, SAT scores consistently exceed state averages. The number of students taking Advanced Placement exams is 21% higher than the state average, and over 95 percent of FRHSD graduating seniors go on to some form of post-secondary education. In addition to balancing rigorous academic programs and extensive involvement in sports and/or extra-curricular activities, our students demonstrate a strong commitment to volunteerism and community service.

In May 2011, the New Jersey Department of Education released its Taxpayers' Guide to Education Spending for all school districts in the State. The guide compares districts of like size and grade structure. The Freehold Regional High School District was compared with 47 other 9-12 and 7-12 grade districts within the State. For the past decade the District has fared well in this independent and objective analysis. The report showed that the District budgeted \$11,855 per pupil in 2010-11, or 12.6% lower than the average cost for similar districts at \$13,569.

The Freehold Regional High School District has consistently spent significantly less per student than similar districts while maintaining higher than average standardized test scores and offering numerous co-curricular and athletic opportunities.



Financial Information

Internal Accounting and Budgetary Control: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state awards, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at fiscal year end.

Cash Management

The investment policy of the District is guided in large part by state statutes as detailed in "Notes to Basic Financial Statements", Note 2. The District has adopted a cash management plan which 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. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Risk Management

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. The Assistant Superintendent for Business Administration oversees risk management for the District. A schedule of insurance coverage is found in the Statistical Section as Schedule J-20.

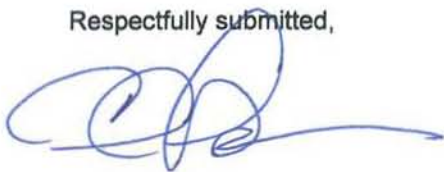
Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Suplee, Clooney & Company was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996, and the related U.S. Office of Management and Budget Circular, "Audits of State, Local Governments and Non-Profit Organizations" A-133 and the State Treasury Circular Letter 04-04 OMB "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

Acknowledgements

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,



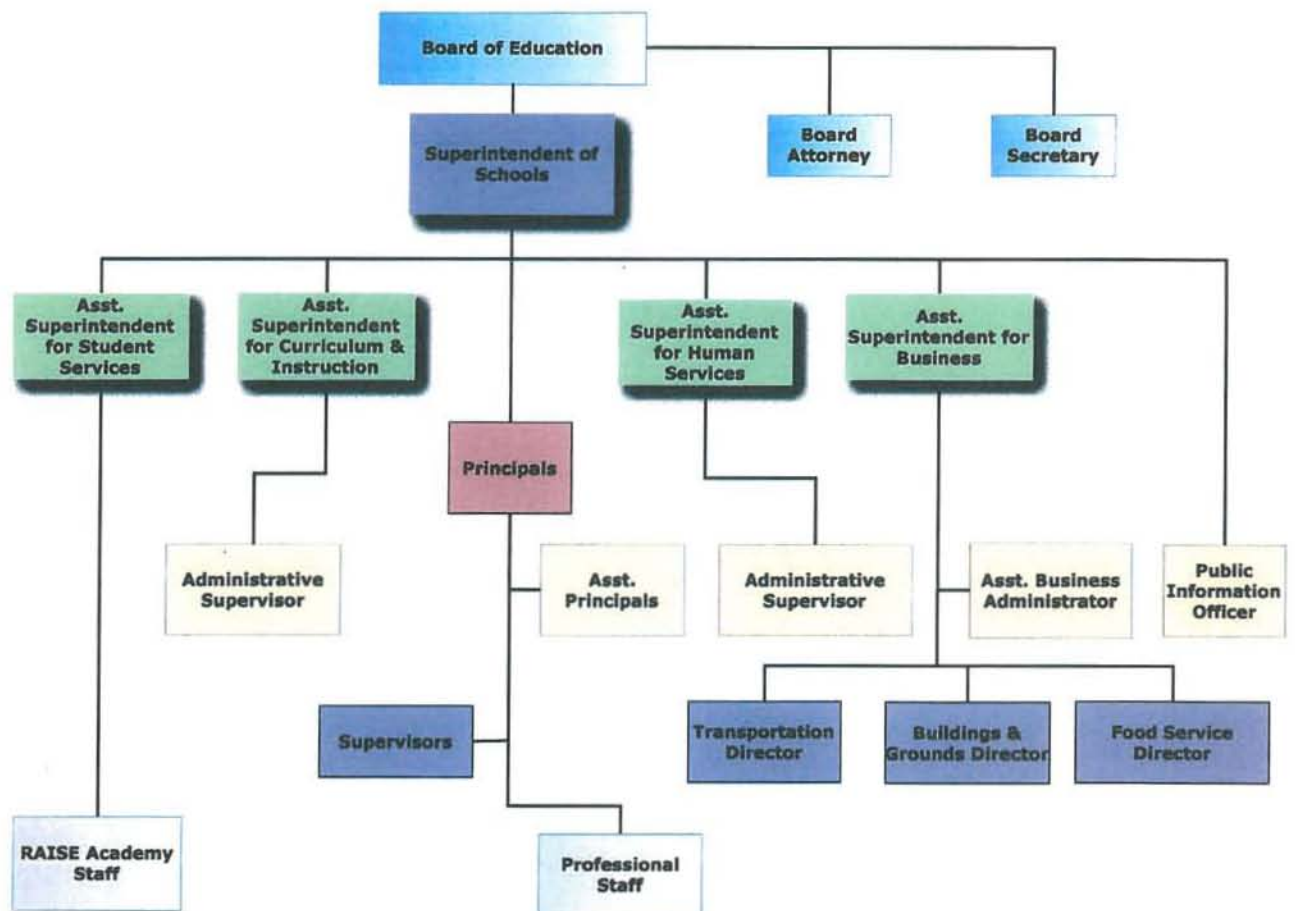
Charles Sampson
Superintendent of Schools



Sean Boyce CPA
Assistant Superintendent for Business
Administration/Board Secretary

FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION
ENGLISHTOWN, NEW JERSEY

TABLE OF ORGANIZATION
JUNE 30, 2011



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

**ROSTER OF OFFICIALS
JUNE 30, 2011**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Harold Moses, President	2012
Jennifer Sutera, Vice President	2012
Carl Accettola	2014
William Bruno	2012
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, Assistant Superintendent for Business Administration/Board Secretary

John Comegno, Esq., Solicitor

**FREEHOLD REGIONAL HIGH SCHOOL BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
JUNE 30, 2011**

Audit Firm

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

Attorney

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

Official Depository

Bank of America
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Freehold, New Jersey 07728



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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Fax 908-789-8535

E-mail info@senco.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

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, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 State, 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

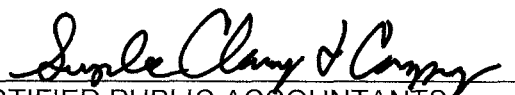
In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Freehold Regional High School District, County of Monmouth, New Jersey as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

SUPLEE, CLOONEY & COMPANY

In accordance with Government Auditing Standards, we have also issued our report dated November 21, 2011 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, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the required supplementary information, as listed in the foregoing table of contents, respectively, are not a required part of the basic financial statements but are supplementary information required by the U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 introductory section, combining and individual fund schedules and statements, other schedules, statistical tables and the schedules of expenditures of federal awards and state financial assistance as listed in the table of contents are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"; New Jersey OMB's Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" and State of New Jersey, Department of Education, Division of Finance and are not a required part of the basic financial statements of the Freehold Regional High School District, County of Monmouth, New Jersey. Such information, except for the introductory section and that portion marked unaudited on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


CERTIFIED PUBLIC ACCOUNTANTS

November 21, 2011


PUBLIC SCHOOL ACCOUNTANT NO. 948

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
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, 2011. 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 (2010-2011) and the prior fiscal year (2009-2010) is presented in the MD&A.

Financial Highlights

Key financial highlights for 2011 are as follows:

- ↪ In total, net assets of governmental activities increased \$2,952,407, which represents a 3.9 percent increase from 2010. Net assets of business-type activities increased \$41,669, which represents a 4.7 percent increase from 2010. The change in net assets reflects the net effect of the payment of debt principle, and the addition of fund balance to be used to support future budgets.
- ↪ General revenues accounted for \$180,911,004 in revenue, or 99.6 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 \$684,955, or .4 percent of total revenues of \$181,595,959.
- ↪ Total assets increased by \$4,329,276 as cash and cash equivalents increased by \$16,839,257. The increase in cash was due to the aggressive collection of receivables which decreased by \$8,365,657, and the establishment of an additional accrued liability for insurance claims as represented by the increase in the liability of \$3,538,180.
- ↪ The School District had \$178,643,552 in governmental activity expenses; only \$684,955 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$180,911,004 were adequate to provide for these programs.
- ↪ Among governmental funds, the General Fund had \$173,019,258 in revenues and \$168,832,740 in expenditures. The General Fund's fund balance increased \$4,186,518 from 2010.

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 Assets* 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, 2011
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

This document looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets 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 assets and changes in those assets. This change in net assets 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 Assets 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, Extra Curricular and SAT Prep funds are reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets 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, 2011
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 provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found on pages 30 to 48 of this report.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets 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 assets for 2011 and 2010.

**Table 1
Net Assets**

The District's combined net assets were \$80,158,678 on June 30, 2011. This was an increase of 3.9 percent from the prior year.

	Governmental Activities		Business-type Activities	
	<i>FY 2011</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2010</i>
Assets				
Current and Other Assets	\$ 23,772,960	\$ 15,288,017	\$ 1,088,168	\$ 1,115,566
Capital Assets, Net	103,967,800	108,074,435	105,119	126,753
Total Assets	\$ 127,740,760	\$ 123,362,452	\$ 1,193,287	\$ 1,242,319
Liabilities				
Long-term Liabilities	\$ 36,486,120	\$ 39,513,281	\$ -	\$ -
Other Liabilities	12,015,910	7,562,847	273,339	364,040
Total Liabilities	\$ 48,502,030	\$ 47,076,128	\$ 273,339	\$ 364,040
Net Assets				
Invested in Capital Assets, Net of Related Debt	\$ 65,477,800	\$ 66,304,436	\$ 105,119	\$ 126,753
Restricted	12,809,243	6,513,220	-	-
Unrestricted (Deficit)	951,687	3,468,668	814,829	751,526
Total Net Assets	\$ 79,238,730	\$ 76,286,324	\$ 919,948	\$ 878,279

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Table 2 shows changes in net assets for fiscal year 2010 and 2011.

**Table 2
Changes in Net Assets**

	Governmental Activities		Business-type Activities	
	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2010</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 75,241	\$ 352,974	\$ 3,192,827	\$ 3,167,523
Operating Grants and Contributions	609,714	798,443	457,229	495,107
General Revenues:				
Property Taxes	119,663,191	116,245,957	-	-
Grants and Entitlements	60,650,563	68,153,544	-	-
Other	597,250	585,862	-	-
Total Revenues	\$ 181,595,959	\$ 186,136,780	\$ 3,650,056	\$ 3,662,630
Program Expenses				
Instruction	\$ 98,636,236	\$ 98,463,595	\$ -	\$ -
Support Services:				
Pupils and Instructional Staff	31,363,048	30,689,617	-	-
General Administration, School Administration, Central Services, and Maintenance of Facilities	30,813,820	32,320,283	-	-
Student Transportation Services	15,747,415	18,190,193	-	-
Interest on Debt	2,033,833	2,201,017	-	-
Food Service	-	-	3,360,076	3,649,285
Other	49,199	424,612	248,311	-
Total Expenses	178,643,552	182,289,317	3,608,387	3,649,285
Transfers	-	-	-	-
Increase (Decrease) in Net Assets	\$ 2,952,407	\$ 3,847,463	\$ 41,669	\$ 13,345

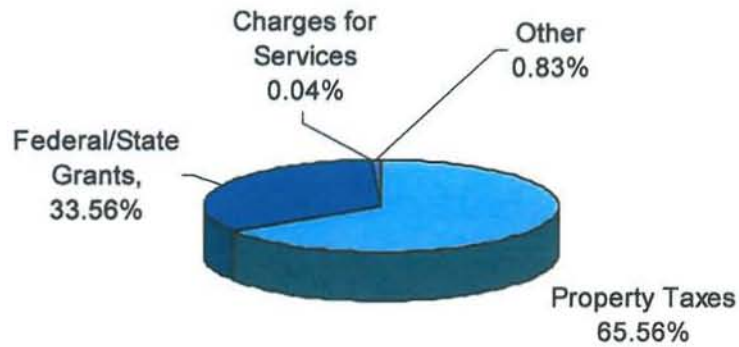
Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 65.9 percent of revenues for fiscal year 2011 and 62.5 percent for fiscal year 2010. Property tax revenues increased by \$3,417,234 which is a 2.9 percent increase over the prior year; while grants and entitlements grew by 12.3 percent primarily from an infusion of federal ARRA funds and the withholding of state aid from the previous year.

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

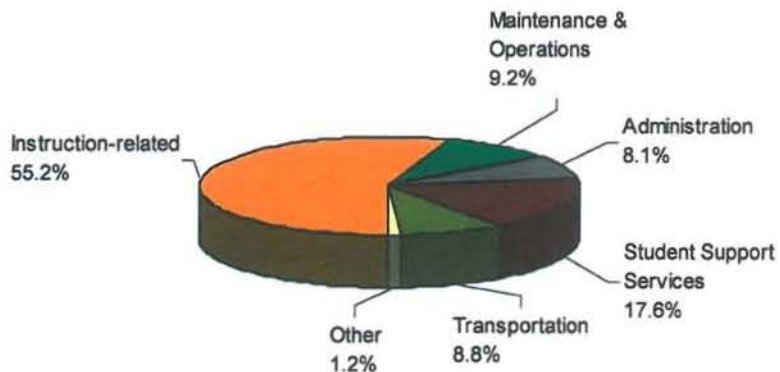
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Sources of Revenue for Fiscal Year 2011



The total cost of all programs and services was \$178,643,552. Instruction comprised 55.2 percent of District expenses.

Expenses for Fiscal Year 2011



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

Business-Type Activities

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

- Food service revenues exceeded expenditures by \$38,333. This result was consistent with the expectations of the program.
- Charges for services represent \$3,192,827 of revenue. This represents \$2,941,180 paid by patrons for daily food service, and \$251,647 paid by users of the extra curricular and SAT Prep programs. Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfasts, and donated commodities was \$457,229.

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.

Table 3

	<u>Total Cost of Services 2010</u>	<u>Net Cost of Services 2010</u>	<u>Total Cost of Services 2009</u>	<u>Net Cost of Services 2009</u>
Instruction	\$ 98,636,236	\$ 98,560,995	\$ 91,693,593	\$ 91,658,066
Support Services:				
Pupils and Instructional Staff	31,363,048	31,363,048	30,415,101	30,415,101
General Administration, School Administration, Central Services	14,385,891	14,385,891	14,156,483	14,156,483
Operations and Maintenance of Facilities	16,427,930	16,326,117	18,045,436	17,973,522
Pupil Transportation	15,747,415	15,747,415	18,485,087	18,485,087
Interest and Fiscal Charges	2,033,833	1,525,932	2,399,013	1,543,085
Other	49,199	49,199	347,995	347,995
Total Expenses	<u>\$ 178,643,552</u>	<u>\$ 177,958,597</u>	<u>\$ 175,542,708</u>	<u>\$ 174,579,339</u>

- 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.

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

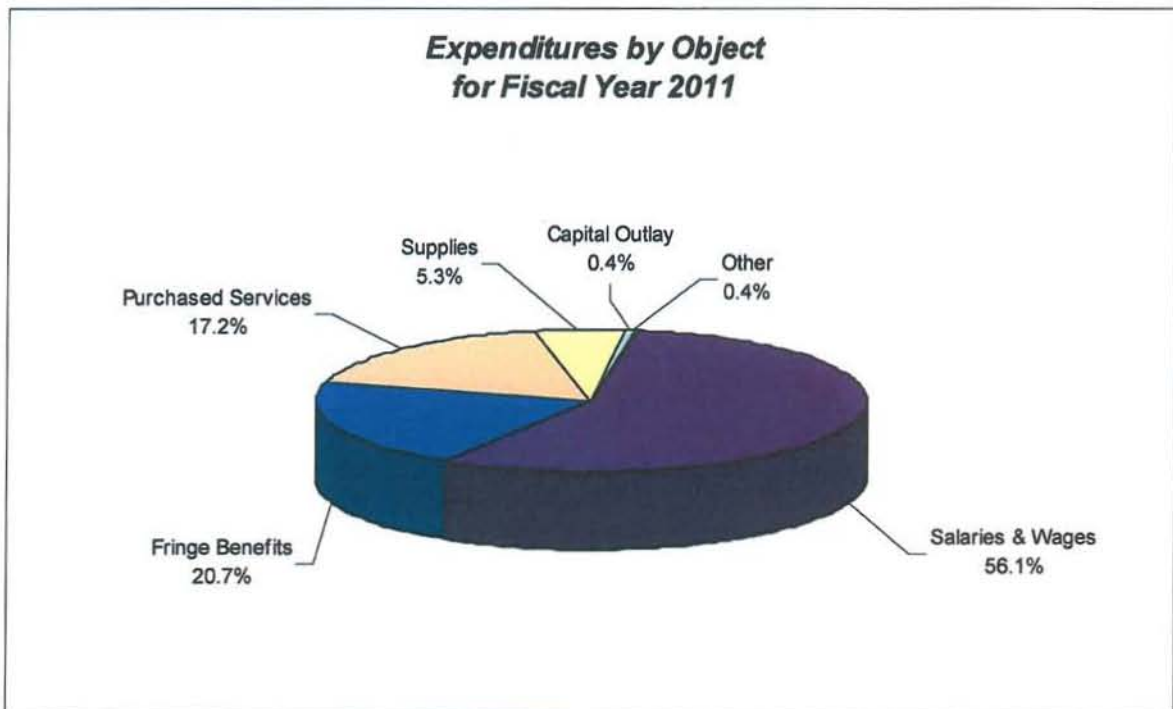
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
UNAUDITED (CONTINUED)**

- "Other" includes special schools and transfer to charter school.

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 amounted to \$181,595,959 and expenditures were \$177,409,441. The net change in fund balance was \$4,186,518. 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 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, 2011
UNAUDITED (CONTINUED)**

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

	FY 2011	FY 2010	Percentage Change
Salaries & Wages	\$ 90,956,442	\$ 96,595,633	-5.84%
Fringe Benefits	33,620,672	29,363,485	14.50%
Purchased Services	27,895,884	28,778,668	-3.07%
Supplies	8,530,441	10,609,493	-19.60%
Capital Outlay	631,272	3,298,358	-80.86%
Other	581,672	948,998	-38.71%
Total	\$ 162,216,382	\$ 169,594,635	-4.35%

Expenditures for the combined General and Special Revenue Funds are down \$7,378,253 million or 4.35% over the prior year due to significant staff reductions caused by cuts in state funding.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Capital Assets

At the end of the fiscal year 2011, the School District had \$104,072,919 invested in land, buildings, and machinery and equipment. Table 5 shows fiscal year 2011 balances compared to 2010.

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

	FY 2011	FY 2010
Governmental activities:		
Land	\$ 446,488	\$ 446,488
Site improvements	1,311,383	1,421,842
Building and Building Improvements	94,755,597	98,021,250
Machinery and Equipment	7,454,332	8,184,855
Government activities capital assets, net	<u>\$ 103,967,800</u>	<u>\$ 108,074,435</u>
Business-type activities:		
Food Service Equipment	105,119	126,753
Total	<u>\$ 104,072,919</u>	<u>\$ 108,201,188</u>

Overall capital assets decreased \$4,128,269 from fiscal year 2010 to fiscal year 2011. 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, 2011
UNAUDITED (CONCLUDED)**

Debt Administration

Among the district's outstanding liabilities at June 30, 2011, \$1,451,120 is for compensated absences and \$38,490,000 of serial bonds for school construction.

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

	<u>FY 2011</u>	<u>FY 2010</u>
2001 General obligation bonds	38,490,000	41,770,000
Total	<u>\$ 38,490,000</u>	<u>\$ 41,770,000</u>

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 good financial condition. However, many challenges face public education with regard to adequacy of funding. The District is actively collaborating with the community to continue focusing on programs and services that provide the greatest value to the students.
- It is important that the District continues to support expenditures for capital maintenance of our schools and support facilities.

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.

BASIC FINANCIAL STATEMENTS

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DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets 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 ASSETS
JUNE 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 16,214,704	\$ 593,167	\$ 16,807,871
Receivables, net	3,236,828	459,286	3,696,114
Inventory		35,715	35,715
Deferred Bond Issuance Costs, Net	285,233		285,233
Restricted assets:			-
Restricted cash and cash equivalents	4,036,195		4,036,195
Capital Assets			-
Land	446,488		446,488
Other Capital Assets net of depreciation	103,521,312	105,119	103,626,431
Total Assets	<u>127,740,760</u>	<u>1,193,287</u>	<u>128,934,047</u>
LIABILITIES			
Accounts Payable	1,820,893	209,187	2,030,080
Accrued Expenses	641,500		641,500
Interfund Payable	59,521	58,774	118,295
Other Liabilities	2,543		2,543
Deferred Revenue	135,081	5,378	140,459
Accrued Liability for Insurance Claims	5,901,372		5,901,372
Noncurrent Liabilities:			
Due Within One Year			
Bonds payable	3,455,000		3,455,000
Due Beyond One Year			-
Compensated absences payable	1,451,120		1,451,120
Bonds payable	35,035,000	-	35,035,000
Total Liabilities	<u>48,502,030</u>	<u>273,339</u>	<u>48,775,369</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	65,477,800	105,119	65,582,919
Restricted for:			
Other Purposes	12,809,243		12,809,243
Unrestricted	951,687	814,829	1,766,516
Total Net Assets	<u>\$ 79,238,730</u>	<u>\$ 919,948</u>	<u>\$ 80,158,678</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, 2011

A-2

Functions/Programs	Expenses	Programs Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 77,375,649	\$ 75,241	\$ -		\$ (77,300,408)	\$ -	\$ (77,300,408)
Special	12,282,407	-	-		(12,282,407)	-	(12,282,407)
Other Instruction	8,978,180	-	-		(8,978,180)	-	(8,978,180)
Support services:							
Tuition	13,678,378	-	-		(13,678,378)	-	(13,678,378)
Student & instruction related services	17,684,670	-	-		(17,684,670)	-	(17,684,670)
School administrative services	9,211,957	-	-		(9,211,957)	-	(9,211,957)
General administrative services	1,754,559	-	-		(1,754,559)	-	(1,754,559)
Central service/Admin information technology	3,419,374	-	-		(3,419,374)	-	(3,419,374)
Plant operations and maintenance	16,427,929	-	101,813		(16,326,116)	-	(16,326,116)
Pupil transportation	15,747,415	-	-		(15,747,415)	-	(15,747,415)
Special Schools	240	-	-		(240)	-	(240)
Transfer to Charter School	14,656	-	-		(14,656)	-	(14,656)
Interest on Long-Term Debt	2,033,833	-	507,901		(1,525,932)	-	(1,525,932)
Unallocated amortization	34,303	-	-		(34,303)	-	(34,303)
Total governmental activities	178,643,552	75,241	609,714	-	(177,958,597)	-	(177,958,597)
Business-type activities							
Food Service Fund	3,360,076	2,941,180	457,229		-	38,333	38,333
Extra Curricular Fund	227,348	227,348	-		-	-	-
SAT Prep Program	20,963	24,299	-		-	3,336	3,336
Total business-type activities	3,608,387	3,192,827	457,229	-	-	41,669	41,669
Total primary government	\$ 182,251,939	\$ 3,268,068	\$ 1,066,943	-	\$ (177,958,597)	\$ 41,669	\$ (177,916,928)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					\$ 115,600,253	\$ -	\$ 115,600,253
Taxes levied for debt service					4,062,938	-	4,062,938
Federal and state aid not restricted					56,750,964	-	56,750,964
Federal and state aid restricted					3,899,599	-	3,899,599
Miscellaneous income					597,250	-	597,250
Total general revenues and special items					180,911,004	-	180,911,004
Change in net Assets					2,952,407	41,669	2,994,075
Net Assets - beginning					76,286,323	\$ 878,279	77,164,602
Net Assets ending					\$ 79,238,730	\$ 919,948	\$ 80,158,677

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, 2011

	MAJOR FUNDS				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
ASSETS					
Cash and Cash Equivalents	\$ 20,157,704	\$ -	\$ -	\$ 66,487	\$ 20,224,191
Cash with Fiscal Agents	26,708	-	-	-	26,708
Other Receivables	150,633	-	-	-	150,633
Due From Other Funds	1,254,848	-	-	-	1,254,848
Receivables From Other Governments	1,738,935	1,194,473	134,458	-	3,067,866
Total Assets	\$ 23,328,828	\$ 1,194,473	\$ 134,458	\$ 66,487	\$ 24,724,246
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,426,191	\$ 394,702	\$ -	\$ -	\$ 1,820,893
Due to Other Funds	383,235	711,860	134,458	66,487	1,296,040
Payable to Other Governments	-	2,543	-	-	2,543
Deferred Revenue	49,713	85,368	-	-	135,081
Accrued Liability for Insurance Claims	5,901,372	-	-	-	5,901,372
Deposits Payable	-	-	-	-	-
Total Liabilities	\$ 7,760,511	\$ 1,194,473	\$ 134,458	\$ 66,487	\$ 9,155,929
Fund Balances:					
Restricted:					
Capital Reserve	2,339,487	-	-	-	2,339,487
Maintenance Reserve	1,420,000	-	-	-	1,420,000
Emergency Reserve	250,000	-	-	-	250,000
Excess Surplus - Current Year	6,838,493	-	-	-	6,838,493
Excess Surplus - Designated for Subsequent Year's Expenditures	1,979,705	-	-	-	1,979,705
Assigned:					
Encumbrances	652,561	-	-	-	652,561
Designated for Subsequent Year's Expenditures	1,934,795	-	-	-	1,934,795
Unassigned	153,276	-	-	-	153,276
Total Fund Balances	15,568,317	-	-	-	15,568,317
Total Liabilities and Fund Balances	\$ 23,328,828	\$ 1,194,473	\$ 134,458	\$ 66,487	

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 \$628,263 and the accumulated amortization is \$343,030

285,233

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 \$175,467,287 and the accumulated depreciation is \$71,499,487.

103,967,800

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	(38,490,000)
Accrued interest on bonds	(641,500)
Compensated absences (sick pay and vacations)	(1,451,120)

Net Assets of Governmental Activities

\$ 79,238,730

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	MAJOR FUNDS				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
REVENUES					
Local Sources:					
Local Tax Levy	\$ 115,600,253	\$ -	\$ -	\$ 4,062,938	\$ 119,663,191
Tuition Charges	75,241	-	-	-	75,241
Interest Earned on Investments	70,015	-	-	-	70,015
Rental Fees	101,813	-	-	-	101,813
Refund of Prior Year Expenditures	122,723	-	-	-	122,723
Transportation Fees from Other LEAs	6,937	-	-	-	6,937
Athletic Admission Fees	103,985	-	-	-	103,985
Miscellaneous	187,327	106,263	-	-	293,590
Total - Local Sources	116,268,294	106,263	-	4,062,938	120,437,495
State Sources	56,750,964	16,493	-	1,305,562	58,073,019
Federal Sources	-	3,085,445	-	-	3,085,445
Total Revenues	173,019,258	3,208,201	-	5,368,500	181,595,959
EXPENDITURES					
Current:					
Regular Instruction	47,890,541	2,576,116	-	-	50,466,657
Special Education Instruction	8,241,644	-	-	-	8,241,644
Other Instruction	6,342,900	-	-	-	6,342,900
Support Services and Undistributed Costs:					
Instruction	13,678,378	-	-	-	13,678,378
Student & Instruction Related Services	12,067,661	238,633	-	-	12,306,294
School Administrative Services	6,218,510	-	-	-	6,218,510
General Administration	1,635,170	-	-	-	1,635,170
Central Services & Admin. Technology	2,433,933	-	-	-	2,433,933
Operating Maintenance of Plant Services	13,434,482	-	-	-	13,434,482
Student Transportation Services	13,149,260	-	-	-	13,149,260
Employee Benefits	43,209,854	283,646	-	-	43,493,500
Special Schools	240	-	-	-	240
Transfer to Charter School	14,656	-	-	-	14,656
Debt Service:					
Principal	-	-	-	3,280,000	3,280,000
Interest and Other Charges	-	-	-	2,088,500	2,088,500
Capital Outlay	515,510	109,805	-	-	625,315
Total Expenditures	168,832,740	3,208,201	-	5,368,500	177,409,441
Net Change in Fund Balances	4,186,518	-	-	-	4,186,518
Fund Balance, July 1	11,381,799	-	-	-	11,381,799
Fund Balance, June 30	\$ 15,568,317	\$ -	\$ -	\$ -	\$ 15,568,317

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, 2011

Total net change in fund balances - governmental funds (from B-2)	\$ 4,186,518
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	\$ (4,731,951)
Capital Outlay	<u>625,315</u> (4,106,636)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	3,280,000
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.	54,667
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.	<u>(427,839)</u>
Change in net assets of governmental activities	<u>\$ 2,952,407</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUND
JUNE 30, 2011

	<u>Major Fund</u> <u>Food Service</u> <u>Fund</u>	<u>Non-Major</u> <u>Funds</u>	<u>Totals</u>
ASSETS			
Current Assets:			
Cash and Cash Equivalents (deficit)	\$ 589,831	\$ 3,336	\$ 593,167
Intergovernmental Receivables	17,593	-	17,593
Other Receivable	314,730	8,668	323,398
Interfund Receivable	118,295	-	118,295
Inventories	35,715	-	35,715
Total Current Assets	<u>1,076,164</u>	<u>12,004</u>	<u>1,088,168</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	503,385	-	503,385
Less Accumulated Depreciation	(398,266)	-	(398,266)
Total Noncurrent Assets	<u>105,119</u>	<u>-</u>	<u>105,119</u>
Total Assets	<u>\$ 1,181,283</u>	<u>\$ 12,004</u>	<u>\$ 1,193,287</u>
LIABILITIES			
Current liabilities:			
Accounts Payable	\$ 209,187	\$ -	\$ 209,187
Interfund Payable	50,106	8,668	58,774
Deferred Revenue	5,378	-	5,378
Total Current Liabilities	<u>\$ 264,671</u>	<u>\$ 8,668</u>	<u>\$ 273,339</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	\$ 105,119	\$ -	\$ 105,119
Unrestricted	811,493	3,336	814,829
Total Net Assets	<u>\$ 916,612</u>	<u>\$ 3,336</u>	<u>\$ 919,948</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 ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Major Fund</u> <u>Food Service</u> <u>Fund</u>	<u>Non-Major</u> <u>Funds</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for Services:			
Daily Sales - Non-reimbursable Programs	\$ 2,941,180	\$ -	\$ 2,941,180
Fees for Services	-	251,647	251,647
	<u>2,941,180</u>	<u>251,647</u>	<u>3,192,827</u>
OPERATING EXPENSES			
Cost of Sales	1,142,853	-	1,142,853
Salaries	1,408,399	110,241	1,518,640
Employee Benefits	397,418	-	397,418
Management Fees	25,000	-	25,000
Supplies and Materials	91,908	1,410	93,318
Equipment Repair and Maintenance	37,093	-	37,093
Insurance	167,759	-	167,759
Laundry and Uniforms	7,608	-	7,608
Travel	12,467	5,440	17,907
Depreciation	35,270	-	35,270
Licenses	7,462	-	7,462
Miscellaneous	26,839	-	26,839
Facility Rental	-	112,830	112,830
League Fees	-	18,390	18,390
Total Operating Expenses	<u>3,360,076</u>	<u>248,311</u>	<u>3,608,387</u>
Operating Gain/(Loss)	<u>(418,896)</u>	<u>3,336</u>	<u>(415,560)</u>
NONOPERATING REVENUES			
State Sources:			
State School Lunch Program	16,524	-	16,524
Federal Sources:			
National School Lunch Program	308,134	-	308,134
National School Breakfast Program	33,291	-	33,291
Food Distribution Program	99,280	-	99,280
Total Nonoperating Revenues	<u>457,229</u>	<u>-</u>	<u>457,229</u>
Change in Net Assets	38,333	3,336	41,669
Total Net Assets - Beginning	<u>878,279</u>	<u>-</u>	<u>878,279</u>
Total Net Assets - Ending	<u>\$ 916,612</u>	<u>\$ 3,336</u>	<u>\$ 919,948</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, 2011

	<u>Major Fund</u> <u>Food Service</u> <u>Fund</u>	<u>Non-Major</u> <u>Funds</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 2,937,379	\$ 246,074	\$ 3,183,453
Payments to Employees	(1,435,420)	(110,241)	(1,545,661)
Payments for Employee Benefits	(406,274)	-	(406,274)
Payments to Suppliers	(1,490,390)	(138,070)	(1,628,460)
Net Cash Provided by (Used in) Operating Activities	<u>(394,706)</u>	<u>(2,237)</u>	<u>(396,943)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
State Sources	16,871	-	16,871
Federal Sources	353,077	-	353,077
Transfers to other funds	(107,135)	8,669	(98,466)
Net Cash Provided by Non-Capital Financing Activities	<u>262,813</u>	<u>8,669</u>	<u>271,482</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(131,893)	6,432	(125,461)
Balance - Beginning of Year	<u>721,724</u>	<u>(3,096)</u>	<u>718,628</u>
Balance - End of Year	<u>\$ 589,831</u>	<u>\$ 3,336</u>	<u>\$ 593,167</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:			
Operating Loss	\$ (418,896)	\$ 3,336	(415,560)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	21,634	-	21,634
Donated Commodities Received During the Year	99,280	-	99,280
(Increase)Decrease in Accounts Receivable, Net	32,054	(5,573)	26,481
(Increase) in Inventories	(18,249)	-	(18,249)
Increase in Deferred Revenue	3,991	-	3,991
Increase(Decrease) in Accounts Payable	(114,520)	-	(114,520)
Total Adjustments	<u>24,190</u>	<u>(5,573)</u>	<u>18,617</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (394,706)</u>	<u>\$ (2,237)</u>	<u>\$ (396,943)</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	Unemployment Compensation Insurance Trust	Private Purpose Trust	Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 1,286,113	\$ 1,014,209	\$ 1,010,462
Intrafund Receivable	45,323	-	-
Loans Receivable	-	23,740	-
Total Assets	<u>\$ 1,331,436</u>	<u>\$ 1,037,949</u>	<u>\$ 1,010,462</u>
LIABILITIES			
Accounts Payable	\$ 65,030	\$ -	\$ -
Intrafund Payable			45,323
Interfund Payable	-	-	18,329
Payable to Student Groups	-	-	870,983
Payroll Deductions and Withholdings	-	-	75,827
Total Liabilities	<u>65,030</u>	<u>-</u>	<u>\$ 1,010,462</u>
NET ASSETS			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 1,266,406</u>		
Reserved for Scholarships		<u>\$ 1,037,949</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 ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Unemployment Compensation Insurance Trust	Private Purpose Trust
ADDITIONS		
Contributions:		
Plan Member	\$ 203,690	\$ -
District	1,891,000	-
Donations	-	30,310
Total Contributions	<u>2,094,690</u>	<u>30,310</u>
Investment Earnings:		
Interest	938	1,852
Net Investment Earnings	<u>938</u>	<u>1,852</u>
Total Additions	<u>2,095,628</u>	<u>32,162</u>
DEDUCTIONS		
Quarterly Contribution Reports	34,469	-
Unemployment Claims	1,003,002	-
Scholarships Awarded	-	40,713
Total Deductions	<u>1,037,471</u>	<u>40,713</u>
Change in Net Assets	1,058,156	(8,551)
Net Assets - Beginning of the Year	<u>208,250</u>	<u>1,046,500</u>
Net Assets - End of the Year	<u>\$ 1,266,406</u>	<u>\$ 1,037,949</u>

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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

B. Basis of Presentation, Basis of Accounting

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

Basis of Presentation

District-wide Statements: The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish 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 assets 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 fixed assets for land, existing buildings,

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

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.

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, as well as grants authorized by the New Jersey School Development Authority.

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 and SAT Prep) Fund: The Extra Curricular SAT Prep funds account for all revenues and expenses pertaining to the Board's ice hockey and SAT preparation programs. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. 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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

(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 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 and are voted upon at the annual school election on the third Tuesday in April. 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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D. Assets, Liabilities, and Equity

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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.

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 reservations of 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 assets, except for amounts due between governmental and business-type activities or governmental and fiduciary funds, which are presented other receivables and payables.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

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, 2011, but which were levied to finance fiscal year 2012 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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. Bonds are recognized as a liability on the fund financial statements when due.

Fund Equity

Fund balance reserves 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 unreserved fund balances represent the amount available for future budgetary operations.

Unrestricted retained earnings represent the remains of the District's equity in the cumulative earnings of the food service and summer enrichment fund.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets 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. The restricted fund balance classification includes amounts that are subject to externally enforceable legal restriction such as by constitutional provision, enabling legislation or other government imposed restrictions. The committed fund balance classification includes amounts constrained for a specific purpose by a government using its highest decision-making authority. The assigned fund balance classification includes amounts for all funds, other than the general fund with any remaining positive balances not already classified as restricted or committed. For the general fund, amounts constrained with the intent to be used for a specific purpose by the governing board or an official delegated authority by the board. The unassigned fund balance classification includes for the general fund, amounts not classified as restricted, committed or assigned. The general fund is the only fund that will report a positive unassigned fund balance. For all other governmental funds the amount of a residual deficit would be classified as unassigned. Fund balance restrictions have been established for excess surplus, excess surplus-designated for subsequent year's expenditures maintenance reserve, emergency reserve and capital reserve.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 and SAT Prep programs. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions 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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

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, 2011, the carrying amount of the District's deposits was \$24,128,144 and the bank balance was \$27,127,279. Of the bank balance, \$500,000 was insured with Federal Deposit Insurance and \$26,624,896 was insured through the Governmental Unit Deposit Protection Act.

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, 2011, 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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
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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, 2011 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.

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 NJCMF at June 30, 2011 is \$1,173.

3. RECEIVABLES

Receivables at June 30, 2011 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.....	1,530,722	1,532,381
Federal Aid.....	1,185,474	1,201,410
Interfunds.....	1,254,848	136,624
Other.....	502,303	825,699
Gross Receivables.....	4,473,347	3,696,114
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net.....	<u>4,473,347</u>	<u>3,696,114</u>

**FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

4. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at June 30, 2011, consist of the following:

	<u>Receivable</u>	<u>Payable</u>
General Fund	1,254,848	383,235
Special Revenue Fund		711,860
Capital Projects Fund		134,458
Debt Service Fund		66,487
Proprietary Funds	118,295	58,774
Fiduciary Funds		18,329
	<u>1,373,143</u>	<u>1,373,143</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, 2011, consisted of the following:

28,692	Food
<u>7,023</u>	Supplies
<u>35,715</u>	Total Inventory

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 \$628,263. The amortization expense for the fiscal year ended June 30, 2011 amounted to \$34,303, and the total accumulated amortization is \$343,030.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, 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	2,218,223	-		2,218,223
Building and improvements	148,209,590	37,345		148,246,935
Equipment	23,967,671	587,970		24,555,641
Total capital assets being depreciated	174,395,484	625,315	-	175,020,799
Less accumulated depreciation for:				
Site improvements	(796,381)	(110,459)		(906,840)
Building and improvements	(50,188,340)	(3,302,998)		(53,491,338)
Equipment	(15,782,815)	(1,318,494)		(17,101,309)
Total accumulated depreciation	(66,767,536)	(4,731,951)	-	(71,499,487)
Total capital assets being depreciated, net	107,627,948	(4,106,636)	-	103,521,312
Government activities capital assets, net	108,074,436	(4,106,636)	-	103,967,800
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	503,385			503,385
Less accumulated depreciation	(376,632)	(21,634)		(398,266)
Enterprise fund capital assets, net	126,753	(21,634)	-	105,119
	Site & Bldg	Equipment	Total	
Instruction	3,072,111	1,186,645	4,258,756	
Support Services – Students and Staff	68,269	26,370	94,639	
Support Services – Administration	68,269	26,370	94,639	
Operation and Maintenance of Plant Services	68,269	26,370	94,639	
Student Transportation Services	68,269	26,370	94,639	
General Administration Services	22,756	8,790	31,546	
Operation of Non-instructional Services	45,513	17,580	63,093	
Total	3,413,457	1,318,494	4,731,951	

8. LONG-TERM OBLIGATIONS

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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Long-term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2011, are as follows:

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Amounts Due within One Year
Governmental Activities:					
General obligation debt	\$ 41,770,000	\$ -	\$ (3,280,000)	\$ 38,490,000	\$ 3,455,000
Compensated absences payable	1,023,281	427,839	-	1,451,120	-
Total other liabilities	<u>\$ 42,793,281</u>	<u>\$ 427,839</u>	<u>\$ (3,280,000)</u>	<u>\$ 39,941,120</u>	<u>\$ 3,455,000</u>

General Obligation Debt

	Government Activities			Principal Balance June 30, 2011
	Issue Dates	Issue Rates	Date of Maturity	
Bonds Payable	11/16/2001	5%	3/1/2020	<u>38,490,000</u>

Debt Service Requirements

Debt service requirements on serial bonds payable at June 30, 2011 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	3,455,000	1,924,500	5,379,500
2013-2018	24,890,000	7,584,250	32,474,250
2019-2020	<u>10,145,000</u>	<u>767,500</u>	<u>10,912,500</u>
	<u>\$ 38,490,000</u>	<u>\$ 10,276,250</u>	<u>\$ 48,766,250</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

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 Assets.

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, 2014. 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, 2011 were \$199,609. Future minimum lease payments are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>
2012	446,142
2013	172,967
2014	172,769
2015	<u>58,338</u>
Total minimum lease payments	<u>\$ 850,216</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.

11. PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund (cost-sharing multiple-employer defined benefit pension plans) 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 both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

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 noncontributing 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 was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
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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.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:66 for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for two percent 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.

Significant Legislation

Chapter 89- P.L. 2008- Members of either system who became members before July 1, 2007 may retire at age 55 years with 25 years of service or at age 60 with any number of years of service without a reduction in the amount of retirement allowance the members' receive. There is a reduction in such an allowance if the member is under 55 with 25 years of service. There is also a reduction in an allowance for members of either system who became members on or after July 1, 2007 and who retire between age 55 and 60 years with 25 or more years of service.

Contribution Requirements

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 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. TPAF and PERS provide for employee contributions of 5.5 percent of employees' annual compensation, as defined. 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 noncontributing employer of TPAF. (i.e. the State 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
2011	\$1,958,986	100%	\$1,958,986
2010	\$1,486,928	100%	\$1,486,928
2009	1,233,856	100%	1,233,856

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2011

During the fiscal year ended June 30, 2009, 2010 and 2011, the State of New Jersey did not contribute to the TPAF for normal and post-retirement benefits on behalf of the District. In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$5,163.559 during the fiscal year ended June 30, 2011, 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, 2010 there were 87,288 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 \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in Fiscal Year 2010.

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, 2011, 2010 and 2009 were, \$4,497,522, \$4,265,292 and \$4,125,423 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
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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
2010-2011	\$ 1,891,000	\$ 203,690	\$ 938	\$ 1,037,472	\$ 1,266,406
2009-2010	\$ 100,000	\$ 246,307	\$ 413	\$ 401,472	\$ 208,250
2008-2009	100,000	225,671	1,294	193,388	263,002

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, 2011, the amount was \$2,356,572.

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, 2011. 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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

16. FUND BALANCE APPROPRIATED

General Fund

Of the \$15,568,317 in General Fund Balance at June 30, 2011, \$652,561 has been reserved for encumbrances; \$8,818,198. is legally reserved for excess surplus in accordance with N.J.S.A. 18A:7F7 \$1,979,705. of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ended June 30, 2012; \$2,339,487. has been reserved in the Capital Reserve Account; \$1,420,000. has been reserved in the Maintenance Reserve Account; \$250,000. Has been reserved in the Emergency Reserve \$1,934,795. is assigned and has been appropriated and included as anticipated revenue for the year ended June 30, 2012; and the balance of \$153,276. is unassigned.

17. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved 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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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.

The activity of the reserve accounts for the July 1, 2010 to June 30, 2011 fiscal year are as follows:

	<u>Capital Reserve</u>	<u>Maintenance Reserve</u>	<u>Emergency Reserve</u>
Balance July 1, 2010	1,834,487	905,000	-
Interest Earned	5,000	15,000	-
Deposits	500,000	500,000	250,000
Withdrawals	-	-	-
Balance June 30, 2011	2,339,487	1,420,000	250,000

REQUIRED SUPPLEMENTARY INFORMATION – PART II

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 115,600,253	\$ -	\$ 115,600,253	\$ 115,600,253	\$ -
Tuition	40,000	-	40,000	75,241	35,241
Interest Earned on Investments	220,000	-	220,000	70,015	(149,985)
Transportation Fees from Other LEAs	-	-	-	6,937	6,937
Rental Fees	100,000	-	100,000	101,813	1,813
Athletic Admission Fees	100,000	-	100,000	103,985	3,985
Refund of Prior Year Expenditures	-	-	-	122,723	122,723
Miscellaneous	-	-	-	187,327	187,327
Total - Local Sources	116,060,253	-	116,060,253	116,268,294	208,041
State Sources					
Extraordinary Aid	-	-	-	1,280,964	1,280,964
Categorical Special Education Aid	3,911,613	2,746,662	6,658,275	6,658,275	-
Equalization Aid	40,722,021	(2,746,662)	37,975,359	37,975,359	-
Non-Public Transportation Costs Aid	-	-	-	104,481	104,481
TPAF Pension (On-Behalf - Non-Budgeted)	-	-	-	4,709,269	4,709,269
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	5,163,559	5,163,559
Total State Sources	44,633,634	-	44,633,634	55,891,907	11,258,273
Total Revenues	160,693,887	-	160,693,887	172,160,201	11,466,314
EXPENDITURES					
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction					
Grades 9-12 - Salaries of Teachers	47,298,719	(1,656,579)	45,642,140	45,364,151	277,989
Regular Programs - Home Instruction					
Salaries of Teachers	301,240	-	301,240	295,187	6,053
Purchased Professional-Educational Services	60,700	31,900	92,600	82,041	10,559
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	8,600	3,650	12,250	11,150	1,100
Purchased Technical Services	102,320	40,309	142,629	106,170	36,459
Other Purchased Services (400-500 series)	441,975	25,067	467,042	397,525	69,517
General Supplies	1,399,963	59,868	1,459,831	1,398,450	61,381
Textbooks	326,406	(65,661)	260,745	234,905	25,840
Other Objects	11,210	(5,360)	5,850	962	4,888
TOTAL REGULAR PROGRAMS - INSTRUCTION	49,951,133	(1,566,807)	48,384,326	47,890,541	493,785
SPECIAL EDUCATION - INSTRUCTION					
Cognitive - Mild					
Salaries of Teachers	215,394	-	215,394	138,874	76,520
Other Salaries for Instruction	192,832	11,000	203,832	203,565	268
Purchased Professional-Educational Services	300	-	300	-	300
General Supplies	495	-	495	473	22
Textbooks	1,320	-	1,320	1,137	183
Other Objects	300	-	300	115	185
Total Cognitive - Mild	410,641	11,000	421,641	344,164	77,477
Special Education - Cognitive Moderate					
Salaries of Teachers	194,638	-	194,638	156,042	38,596
Other Salaries for Instruction	427,905	-	427,905	202,905	225,000
General Supplies	2,000	250	2,250	1,305	945
Total Special Education - Cognitive Moderate	624,543	250	624,793	360,252	264,541
Special Education - Learning and/or Language Disabilities					
Salaries of Teachers	713,563	-	713,563	601,726	111,837
Other Salaries for Instruction	275,518	-	275,518	170,817	104,701
Other Purchased Services (400-500 series)	300	-	300	-	300
General Supplies	7,501	1,700	9,201	7,691	1,510
Textbooks	4,446	(1,700)	2,746	2,638	108
Other Objects	600	-	600	281	320
Total Special Education - Learning and/or Language Disabilities	1,001,928	-	1,001,928	783,153	218,775
Special Education - Resource Room/Resource Center					
Salaries of Teachers	7,138,856	(173,490)	6,965,366	6,338,789	626,577
Other Purchased Services (400-500 series)	1,800	(1,500)	300	-	300
General Supplies	29,160	2,255	31,415	29,622	1,793
Textbooks	7,296	-	7,296	6,770	526
Other Objects	290	-	290	89	201
Total Special Education - Resource Room/Resource Center	7,177,402	(172,735)	7,004,667	6,375,270	629,397

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, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education - Autism					
Salaries of Teachers	182,914	17,000	199,914	198,543	1,371
Other Sal. For Instruction	-	162,000	162,000	160,054	1,946
Purchased Prof.-Ed. Services	10,000	-	10,000	-	10,000
General Supplies	30,500	-	30,500	20,209	10,291
Total Special Education - Autism	223,414	179,000	402,414	378,806	23,608
TOTAL SPECIAL EDUCATION - INSTRUCTION	9,437,928	17,515	9,455,443	8,241,644	1,213,799
Basic Skills/Remedial - Instruction					
Salaries of Teachers	823,967	-	823,967	781,901	42,066
Total Basic Skills/Remedial - Instruction	823,967	-	823,967	781,901	42,066
Bilingual Education - Instruction					
Salaries of Teachers	137,770	35,000	172,770	168,951	3,819
Other Purchased Services (400-500 series)	750	-	750	-	750
General Supplies	9,000	-	9,000	3,857	5,143
Textbooks	6,000	-	6,000	986	5,014
Total Bilingual Education - Instruction	153,520	35,000	188,520	173,794	14,726
School Sponsored Co-curricular and Extra-Curricular Activities					
Salaries	849,909	170,000	1,019,909	1,016,291	3,618
Purchased Services (300-500 series)	91,261	(6,000)	85,261	57,551	27,710
Supplies and Materials	69,625	(1,034)	68,591	53,039	15,552
Other Objects	70,190	(13,935)	56,255	35,765	20,490
Total School Sponsored Co-curricular & Extra-Curricular Activities	1,080,985	149,031	1,230,016	1,162,646	67,370
School Sponsored Athletics					
Salaries	2,634,422	395,000	3,029,422	2,917,829	111,593
Purchased Services (300-500 series)	586,075	27,623	613,698	527,572	86,126
Supplies and Materials	359,925	(87,585)	272,340	217,237	55,103
Other Objects	134,950	8,500	143,450	108,835	34,615
Total School Sponsored Athletics	3,715,372	343,538	4,058,910	3,771,473	287,437
Other Instructional Programs					
Salaries of Teachers	424,510	110,200	534,710	443,169	91,541
Purchased Services (300-500 series)	2,500	105	2,605	2,281	324
Supplies and Materials	8,000	290	8,290	7,637	653
Total Other Instructional Programs	435,010	110,595	545,605	453,087	92,518
Total Instruction	65,597,915	(911,128)	64,686,787	62,475,085	2,211,702
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	-	7,801	7,801	5,958	1,843
Tuition to Other LEAs Within the State - Special	67,906	85,033	152,939	137,193	15,746
Tuition to County Voc. School Districts - Regular	2,721,436	106,340	2,827,776	2,822,495	5,281
Tuition to County Voc. School Districts - Special	816,638	(63,000)	753,638	745,509	8,129
Tuition to CSSD & Regional Day Schools	1,033,171	-	1,033,171	830,555	202,616
Tuition to Private Schools for the Handicapped Within State	8,927,968	(180,759)	8,747,207	8,368,212	378,995
Tuition to Priv. Sch. for the Handicapped - Special, Out-State	620,079	50,500	670,579	665,465	5,114
Tuition - State Facilities	200,000	(37,753)	162,247	102,991	59,256
Tuition - Other	102,000	(51,700)	50,300	-	50,300
Total Undistributed Expenditures - Instruction	14,489,196	(83,538)	14,405,658	13,678,378	727,280
Undistributed Expenditures - Attendance & Social Work					
Salaries	298,955	331,255	630,210	630,209	1
Other Purchased Services (400-500 series)	405	-	405	220	185
Supplies and Materials	5,245	(255)	4,990	4,382	608
Total Undistributed Expenditures - Attendance & Social Work	304,605	331,000	635,605	634,811	794
Undistributed Expenditures - Health Services					
Salaries	1,034,391	30,000	1,064,391	1,056,409	7,982
Purchased Professional and Technical Services	15,500	-	15,500	1,710	13,790
Other Purchased Services (400-500 series)	4,015	(578)	3,437	1,210	2,227
Supplies and Materials	16,463	2,878	19,341	15,535	3,806
Other Objects	255	-	255	255	-
Total Undistributed Expenditures - Health Services	1,070,624	32,300	1,102,924	1,075,118	27,805

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, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	341,875	-	341,875	320,801	21,074
Purchased Professional - Educational Services	163,034	-	163,034	133,453	29,581
Supplies and Materials	4,200	104	4,304	2,778	1,526
Total Undist. Expend. - Speech, OT, PT & Related Services	509,109	104	509,213	457,031	52,182
Undist. Expend. - Other Supp. Serv. - Extraordinary Svcs.					
Salaries	1,505,343	197,000	1,702,343	1,498,507	203,836
Total Undist. Expend. - Other Supp. Serv. - Extraordinary Svcs.	1,505,343	197,000	1,702,343	1,498,507	203,836
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	3,724,055	(150,000)	3,574,055	3,295,509	278,546
Salaries of Secretarial and Clerical Assistants	752,732	-	752,732	686,272	66,460
Purchased Professional - Educational Services	200	(200)	-	-	-
Other Purchased Services (400-500 series)	91,594	58,637	150,231	137,032	13,199
Supplies and Materials	59,657	(2,460)	57,197	45,239	11,958
Other Objects	1,700	-	1,700	388	1,312
Total Undist. Expenditures - Guidance	4,629,938	(94,023)	4,535,915	4,164,440	371,475
Undist. Expenditures - Child Study Teams					
Salaries of Other Professional Staff	2,236,868	(56,000)	2,180,868	2,099,345	81,523
Salaries of Secretarial and Clerical Assistants	297,670	-	297,670	297,209	461
Purchased Professional - Educational Services	204,975	71,715	276,690	214,827	61,863
Residential Costs	224,973	3,635	228,608	228,608	-
Miscellaneous Purchased Services (400-500 series)	2,200	550	2,750	2,341	409
Supplies and Materials	27,490	546	28,036	13,514	14,522
Total Undist. Expend. - Child Study Teams	2,994,176	20,446	3,014,622	2,855,844	158,778
Undist. Expend. - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	239,653	(0)	239,653	225,125	14,528
Salaries of Secretarial and Clerical Assistants	148,051	-	148,051	144,121	3,930
Other Salaries	91,523	(9,685)	81,838	66,454	15,384
Other Purch Services (400-500)	40,459	1,743	42,202	39,394	2,808
Supplies and Materials	19,000	(4,231)	14,769	13,318	1,451
Other Objects	10,000	(1,448)	8,552	6,416	2,136
Total Undist. Expend. - Improvement of Instruction Services	548,686	(13,621)	535,065	494,828	40,236
Undist. Expend. - Educational Media Serv./School Library					
Salaries	527,675	-	527,675	417,959	109,716
Purchased Professional and Technical Services	71,450	10,003	81,453	73,235	8,218
Other Purchased Services (400-500 series)	12,100	15,088	27,188	22,945	4,243
Supplies and Materials	203,480	(43,704)	159,756	155,710	4,046
Other Objects	400	(400)	-	-	-
Total Undist. Expend. - Educational Media/Library Services	815,085	(19,013)	796,072	669,849	126,224
Undist. Expend. - Instructional Staff Training Services					
Salaries of Supervisors of Instruction	181,415	24,000	205,415	204,182	1,233
Purchased Professional - Educational Service	37,375	(32,723)	4,652	743	3,909
Other Purchased Services (400-500 series)	74,454	(45,937)	28,517	7,753	20,764
Supplies and Materials	12,000	(7,446)	4,554	4,554	-
Other Objects	4,700	(2,000)	2,700	-	2,700
Total Undist. Expend. - Instructional Staff Training Services	309,944	(64,106)	245,838	217,232	28,606
Undist. Expend. - Support Services - General Administration					
Salaries	352,294	(146,700)	205,594	166,024	39,570
Legal Services	400,000	98,500	498,500	491,782	6,718
Audit Fees	63,000	(10,000)	53,000	50,025	2,975
Architectural/Engineering Services	-	39,000	39,000	24,337	14,663
Other Purchased Professional Services	60,080	17,900	77,980	67,412	10,568
Purchased Technical Services	10,000	-	10,000	4,000	6,000
Communications/Telephone	452,000	48,900	500,900	391,054	109,846
BOE Other Purchased Services	9,168	(3,000)	6,168	649	5,519
Other Purchased Services (400-500 series)	570,027	(41,703)	528,324	391,970	136,355
General Supplies	5,000	12,091	17,091	16,609	482
BOE In-House Training/Meeting Supplies	4,000	100	4,100	4,057	43
Miscellaneous Expenditures	1,693	-	1,693	540	1,153
BOE Membership Dues and Fees	30,000	-	30,000	26,713	3,287
Total Undist. Expend. - Support Services - General Administration	1,957,282	15,088	1,972,350	1,635,170	337,179

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, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	3,003,164	6,600	3,009,764	3,009,707	57
Salaries of Other Professional Staff	1,939,386	(23,600)	1,915,786	1,698,229	217,557
Salaries of Secretarial and Clerical Assistants	938,825	302,000	1,240,825	1,211,343	29,482
Other Purchased Services (400-500 series)	113,172	23,524	136,696	103,618	33,078
Supplies and Materials	115,384	2,594	117,978	107,548	10,430
Other Objects	101,944	100	102,044	88,065	13,978
Total Undist. Expend. - Support Serv. - School Administration	6,211,875	311,218	6,523,093	6,218,510	304,582
Undist. Expend. - Central Services					
Salaries	1,422,251	-	1,422,251	1,334,496	87,755
Purchased Professional Services	3,000	-	3,000	-	3,000
Purchased Technical Services	26,000	-	26,000	22,133	3,867
Misc Purchased Services (400-500 series)	66,016	2,206	68,222	54,696	13,526
Supplies and Materials	53,150	(434)	52,716	29,617	23,099
Other Objects	9,500	-	9,500	4,296	5,204
Total Undist. Expend. - Central Services	1,579,917	1,772	1,581,689	1,445,237	136,452
Undist. Expend. - Administrative Information Technology					
Salaries	585,214	-	585,214	558,602	26,612
Purchased Technical Services	236,043	157,600	393,643	393,465	178
Supplies and Materials	40,000	-	40,000	36,630	3,370
Total Undist. Expend. - Administrative Information Technology	861,257	157,600	1,018,857	988,696	30,161
Undist. Expend. - Required Maintenance for School Facilities					
Maintenance Reserve Interest - Transfer to	15,000	-	15,000	-	15,000
Salaries	935,589	550	936,139	936,017	122
Cleaning, Repair and Maintenance Services	984,000	(16,903)	967,097	886,535	80,562
General Supplies	686,000	(51,393)	634,607	415,084	219,524
Other Objects	16,800	12,500	29,300	28,530	770
Total Undist. Expend. - Required Maintenance for Sch. Facilities	2,637,389	(55,246)	2,582,143	2,266,166	315,977
Undist. Expend. - Custodial Services					
Salaries	4,247,383	(35,500)	4,211,883	3,780,675	431,208
Cleaning, Repair and Maintenance Services	364,500	81,123	445,623	261,561	184,062
Rental of Land and Buildings - Oth than Lease Purch Agrmt	211,000	-	211,000	195,519	15,481
Other Purchased Property Services	283,000	10,136	293,136	255,226	37,910
Insurance	113,912	(21,102)	92,810	92,810	-
Miscellaneous Purchased Services	28,550	-	28,550	28,211	339
General Supplies	338,750	-	338,750	336,285	2,465
Energy (Electricity)	3,044,000	300,000	3,344,000	2,542,020	801,980
Energy (Natural Gas)	1,706,000	-	1,706,000	1,088,441	617,559
Energy (Gasoline)	900,000	-	900,000	868,771	31,229
Total Undist. Expend. - Custodial Services	11,237,095	334,657	11,571,752	9,449,519	2,122,233
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	729,724	53,000	782,724	776,333	6,391
Cleaning, Repair, and Maintenance Services	200,250	90,000	290,250	282,807	7,444
General Supplies	326,500	(63,966)	262,534	242,535	20,000
Other Objects	3,500	-	3,500	-	3,500
Total Undist. Expend. - Care & Upkeep of Grounds	1,259,974	79,034	1,339,008	1,301,674	37,334
Undist. Expend. - Security					
Salaries	813,042	(331,000)	482,042	389,717	92,325
Purchased Professional & Technical Services	12,000	-	12,000	12,000	-
Cleaning, Repair, and Maintenance Services	3,500	2,000	5,500	4,707	793
General Supplies	15,000	652	15,652	10,700	4,952
Total Undist. Expend. - Security	843,542	(328,348)	515,194	417,124	98,070
Total Undist. Expend. - Operation & Maint. Of Plant Services	15,978,000	30,097	16,008,097	13,434,482	2,573,615

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, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Student Transportation Services					
Salaries of Non-Instructional Aides	344,439	53,000	397,439	370,080	27,358
Salaries for Pupil Transp. (Bet. Home & School) - Regular	3,128,494	447,700	3,576,194	3,576,014	180
Salaries for Pupil Transp. (Bet. Home & School) - Spec. Ed.	1,116,683	(263,600)	853,083	843,476	9,607
Salaries for Pupil Transp. (Other than bet. Home & School)	650,000	(116,789)	533,211	312,863	220,348
Management Fees - ESC & CTSA Transportation Programs	172,200	-	172,200	151,974	20,226
Other Purchased Professional and Technical Services	65,290	450	65,740	47,083	18,657
Cleaning, Repair, and Maintenance Services	623,000	87,000	710,000	645,969	64,031
Rental Payments - School Buses	15,000	(10,000)	5,000	-	5,000
Contracted Services (Between Home and School) - Vendors	4,722,640	(686,330)	4,036,310	3,906,608	129,702
Contracted Svcs. (Other than Bet. Home & School) - Vendors	238,200	(9,928)	228,274	105,697	122,577
Contracted Svcs. (Bet. Home & School) - Joint Agreements	10,000	-	10,000	1,190	8,810
Contracted Services (Special Education Students) - Vendors	25,000	183,000	208,000	206,351	1,649
Contracted Svcs. (Special Ed. Students) - Joint Agreements	35,000	40,000	75,000	74,162	838
Contracted Services (Regular Students) - ESC & CTSA	888,000	70,000	958,000	682,733	275,267
Contracted Services (Special Ed. Students) - ESC & CTSA	1,580,000	(70,000)	1,510,000	1,499,308	10,694
Contracted Services - Aid In Lieu of Payment for Non-public	110,000	-	110,000	96,945	13,055
Miscellaneous Purchased Services - Transportation	162,700	(25,000)	137,700	136,586	1,114
General Supplies	7,500	14,500	22,000	12,524	9,476
Transportation Supplies	685,000	(102,296)	582,704	477,302	105,402
Other Objects	2,000	500	2,500	2,397	103
Total Undist. Expend. - Student Transportation Services	14,581,146	(387,791)	14,193,355	13,149,260	1,044,094
Unallocated Benefits - Employee Benefits					
Social Security Contributions	2,052,269	(165,133)	1,887,136	1,851,186	35,950
Other Retirement Contributions - Regular	1,670,513	288,473	1,958,986	1,958,986	-
Unemployment Compensation	1,820,800	81,527	1,902,327	1,899,356	2,971
Workmen's Compensation	942,268	(250,000)	692,268	654,313	37,955
Health Benefits	26,510,405	549,613	27,060,018	26,854,707	205,311
Tuition Reimbursement	100,000	-	100,000	79,215	20,785
Other Employee Benefits	65,000	-	65,000	39,263	25,737
TOTAL UNALLOCATED BENEFITS	33,161,255	504,480	33,665,735	33,337,026	328,709
On-behalf TPAF pension Contributions (non-budgeted)	-	-	-	4,709,269	(4,709,269)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	5,163,559	(5,163,559)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	9,872,828	(9,872,828)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	33,161,255	504,480	33,665,735	43,209,854	(9,544,119)
TOTAL UNDISTRIBUTED EXPENDITURES	101,507,418	939,011	102,446,429	105,827,249	(3,380,820)
TOTAL GENERAL CURRENT EXPENSE	167,105,333	27,883	167,133,216	168,302,334	(1,169,118)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Grades 9-12	-	52,608	52,608	50,445	2,163
School-Sponsored and Other Instructional Program		4,950	4,950	4,553	397
Undistributed Expenditures					
Admin Info Tech.	125,000	289,330	414,330	373,954	40,376
Maint of School Facility		49,966	49,966	27,966	22,000
Care & Upkeep of Grounds		3,842	3,842	3,842	-
Security		21,835	21,835	17,967	3,868
Non-Instructional Equip.		48,000	48,000	26,633	21,367
School Buses - Regular		76,689	76,689	-	76,689
Total Equipment	125,000	547,220	672,220	505,360	166,860
Facilities Acquisition and Construction Services					
Construction Services	10,150	-	10,150	10,150	-
Total Facilities Acquisition and Construction Services	10,150	-	10,150	10,150	-
Capital Reserve Interest - Transfer to	5,000	-	5,000	-	5,000
TOTAL CAPITAL OUTLAY	140,150	547,220	687,370	515,510	171,860
SPECIAL SCHOOLS					
Summer School - Instruction	-	260	260	240	20
Other Objects	-	260	260	240	20
Total Summer School - Instruction	-	260	260	240	20
TOTAL SPECIAL SCHOOLS	-	260	260	240	20

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, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Transfer of Funds to Charter School	15,904	1,338	17,242	14,656	2,586
TOTAL EXPENDITURES	167,261,387	576,701	167,838,088	168,832,740	(994,652)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,567,500)	(576,701)	(7,144,201)	3,327,461	10,471,662
Fund Balance, July 1	16,652,223	-	16,652,223	16,652,223	-
Fund Balance, June 30	\$ 10,084,723	(576,701)	\$ 9,508,022	\$ 19,979,684	\$ 10,471,662
Recapitulation:					
Year End Encumbrances				\$ 652,561	
Legally Restricted - Capital Reserve				2,339,487	
Legally Restricted - Maintenance Reserve				1,420,000	
Legally Restricted - Emergency Reserve				250,000	
Legally Restricted - Excess Surplus Designated for Subsequent Year's Expenditures				1,979,705	
Legally Restricted - Reserve for Excess Surplus				6,838,493	
Assigned-Designated for Subsequent Year's Expenditures				1,934,795	
Unassigned Fund Balance				4,564,643	
				19,979,684	
Reconciliation to Governmental Funds Statements (GAAP)					
Last State Aid Payment not recognized on GAAP basis				(4,411,367)	
Fund Balance per Governmental Funds (GAAP)				\$ 15,568,317	

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, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 105,460	30,750	\$ 136,210	\$ 106,263	\$ (29,947)
State Sources	18,015	754	18,769	16,493	(2,276)
Federal Sources	<u>2,352,481</u>	<u>1,482,873</u>	<u>3,835,354</u>	<u>3,133,714</u>	<u>(701,640)</u>
Total Revenues	<u>2,475,956</u>	<u>1,514,377</u>	<u>3,990,333</u>	<u>3,256,470</u>	<u>(733,863)</u>
EXPENDITURES:					
Instruction					
Salaries of Teachers	2,171,028	(335,921)	1,835,107	1,784,995	50,112
Other Salaries for Instruction	-	75,781	75,781	35,781	40,000
Other Salaries	32,533	211,693	244,226	216,807	27,420
Purchased Professional-Technical Services	135,812	(94,527)	41,285	41,285	-
Other Purchased Services	7,000	178,768	185,768	166,514	19,254
General Supplies	111,568	300,031	411,599	309,389	102,211
Other Objects	-	30,897	30,897	30,897	-
Textbooks	-	452	452	452	-
Total Instruction	<u>2,457,941</u>	<u>367,174</u>	<u>2,825,115</u>	<u>2,586,119</u>	<u>238,996</u>
Support Services					
Other Salaries	-	88,392	88,392	71,197	17,195
Personal Services - Employee Benefits	-	384,825	384,825	283,646	101,179
Purchased Professional - Educational Services	18,015	86,234	104,249	93,728	10,521
Other Purchased Services (400-500 series)	-	88,191	88,191	67,635	20,556
Supplies & Materials	-	50,555	50,555	38,383	12,172
Total Support Services	<u>18,015</u>	<u>698,198</u>	<u>716,213</u>	<u>554,589</u>	<u>161,624</u>
Equipment					
Instructional Equipment	-	94,883	94,883	89,709	5,174
Non-Instructional Equipment	-	15,535	15,535	9,553	5,982
Construction Services	-	338,587	338,587	16,500	322,087
Total Equipment	<u>-</u>	<u>449,005</u>	<u>449,005</u>	<u>115,762</u>	<u>333,243</u>
Total Expenditures	<u>2,475,956</u>	<u>1,514,377</u>	<u>3,990,333</u>	<u>3,256,470</u>	<u>733,863</u>
Total Outflows	<u>2,475,956</u>	<u>1,514,377</u>	<u>3,990,333</u>	<u>3,256,470</u>	<u>733,863</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.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
FISCAL YEAR ENDED JUNE 30, 2011

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 172,160,201	\$ 3,256,470
 Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(48,269)
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	5,270,424	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(4,411,367)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 173,019,258</u>	<u>\$ 3,208,201</u>
 Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	168,832,740	3,256,470
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(48,269)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to capital projects fund	<u>-</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 168,832,740</u>	<u>\$ 3,208,201</u>

OTHER SUPPLEMENTARY INFORMATION

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SPECIAL REVENUE FUND DETAIL STATEMENTS

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, 2011

NONPUBLIC AID								
	Textbooks	Nursing	Suppl. Instr.	Exam. and Classif.	Comp Ed.	Corr Speech	Perkins	
							Current	Run-Out
REVENUES:								
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	452	3,165	3,474	7,816	335	1,251	-	-
Federal Sources	-	-	-	-	-	-	139,944	18
Total Revenues	\$ 452	\$ 3,165	\$ 3,474	\$ 7,816	\$ 335	\$ 1,251	\$ 139,944	\$ 18
EXPENDITURES:								
Instruction:								
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
Other Salaries for Instruction	-	-	-	-	-	-	-	-
Purchased Prof. & Technical Svcs	-	-	-	-	-	-	1,826	-
Other Purchased Services	-	-	-	-	-	-	-	-
Tuition - Private School Disabled	-	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	57,353	18
Other	-	-	-	-	-	-	30,897	-
Textbooks	452	-	-	-	-	-	-	-
Total Instruction	452	-	-	-	-	-	90,076	18
Support Services:								
Salaries - Support	-	-	-	-	-	-	-	-
Personal Svcs. - Emp. Benefits	-	-	-	-	-	-	-	-
Purchased Prof.-Educational Svcs	-	3,165	3,474	7,816	335	1,251	-	-
Other Purchased Services	-	-	-	-	-	-	1,177	-
Supplies & Materials	-	-	-	-	-	-	-	-
Total Support Services	-	3,165	3,474	7,816	335	1,251	1,177	-
Equipment:								
Instructional Equipment	-	-	-	-	-	-	48,691	-
Non-Instructional Equipment	-	-	-	-	-	-	-	-
Total Equipment	-	-	-	-	-	-	48,691	-
Construction Services	-	-	-	-	-	-	-	-
Total Construction Services	-	-	-	-	-	-	-	-
Total Expenditures	\$ 452	\$ 3,165	\$ 3,474	\$ 7,816	\$ 335	\$ 1,251	139,944	\$ 18
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, 2011

	Title I		Title IIA		Title IID	
	Current	Run-Out	Current	Run-out	Current	Run-out
REVENUES:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	242,127	78,031	161,219	27,209	716	-
Total Revenues	\$ 242,127	\$ 78,031	\$ 161,219	\$ 27,209	\$ 716	\$ -
EXPENDITURES:						
Instruction:						
Salaries of Teachers	54,545	-	-	-	-	-
Other Salaries for Instruction	35,781	-	-	-	-	-
Other Salaries	13,922	44,224	92,857	18,419	324	-
Purchased Prof. & Technical Svcs	23,710	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-
General Supplies	81,482	23,968	-	-	-	-
Other	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-
Total Instruction	209,439	68,192	92,857	18,419	324	-
Support Services:						
Salaries - Support	-	-	-	-	-	-
Personal Svcs. - Emp. Benefits	14,979	131	8,513	990	25	-
Purchased Prof.-Educational Svcs	-	-	10,206	-	-	-
Other Purchased Services	15,385	9,708	21,751	-	-	-
Supplies & Materials	2,324	-	27,892	7,800	367	-
Total Support Services	32,688	9,839	68,362	8,790	392	-
Equipment:						
Instructional Equipment	-	-	-	-	-	-
Non-Instructional Equipment	-	-	-	-	-	-
Total Equipment	-	-	-	-	-	-
Construction Services	-	-	-	-	-	-
Total Construction Services	-	-	-	-	-	-
Total Expenditures	242,127	78,031	161,219	27,209	716	-
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, 2011

	Title III			Post Secondary	I.D.E.A.		
	Current	Run-out	Immigrant		Current	Run-Out	ARRA
REVENUES:							
Local Sources	\$ -	\$ -	\$ -	\$ 60,500	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-
Federal Sources	18,425	5,564	12,018	-	2,124,595	12,023	311,825
Total Revenues	\$ 18,425	\$ 5,564	\$ 12,018	\$ 60,500	\$ 2,124,595	\$ 12,023	\$ 311,825
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	-	-	-	1,730,450	-	-
Other Salaries for Instruction	-	-	-	-	-	-	-
Other Salaries	1,938	5,528	-	24,800	-	-	-
Purchased Prof. & Technical Svcs	2,546	-	5,750	-	-	-	-
Other Purchased Services	-	-	-	35,700	130,814	-	-
General Supplies	12,515	-	6,268	-	9,993	4,309	89,968
Other	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Total Instruction	16,999	5,528	12,018	60,500	1,871,257	4,309	89,968
Support Services:							
Salaries - Support	-	-	-	-	-	-	71,197
Personal Svcs. - Emp. Benefits	187	36	-	-	253,338	-	5,447
Purchased Prof.-Educational Svcs	-	-	-	-	-	5	67,476
Other Purchased Services	1,239	-	-	-	-	-	18,375
Supplies & Materials	-	-	-	-	-	-	-
Total Support Services	1,426	36	-	-	253,338	5	162,495
Equipment:							
Instructional Equipment	-	-	-	-	-	7,709	33,309
Non-Instructional Equipment	-	-	-	-	-	-	9,553
Total Equipment	-	-	-	-	-	7,709	42,862
Construction Services	-	-	-	-	-	-	16,500
Total Construction Services	-	-	-	-	-	-	16,500
Total Expenditures	18,425	5,564	12,018	60,500	2,124,595	12,023	311,825
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, 2011

	A.F.C.E.A.	JROTC	Lowe's	College Fair	DCH Auto	Totals
REVENUES:						
Local sources	\$ 8,601	\$ 9,279	\$ 3,933	\$ 14,950	\$ 9,000	\$ 106,263
State sources	-	-	-	-	-	16,493
Federal sources	-	-	-	-	-	3,133,714
Total Revenues	\$ 8,601	\$ 9,279	\$ 3,933	\$ 14,950	\$ 9,000	\$ 3,256,470
EXPENDITURES:						
Instruction:						
Salaries of Teachers	-	-	-	-	-	\$ 1,784,995
Other Salaries for Instruction	-	-	-	-	-	35,781
Purchased Prof. and Tech Svcs	-	-	-	3,969	9,000	216,807
Other Purchased Services	-	9,279	-	-	-	41,285
Tuition - Private School Disabled	-	-	-	-	-	166,514
General Supplies	8,601	-	3,933	10,981	-	309,389
Other	-	-	-	-	-	30,897
Textbooks	-	-	-	-	-	452
Total Instruction	8,601	9,279	3,933	14,950	9,000	2,586,119
Support Services:						
Salaries - Support	-	-	-	-	-	71,197
Personal Svcs. - Emp. Benefits	-	-	-	-	-	283,646
Purchased Prof.-Educational Svcs	-	-	-	-	-	93,728
Other Purchased Services	-	-	-	-	-	67,635
Supplies & Materials	-	-	-	-	-	38,383
Total Support Services	-	-	-	-	-	554,589
Equipment:						
Instructional Equipment	-	-	-	-	-	89,709
Non-Instructional Equipment	-	-	-	-	-	9,553
Total Equipment	-	-	-	-	-	99,262
Construction Services	-	-	-	-	-	16,500
Total Construction Services	-	-	-	-	-	16,500
Total Expenditures	\$ 8,601	\$ 9,279	\$ 3,933	\$ 14,950	\$ 9,000	\$ 3,256,470
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-

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CAPITAL PROJECTS FUND DETAIL STATEMENTS

The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, as well as grants authorized by the New Jersey School Development Authority.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2011
			Prior Years	Current Year	
Freehold Boro High School - Corridor Roof Repair	5/1/2009	\$ 102,249	\$ 102,249	\$ -	\$ -
Howell High School - Water Main Replacement	5/1/2009	73,651	73,651	-	-
Manalapan High School - Partial Roof Replacement	5/1/2009	160,246	160,246	-	-
Totals		<u>\$ 336,146</u>	<u>\$ 336,146</u>	<u>\$ -</u>	<u>\$ -</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS

FREEHOLD BORO HIGH SCHOOL - CORRIDOR ROOF REPAIR
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Funding Sources:				
State sources - SDA grant	\$ 40,900	\$ -	\$ 40,900	\$ 40,900
Transfer from capital reserve	61,349	-	61,349	61,349
Total Revenues	<u>102,249</u>	<u>-</u>	<u>102,249</u>	<u>102,249</u>
Expenditures and Other Financing Uses:				
Purchased professional and technical services	8,424	-	8,424	8,424
Construction services	93,825	-	93,825	93,825
Total Expenditures	<u>102,249</u>	<u>-</u>	<u>102,249</u>	<u>102,249</u>
Excess (Deficiency) of revenues over (under) expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	1650-050-09-1001
Grant Date/Letter of Notification	5/1/2009
Bond Authorization/Referendum Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Project Authorized Cost	\$93,753
Additional Authorized Cost	\$8,496
Revised Authorized Cost	\$102,249
Percentage Increase Over Original Authorized Cost	9%
Percentage Completion	100%
Original Target Completion Date	8/28/2009
Actual Completion Date	9/1/2010

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS

HOWELL HIGH SCHOOL - WATER MAIN REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Funding Sources:				
State sources - SDA grant	\$ 29,460	\$ -	\$ 29,460	\$ 29,460
Transfer from capital reserve	44,191	-	44,191	44,191
Total Revenues	<u>73,651</u>	<u>-</u>	<u>73,651</u>	<u>73,651</u>
Expenditures and Other Financing Uses:				
Purchased professional and technical services	18,197	-	18,197	18,197
Construction services	55,454	-	55,454	55,454
Total Expenditures	<u>73,651</u>	<u>-</u>	<u>73,651</u>	<u>73,651</u>
Excess (Deficiency) of revenues over (under) expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	1650-050-09-1003
Grant Date/Letter of Notification	5/1/2009
Bond Authorization/Referendum Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Project Authorized Cost	\$218,750
Additional Authorized Cost	(\$145,099)
Revised Authorized Cost	\$73,651
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	9/1/2010
Actual Completion Date	6/15/2010

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY
BASIS

MANALAPAN HIGH SCHOOL - PARTIAL ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Funding Sources:				
State sources - SDA grant	\$ 64,098		\$ 64,098	\$ 64,098
Transfer from capital reserve	96,148		96,148	96,148
Total Revenues	<u>160,246</u>	<u>-</u>	<u>160,246</u>	<u>160,246</u>
Expenditures and Other Financing Uses:				
Purchased professional and technical services	19,127	-	19,127	19,127
Construction services	141,119	-	141,119	141,119
Total Expenditures	<u>160,246</u>	<u>-</u>	<u>160,246</u>	<u>160,246</u>
Excess (Deficiency) of revenues over (under) expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	1650-050-09-1004			
Grant Date/Letter of Notification	5/1/2009			
Bond Authorization/Referendum Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Project Authorized Cost	\$297,015			
Additional Authorized Cost	(\$136,769)			
Revised Authorized Cost	\$160,246			
Percentage Increase Over Original Authorized Cost	0%			
Percentage Completion	100%			
Original Target Completion Date	9/1/2010			
Actual Completion Date	6/15/2010			

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PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

FOOD SERVICES FUND:

This fund provides for the operation of Food services within the school district.

EXTRACURRICULAR FUND:

This fund provides for the operation of An Ice Hockey Program within the school district.

SAT PREP FUND:

This fund provides for the operation of a voluntary academic enhancement program within the school district.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUND
JUNE 30, 2011

	<u>Major Fund</u>	<u>Non-Major Fund</u>			
	<u>Food Service</u>	<u>Extra</u>	<u>SAT</u>	<u>Total</u>	<u>Totals</u>
	<u>Fund</u>	<u>Curricular</u>	<u>Prep</u>		
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 589,831	\$ -	\$ 3,336	\$ 3,336	\$ 593,167
Intergovernmental Receivables	17,593	-	-	-	17,593
Other Receivable	314,730	8,668		8,668	323,398
Interfund Receivable	118,295			-	118,295
Inventories	35,715	-	-	-	35,715
Total Current Assets	<u>1,076,164</u>	<u>8,668</u>	<u>3,336</u>	<u>12,004</u>	<u>1,088,168</u>
Noncurrent Assets:					
Furniture, Machinery & Equipment	503,385	-	-	-	503,385
Less Accumulated Depreciation	<u>(398,266)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(398,266)</u>
Total Noncurrent Assets	<u>105,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,119</u>
Total Assets	<u>\$ 1,181,283</u>	<u>\$ 8,668</u>	<u>\$ 3,336</u>	<u>\$ 12,004</u>	<u>\$ 1,193,287</u>
LIABILITIES					
Current liabilities:					
Accounts Payable	\$ 209,187	\$ -	\$ -	\$ -	\$ 209,187
Interfund Payable	50,106	8,668		8,668	58,774
Deferred Revenue	5,378	-	-	-	5,378
Total Current Liabilities	<u>\$ 264,671</u>	<u>\$ 8,668</u>	<u>\$ -</u>	<u>\$ 8,668</u>	<u>\$ 273,339</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	\$ 105,119	\$ -	\$ -	\$ -	\$ 105,119
Unrestricted	811,493	-	3,336	3,336	814,829
Total Net Assets	<u>\$ 916,612</u>	<u>\$ -</u>	<u>\$ 3,336</u>	<u>\$ 3,336</u>	<u>\$ 919,948</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Major Fund</u>	<u>Non-Major Funds</u>			
	<u>Food Service Fund</u>	<u>Extra Curricular</u>	<u>SAT Prep</u>	<u>Total</u>	<u>Total</u>
OPERATING REVENUES					
Charges for Services:					
Daily Sales - Non-reimbursable Programs	\$ 2,941,180	\$ -	\$ -	\$ -	\$ 2,941,180
Fees for Services	-	227,348	24,299	251,647	251,647
	<u>2,941,180</u>	<u>227,348</u>	<u>24,299</u>	<u>251,647</u>	<u>3,192,827</u>
OPERATING EXPENSES					
Cost of Sales	1,142,853	-	-	-	1,142,853
Salaries	1,408,399	89,278	20,963	110,241	1,518,640
Employee Benefits	397,418	-	-	-	397,418
Management Fees	25,000	-	-	-	25,000
Supplies and Materials	91,908	1,410	-	1,410	93,318
Equipment Repair and Maintenance	37,093	-	-	-	37,093
Insurance	167,759	-	-	-	167,759
Laundry and Uniforms	7,608	-	-	-	7,608
Travel	12,467	5,440	-	5,440	17,907
Depreciation	35,270	-	-	-	35,270
Licenses	7,462	-	-	-	7,462
Miscellaneous	26,839	-	-	-	26,839
Facility Rental	-	112,830	-	112,830	112,830
League Fees	-	18,390	-	18,390	18,390
Total Operating Expenses	<u>3,360,076</u>	<u>227,348</u>	<u>20,963</u>	<u>248,311</u>	<u>3,608,387</u>
Operating Gain/(Loss)	<u>(418,896)</u>	<u>-</u>	<u>3,336</u>	<u>3,336</u>	<u>(415,560)</u>
NONOPERATING REVENUES					
State Sources:					
State School Lunch Program	16,524	-	-	-	16,524
Federal Sources:					
National School Lunch Program	308,134	-	-	-	308,134
National School Breakfast Program	33,291	-	-	-	33,291
Food Distribution Program	99,280	-	-	-	99,280
Total Nonoperating Revenues	<u>457,229</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457,229</u>
Change in Net Assets	38,333	-	3,336	3,336	41,669
Total Net Assets - Beginning	<u>878,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>878,279</u>
Total Net Assets - Ending	<u>\$ 916,612</u>	<u>\$ -</u>	<u>\$ 3,336</u>	<u>\$ 3,336</u>	<u>\$ 919,948</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Major Fund</u>	<u>Non-Major Fund</u>			
	<u>Food Service Fund</u>	<u>Extra Curricular</u>	<u>SAT Prep</u>	<u>Total</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 2,937,379	\$ 221,775	\$ 24,299	\$ 246,074	\$ 3,183,453
Payments to Employees	(1,435,420)	(89,278)	(20,963)	(110,241)	(1,545,661)
Payments for Employee Benefits	(406,274)	-	-	-	(406,274)
Payments to Suppliers	(1,490,390)	(138,070)	-	(138,070)	(1,628,460)
Net Cash Provided by (Used in) Operating Activities	(394,706)	(5,573)	3,336	(2,237)	(396,943)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
State Sources	16,871	-	-	-	16,871
Federal Sources	353,077	-	-	-	353,077
Transfers to other funds	(107,135)	8,669	-	8,669	(98,466)
Net Cash Provided by Non-Capital Financing Activities	262,813	8,669	-	8,669	271,482
Net Increase/(Decrease) in Cash and Cash Equivalents	(131,893)	3,096	3,336	6,432	(125,461)
Balance - Beginning of Year	721,724	(3,096)	-	(3,096)	718,628
Balance - End of Year	\$ 589,831	\$ 0	\$ 3,336	\$ 3,336	\$ 593,167
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:					
Operating Gain/Loss	\$ (418,896)	\$ -	\$ 3,336	\$ 3,336	(415,560)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	21,634	-	-	-	21,634
Donated Commodities Received During the Year	99,280	-	-	-	99,280
(Increase)Decrease in Accounts Receivable, Net	32,054	(5,573)	-	(5,573)	26,481
(Increase) in Inventories	(18,249)	-	-	-	(18,249)
Increase in Deferred Revenue	3,991	-	-	-	3,991
Increase(Decrease) in Accounts Payable	(114,520)	-	-	-	(114,520)
Total Adjustments	24,190	(5,573)	-	(5,573)	18,617
Net Cash Provided by (Used in) Operating Activities	\$ (394,706)	\$ (5,573)	\$ 3,336	\$ (2,237)	\$ (396,943)

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 ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	Unemployment Compensation Insurance Trust	Private Purpose Trust	Agency Funds	Totals
ASSETS				
Cash and Cash Equivalents	\$ 1,286,113	\$ 1,014,209	\$ 1,010,462	\$ 3,310,785
Intrafund Payable	45,323	-	-	45,323
Loans Receivable	-	23,740	-	23,740
Total Assets	<u>\$ 1,331,436</u>	<u>\$ 1,037,949</u>	<u>\$ 1,010,462</u>	<u>\$ 3,379,848</u>
LIABILITIES				
Accounts Payable	\$ 65,030	\$ -	\$ -	\$ 65,030
Intrafund Payable	-	-	45,323	\$ 45,323
Interfund Payable	-	-	18,329	18,329
Payable to Student Groups	-	-	870,983	870,983
Payroll Deductions and Withholdings	-	-	75,827	75,827
Total Liabilities	<u>\$ 65,030</u>	<u>\$ -</u>	<u>\$ 1,010,462</u>	<u>\$ 1,075,492</u>
NET ASSETS				
Held in Trust for Unemployment Claims and Other Purposes	\$ 1,266,406	\$ -	\$ -	\$ 1,266,406
Reserved for Scholarships	-	1,037,949	-	1,037,949
Total Net Assets	<u>1,266,406</u>	<u>1,037,949</u>	<u>-</u>	<u>2,304,355</u>
Total Liabilities and Net Assets	<u>\$ 1,331,436</u>	<u>\$ 1,037,949</u>	<u>\$ 1,010,462</u>	<u>\$ 3,379,847</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Unemployment Compensation Insurance Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Plan Members	\$ 203,690	\$ -	\$ 203,690
District	1,891,000	-	1,891,000
Donations	-	30,310	30,310
Total Contributions	<u>2,094,690</u>	<u>30,310</u>	<u>2,125,000</u>
Investment Earnings:			
Interest	<u>938</u>	<u>1,852</u>	<u>2,790</u>
Net Investment Earnings	<u>938</u>	<u>1,852</u>	<u>2,790</u>
Total Additions	<u>2,095,628</u>	<u>32,162</u>	<u>2,127,790</u>
DEDUCTIONS			
Quarterly Contribution Reports	34,469	-	34,469
Unemployment Claims	1,003,002	-	1,003,002
Scholarships Awarded	-	40,713	40,713
Total Deductions	<u>1,037,472</u>	<u>40,713</u>	<u>1,078,185</u>
Change in Net Assets	1,058,156	(8,551)	1,049,605
Net Assets - Beginning of the Year	<u>208,250</u>	<u>1,046,500</u>	<u>1,254,750</u>
Net Assets - End of the Year	<u>\$ 1,266,406</u>	<u>\$ 1,037,949</u>	<u>\$ 2,304,355</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
HIGH SCHOOLS:				
Colts Neck	\$ 129,220	\$ 447,423	\$ 447,193	\$ 129,450
Freehold Borough	104,838	258,201	246,392	\$ 116,647
Freehold Township	172,841	421,912	392,319	\$ 202,434
Howell	115,493	398,901	401,712	\$ 112,682
Manalapan	104,982	394,263	365,868	\$ 133,377
Marlboro	<u>195,171</u>	<u>370,698</u>	<u>389,476</u>	<u>\$ 176,393</u>
 TOTAL ASSETS	 <u>\$ 822,545</u>	 <u>\$ 2,291,399</u>	 <u>\$ 2,242,961</u>	 <u>\$ 870,983</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance <u>July 1, 2010</u>	Additions	Deletions	Balance <u>June 30, 2011</u>
ASSETS:				
Cash and Cash Equivalents	\$ 710,362	\$ 41,418,873	\$ 41,989,756	\$ 139,479
Interfund Receivable	<u>136,157</u>	<u>128,783</u>	<u>264,940</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 846,519</u>	<u>\$ 41,547,656</u>	<u>\$ 42,254,696</u>	<u>\$ 139,479</u>
 LIABILITIES:				
Payroll Deductions and Withholding	\$ 846,519	\$ 41,090,281	\$ 41,860,973	\$ 75,827
Intrafund Payable		\$ 45,323		\$ 45,323
Interfund Payable	<u>-</u>	<u>18,329</u>	<u>-</u>	<u>18,329</u>
TOTAL LIABILITIES	<u>\$ 846,519</u>	<u>\$ 41,153,933</u>	<u>\$ 41,860,973</u>	<u>\$ 139,479</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.

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF SERIAL BONDS
AS OF JUNE 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2010	Retired Current Year	Balance June 30, 2011
			Date	Amount				
Refunded - Additions and renovations of Colts Neck, Freehold, Freehold Twp, Howell, Manalapan, and Marlboro High Schools	11/16/2001	\$ 42,690,000	3/1/2012	3,455,000	5.00%	41,770,000	3,280,000	38,490,000
			3/1/2013	3,635,000	5.00%			
			3/1/2014	3,830,000	5.00%			
			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%			
						-	-	-
						<u>\$ 41,770,000</u>	<u>\$ 3,280,000</u>	<u>\$ 38,490,000</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 4,062,938	\$ -	\$ 4,062,938	\$ 4,062,938	\$ -
State Sources:					
Debt Service Aid	<u>1,305,562</u>	<u>-</u>	<u>1,305,562</u>	<u>1,305,562</u>	<u>-</u>
Total - State Sources	<u>1,305,562</u>	<u>-</u>	<u>1,305,562</u>	<u>1,305,562</u>	<u>-</u>
Total Revenues	<u>5,368,500</u>	<u>-</u>	<u>5,368,500</u>	<u>5,368,500</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	2,088,500	-	2,088,500	2,088,500	-
Redemption of Principal	<u>3,280,000</u>	<u>-</u>	<u>3,280,000</u>	<u>3,280,000</u>	<u>-</u>
Total Regular Debt Service	<u>5,368,500</u>	<u>-</u>	<u>5,368,500</u>	<u>5,368,500</u>	<u>-</u>
Total Expenditures	<u>5,368,500</u>	<u>-</u>	<u>5,368,500</u>	<u>5,368,500</u>	<u>-</u>
Deficiency of Revenues Under Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Deficiency of Revenues Under Expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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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.	74-83
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	84-91
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.	92-94
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.	95-100
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.	101-117

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The District implemented GASB Statement 34 in the fiscal year ending June 30, 2002; schedules presenting district-wide information include information beginning in that year.*

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

	Fiscal Year Ended June 30,				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 65,477,800	\$ 66,304,436	\$ 64,266,384	\$ 62,547,581	\$ 60,099,328
Restricted	12,809,243	6,513,220	8,567,707	7,261,951	5,619,907
Unrestricted	<u>951,687</u>	<u>3,468,668</u>	<u>(395,231)</u>	<u>(741,832)</u>	<u>1,620,498</u>
Total governmental activities net assets	<u>\$ 79,238,730</u>	<u>\$ 76,286,324</u>	<u>\$ 72,438,860</u>	<u>\$ 69,067,700</u>	<u>\$ 67,339,733</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 105,119	\$ 126,753	\$ 118,069	\$ 136,825	\$ 116,619
Unrestricted	<u>814,829</u>	<u>751,526</u>	<u>746,865</u>	<u>631,922</u>	<u>765,204</u>
Total business-type activities net assets	<u>\$ 919,948</u>	<u>\$ 878,279</u>	<u>\$ 864,934</u>	<u>\$ 768,747</u>	<u>\$ 881,823</u>
District-wide					
Invested in capital assets, net of related debt	\$ 65,582,919	\$ 66,431,189	\$ 64,384,453	\$ 62,684,406	\$ 60,215,947
Restricted	12,809,243	6,513,220	8,567,707	7,261,951	5,619,907
Unrestricted	<u>1,766,516</u>	<u>4,220,194</u>	<u>351,634</u>	<u>(109,910)</u>	<u>2,385,702</u>
Total district net assets	<u>\$ 80,158,678</u>	<u>\$ 77,164,603</u>	<u>\$ 73,303,794</u>	<u>\$ 69,836,447</u>	<u>\$ 68,221,556</u>

Source: CAFR Schedule A-1

Fiscal Year Ended June 30,				
<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 57,132,033	\$ 53,718,752	\$ 50,450,216	\$ 41,528,879	\$ 24,428,283
5,619,979	8,133,035	6,393,712	9,355,508	24,006,311
2,532,519	1,360,260	2,731,986	1,302,815	2,327,692
<u>\$ 65,284,531</u>	<u>\$ 63,212,047</u>	<u>\$ 59,575,914</u>	<u>\$ 52,187,202</u>	<u>\$ 50,762,286</u>
\$ 68,813	\$ 62,639	\$ 46,755	\$ 40,118	\$ -
727,740	454,205	556,151	481,454	543,857
<u>\$ 796,553</u>	<u>\$ 516,844</u>	<u>\$ 602,906</u>	<u>\$ 521,572</u>	<u>\$ 543,857</u>
\$ 57,200,846	\$ 53,781,391	\$ 50,496,971	\$ 41,568,997	\$ 24,428,283
5,619,979	8,133,035	6,393,712	9,355,508	24,006,311
3,260,259	1,814,465	3,288,137	1,784,269	2,871,549
<u>\$ 66,081,084</u>	<u>\$ 63,728,891</u>	<u>\$ 60,178,820</u>	<u>\$ 52,708,774</u>	<u>\$ 51,306,143</u>

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses			
Governmental Activities			
Instruction:			
Regular	\$ 77,375,649	\$ 79,855,943	\$ 72,166,199
Special Education	12,282,407	9,471,600	10,412,993
Other Instruction	8,978,180	9,136,052	9,114,401
Support Services:			
Tuition	13,678,378	12,197,151	13,015,812
Student & Instruction Related Services	17,684,670	18,477,174	17,399,289
School Administrative Services	9,211,957	9,288,344	8,678,752
General Administrative Services	1,754,559	2,267,175	5,477,731
Central Service/Admin Information Technology	3,419,374	3,299,725	-
Plant Operations and Maintenance	16,427,929	17,465,039	18,045,436
Pupil Transportation	15,747,415	18,190,193	18,485,087
Special Schools	240	390,309	347,995
Capital Outlay	-	-	-
Transfer to Charter School	14,656	15,292	-
Interest on Long-Term Debt	2,033,833	2,201,017	2,364,710
Unallocated Depreciation and Amortization	34,303	34,303	34,303
Total Governmental Activities	<u>178,643,552</u>	<u>182,289,317</u>	<u>175,542,708</u>
Business-Type Activities			
Food Service	\$ 3,360,076	\$ 3,426,440	\$ 3,919,325
Extra Curricular Fund	227,348	222,845	-
SAT Prep Program	20,963	-	-
Total Business-Type Activities	<u>3,608,387</u>	<u>3,649,285</u>	<u>3,919,325</u>
Total District Expenses	<u>\$ 182,251,939</u>	<u>\$ 185,938,602</u>	<u>\$ 179,462,033</u>
Program Revenues			
Governmental Activities			
Charges for services	\$ 75,241	\$ 352,974	\$ 107,441
Operating Grants and Contributions	609,714	798,443	855,928
Capital Grants and Contributions	-	-	-
Total Governmental Activities Program Revenues	<u>684,955</u>	<u>1,151,417</u>	<u>963,369</u>
Business-Type Activities			
Charges for services			
Food Service	2,941,180	2,944,677	3,461,930
Extra Curricular Fund	227,348	222,845	-
SAT Prep Program	24,299	-	-
Operating grants and contributions	457,229	495,107	553,582
Total Business-Type Activities Program Revenues	<u>3,650,055</u>	<u>3,662,629</u>	<u>4,015,512</u>
Total District Program Revenue	<u>\$ 4,335,010</u>	<u>\$ 4,814,046</u>	<u>\$ 4,978,881</u>
Net (Expense)/Revenue			
Governmental Activities	\$ (177,958,597)	\$ (181,137,900)	\$ (174,579,339)
Business-Type Activities	41,669	13,344	96,187
Total District-Wide Net Expense	<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>	<u>2003</u>	<u>2002</u>
\$ 70,640,599	\$ 65,596,742	\$ 61,929,493	\$ 59,266,285	\$ 56,192,631	\$ 49,968,948	\$ 41,984,804
8,983,892	11,840,343	8,672,561	5,079,128	4,224,671	3,552,779	2,185,775
8,612,612	8,751,303	7,879,500	6,172,818	5,480,418	5,193,339	4,775,483
15,013,306	10,952,382	10,652,056	10,205,890	9,272,579	8,380,774	7,670,080
15,462,451	15,742,207	14,558,601	16,927,159	16,076,923	16,141,063	14,905,077
8,517,200	9,288,997	8,272,250	7,761,954	7,188,001	6,880,733	6,079,719
5,547,284	4,932,793	4,472,690	4,337,969	4,086,259	3,725,835	3,666,508
-	-	-	-	-	-	-
19,505,838	17,834,928	17,045,818	15,944,586	14,574,434	13,966,341	12,481,181
16,490,332	16,617,218	15,520,978	13,971,301	13,174,106	12,493,949	11,349,403
235,386	285,750	262,183	214,950	192,363	184,966	162,265
83,796	-	-	-	-	-	-
-	2,062	9,220	8,950	-	-	-
3,382,765	2,874,208	3,171,408	3,466,983	3,762,081	4,054,102	4,830,284
34,303	34,303	41,323	41,327	41,327	41,327	2,492,095
<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>	<u>124,584,156</u>	<u>112,582,674</u>
\$ 3,663,544	\$ 3,606,359	\$ 3,300,482	\$ 3,413,177	\$ 2,889,955	\$ 2,701,197	\$ 2,497,364
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<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>2,701,197</u>	<u>2,497,364</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>	<u>\$ 127,285,353</u>	<u>\$ 115,080,038</u>
\$ 214,292	\$ 174,415	\$ 147,684	\$ 143,591	\$ 191,252	\$ 244,917	\$ 151,297
1,471,379	1,006,820	1,109,485	1,211,572	1,313,658	1,046,486	2,518,460
-	17,060	40,901	-	15,012	7,500	-
<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>	<u>1,298,903</u>	<u>2,669,757</u>
3,128,462	3,316,227	3,226,904	3,017,514	2,739,477	2,495,923	2,412,675
-	-	-	-	-	-	-
<u>422,006</u>	<u>375,402</u>	<u>353,287</u>	<u>309,601</u>	<u>231,812</u>	<u>182,989</u>	<u>153,481</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>2,678,912</u>	<u>2,566,156</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>	<u>\$ 3,977,815</u>	<u>\$ 5,235,913</u>
\$ (170,824,093)	\$ (163,554,941)	\$ (151,190,011)	\$ (142,044,137)	\$ (132,745,871)	\$ (123,285,253)	\$ (109,912,917)
(113,076)	85,270	279,709	(86,062)	81,334	(22,285)	68,792
<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>	<u>\$ (123,307,538)</u>	<u>\$ (109,844,125)</u>

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Revenues			
Governmental Activities			
Property Taxes Levied for General Purposes	115,600,253	112,783,657	110,882,300
Property Taxes Levied for Debt Service	4,062,938	3,462,300	3,474,896
Unrestricted Grants and Contributions	56,750,964	62,218,157	62,811,715
Restricted Grants and Contributions	3,899,599	5,935,387	
Interest and Investment Earnings	-	-	194,536
Miscellaneous Income	597,250	585,862	587,052
Transfers	-	-	-
Gain (Loss) on Sale of Equipment	-	-	-
Total Governmental Activities	<u>180,911,004</u>	<u>184,985,363</u>	<u>177,950,499</u>
Change in Net Assets			
Governmental Activities	\$ 2,952,407	\$ 3,847,463	\$ 3,371,160
Business-Type Activities	41,669	13,344	96,187
Total District	<u>\$ 2,994,075</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>	<u>2003</u>	<u>2002</u>
106,617,596	100,847,680	93,500,842	87,604,595	83,109,154	75,620,227	59,851,861
5,025,434	5,216,532	5,374,658	5,010,198	5,539,983	4,425,931	2,747,941
60,138,111	58,446,860	53,489,295	52,341,174	51,033,636	45,359,447	44,414,301
603,643	856,768	653,451	442,853	205,439	328,729	2,353,594
167,276	271,500	239,549	270,320	246,371	192,563	161,404
-	(28,875)	-	-	-	-	(30,149)
-	(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>	<u>125,926,897</u>	<u>109,498,952</u>
\$ 1,727,967	\$ 2,055,202	\$ 2,072,484	\$ 3,636,133	\$ 7,388,712	\$ 2,641,644	\$ (413,965)
(113,076)	85,270	279,709	(86,062)	81,334	(22,285)	98,941
<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>	<u>\$ 2,619,359</u>	<u>\$ (315,024)</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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund					
Restricted	\$ 12,827,685				
Assigned	2,587,356				
Unassigned	153,276				
Reserved		\$ 7,092,073	\$ 9,550,771	\$ 7,019,262	\$ 3,795,928
Unreserved	-	4,289,726	741,628	1,487,631	5,556,140
Total general fund	<u>\$ 15,568,317</u>	<u>\$ 11,381,799</u>	<u>\$ 10,292,399</u>	<u>\$ 8,506,893</u>	<u>\$ 9,352,068</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>	<u>\$ -</u>

Source: CAFR Schedule B-1

As of June 30,				
<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 5,619,907	\$ 8,117,877	\$ 6,940,735	\$ 2,280,398	\$ 60,804
<u>4,054,842</u>	<u>2,853,669</u>	<u>3,562,866</u>	<u>3,201,032</u>	<u>2,965,728</u>
<u>\$ 9,674,749</u>	<u>\$ 10,971,546</u>	<u>\$ 10,503,601</u>	<u>\$ 5,481,430</u>	<u>\$ 3,026,532</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	(21,581)	-
-	-	406,911	6,877,686	21,622,560
<u>72</u>	<u>15,158</u>	<u>570,338</u>	<u>197,424</u>	<u>2,322,947</u>
<u>\$ 72</u>	<u>\$ 15,158</u>	<u>\$ 977,249</u>	<u>\$ 7,053,529</u>	<u>\$ 23,945,507</u>

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

	As of June 30,			
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues				
Tax levy	\$ 119,663,191	\$ 116,245,957	\$ 114,357,196	\$ 111,643,030
Tuition charges	75,241	236,050	35,527	108,800
Interest Earned on Investments	70,015	60,443	194,536	603,643
Miscellaneous	629,048	642,344	658,966	272,768
State sources	58,073,019	56,905,827	60,739,212	58,666,732
Federal sources	3,085,445	12,046,159	2,928,431	2,942,758
Total Revenue	<u>181,595,959</u>	<u>186,136,780</u>	<u>178,913,868</u>	<u>174,237,731</u>
Expenditures				
Instruction				
Regular Instruction	\$ 50,466,657	\$ 55,759,577	\$ 51,645,808	\$ 50,031,689
Special Education Instruction	8,241,644	6,768,646	7,286,673	6,965,827
Other Instruction	6,342,900	6,879,582	6,633,811	6,649,245
Support Services				
Instruction	13,678,378	12,197,151	13,015,812	11,494,308
Student & Instruction Related Services	12,306,294	13,609,000	12,976,196	11,952,401
School Administrative Services	6,218,510	6,641,945	6,322,266	6,516,811
General Administration	1,635,170	2,108,923		
General and Central Services	-	-	4,577,957	4,353,463
Central Services & Admin. Technology	2,433,933	2,404,433		
Plant Operations and Maintenance	13,434,482	14,546,194	15,210,424	14,803,886
Pupil Transportation	13,149,260	15,718,142	15,526,401	14,984,584
Employee Benefits	43,493,500	39,128,215	35,400,749	37,266,935
Special Schools	240	278,502	251,758	235,386
Charter Schools	14,656	15,292	-	-
Capital Outlay	625,315	3,634,504	2,902,082	2,196,026
Debt Service :				
Principal	3,280,000	3,100,000	2,960,000	4,985,000
Interest and Other Charges	2,088,500	2,257,275	2,418,425	2,647,345
Total Expenditures	<u>177,409,441</u>	<u>185,047,381</u>	<u>177,128,362</u>	<u>175,082,906</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,186,518	1,089,399	1,785,506	(845,175)
Other Financing Sources (Uses)				
Proceeds from Refunding	-	-	-	-
Payments to Escrow Agent	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 4,186,518</u>	<u>\$ 1,089,399</u>	<u>\$ 1,785,506</u>	<u>\$ (845,175)</u>
Debt service as a percentage of noncapital expenditures	3.04%	2.95%	3.09%	4.41%

Source: CAFR Schedule B-2

As of June 30,					
<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 106,064,212	\$ 98,875,500	\$ 92,614,793	\$ 88,649,137	\$ 80,046,158	\$ 62,599,802
174,415	147,684	143,591	191,252	244,917	151,297
856,768	653,451	442,853	205,439	328,729	2,353,594
271,500	239,549	270,320	246,371	192,563	161,404
56,864,580	52,184,257	51,201,486	50,054,618	44,466,564	45,343,865
2,589,099	2,414,523	2,351,260	2,292,676	1,939,369	1,588,896
<u>166,820,574</u>	<u>154,514,964</u>	<u>147,024,303</u>	<u>141,639,493</u>	<u>127,218,300</u>	<u>112,198,858</u>
\$ 44,767,309	\$ 44,619,339	\$ 43,305,122	\$ 40,894,540	\$ 37,147,043	\$ 34,186,073
8,503,189	5,983,465	3,330,368	2,751,555	2,628,740	1,760,512
6,525,571	6,106,800	5,074,464	4,446,557	4,338,919	3,968,074
10,952,382	10,652,056	10,205,890	9,272,579	8,380,774	7,670,080
11,631,945	11,122,006	13,068,619	12,408,491	12,484,251	11,997,194
6,427,288	6,148,834	5,877,922	5,445,479	5,329,021	4,907,105
3,961,467	3,671,247	3,639,488	3,477,389	3,322,445	2,910,148
14,919,095	14,602,429	13,733,038	12,450,365	12,038,601	11,105,213
13,890,500	13,166,507	11,814,953	11,051,896	10,556,823	9,683,125
35,107,074	28,694,578	26,254,248	23,371,727	19,944,260	15,935,065
202,322	193,217	161,244	144,805	142,244	129,566
2,062	9,220	8,950	-	-	-
2,298,640	2,664,341	2,580,760	8,249,737	15,562,749	35,885,692
4,980,000	4,950,000	4,925,000	4,895,000	4,865,000	4,850,000
2,945,608	3,242,808	3,538,383	3,833,482	4,125,502	4,402,564
<u>167,114,452</u>	<u>155,826,847</u>	<u>147,518,449</u>	<u>142,693,602</u>	<u>140,866,372</u>	<u>149,390,411</u>
(293,878)	(1,311,883)	(494,146)	(1,054,109)	(13,648,072)	(37,191,553)
-	-	-	-	-	45,092,201
-	-	-	-	-	(45,092,201)
-	288,216	594,953	582,127	947,502	2,212,030
<u>(28,875)</u>	<u>(288,216)</u>	<u>(594,953)</u>	<u>(582,127)</u>	<u>(947,502)</u>	<u>(2,242,179)</u>
<u>(28,875)</u>	-	-	-	-	<u>(30,149)</u>
\$ (322,753)	\$ (1,311,883)	\$ (494,146)	\$ (1,054,109)	\$ (13,648,072)	\$ (37,221,702)
4.81%	5.35%	5.84%	6.49%	7.17%	8.15%

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

	As of June 30,				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Athletic Fees	\$ 103,985	\$ 97,112	\$ 113,391	\$ 122,378	\$ 114,218
Facility Rental	101,813	116,924	71,914	105,492	84,675
Refund of Prior Year Expenditures	122,723	197,482	280,321	722	17,959
Transportation Fees from Other LEAs	6,937				
Miscellaneous	<u>187,327</u>	<u>134,864</u>	<u>87,665</u>	<u>6,042</u>	<u>8,926</u>
Total	<u>\$ 522,785</u>	<u>\$ 546,382</u>	<u>\$ 553,291</u>	<u>\$ 234,634</u>	<u>\$ 225,778</u>

Source: District records

As of June 30,				
<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 119,080	\$ 104,494	\$ 103,734	\$ 104,751	\$ 67,666
91,783	105,048	108,411	67,876	60,348
2,447	-	5,816	-	-
<u>7,944</u>	<u>23,803</u>	<u>7,910</u>	<u>1,110</u>	<u>11,520</u>
<u>\$ 221,254</u>	<u>\$ 233,345</u>	<u>\$ 225,871</u>	<u>\$ 173,737</u>	<u>\$ 139,534</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						
2011	44,725,400	2,580,986,900	253,914,500	4,109,600	192,544,000	0
2010	47,351,200	2,590,014,000	269,599,800	4,158,600	196,701,900	0
2009	20,075,000	1,230,598,800	116,469,200	3,595,050	81,269,400	0
2008	23,323,500	1,223,359,000	112,221,650	4,585,550	78,003,100	0
2007	24,759,000	1,206,627,700	106,773,400	3,712,550	71,775,300	0
2006	23,410,900	1,175,807,800	114,839,800	3,826,700	73,643,900	0
2005	22,918,500	1,150,175,800	114,367,600	3,846,100	72,887,300	0
2004	26,471,300	1,121,359,100	124,968,700	3,808,900	57,503,400	0
2003	29,206,700	1,100,424,200	123,749,200	3,793,700	58,150,600	0
2002	32,500,100	1,064,573,100	122,523,600	4,091,050	50,907,800	0
Englishtown						
2011	3,788,700	198,279,700	0	0	39,134,100	9,879,300
2010	3,892,300	198,206,200	0	0	42,019,600	9,879,300
2009	3,978,000	198,110,000	0	0	42,080,100	9,879,300
2008	3,353,400	198,838,400	0	0	42,425,900	10,229,600
2007	1,454,000	80,771,800	0	0	14,729,700	2,975,900
2006	2,781,400	75,336,000	0	0	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
2003	1,486,200	73,641,200	164,000	2,500	14,516,500	3,259,800
2002	1,496,100	72,832,900	164,000	2,500	14,991,500	3,259,800
Farmingdale						
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
2003	1,133,900	43,538,800	416,900	10,200	12,716,800	1,757,400
2002	1,133,000	43,325,000	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
0	3,076,280,400	0	3,812,767	3,080,093,167	0.391	3,203,755,368
0	3,107,825,500	0	5,087,706	3,112,913,206	0.383	3,342,807,536
0	1,452,007,450	0	1,787,172	1,453,794,622	0.822	3,445,743,076
0	1,441,492,800	0	1,315,836	1,442,808,636	0.831	3,388,417,905
0	1,413,647,950	0	1,280,728	1,414,928,678	0.812	3,263,252,356
0	1,391,529,100	0	1,346,355	1,392,875,455	0.765	2,929,709,638
0	1,364,195,300	0	1,623,568	1,365,818,868	0.755	2,607,555,477
0	1,334,111,400	0	1,869,149	1,335,980,549	0.715	2,317,921,254
0	1,315,324,400	0	2,209,282	1,317,533,682	0.684	2,038,843,051
0	1,274,595,650	0	2,422,457	1,277,018,107	0.624	1,776,546,329
1,262,100	252,343,900	0	0	252,343,900	0.299	242,547,058
1,262,100	255,259,500	0	4,454,063	259,713,563	0.320	250,970,511
1,262,100	255,309,500	0	5,904,759	261,214,259	0.303	246,645,548
1,262,100	256,109,400	0	3,772,717	259,882,117	0.268	237,664,306
743,200	100,674,600	0	1,170,831	101,845,431	0.646	218,018,531
743,200	95,721,600	0	1,551,774	97,273,374	0.683	189,388,163
633,000	93,512,500	0	1,725,109	95,237,609	0.595	169,651,537
633,000	92,571,300	0	1,980,282	94,551,582	0.631	151,953,225
633,000	93,703,200	0	2,363,187	96,066,387	0.525	129,907,273
633,000	93,379,800	0	2,234,590	95,614,390	0.466	109,374,056
13,947,400	151,684,000	0	2,558,005	154,242,005	0.360	147,441,135
13,947,400	151,827,600	0	2,815,873	154,643,473	0.277	153,164,638
13,947,400	150,325,700	0	2,462,182	152,787,882	0.316	158,529,010
13,947,400	149,981,400	0	2,330,926	152,312,326	0.335	153,839,777
13,507,100	149,209,200	0	1,971,969	151,181,169	0.372	150,439,213
13,507,100	148,431,800	0	2,288,899	150,720,699	0.419	150,166,193
13,507,100	148,273,800	0	2,321,144	150,594,944	0.403	143,425,224
4,959,400	64,653,200	0	1,299,042	65,952,242	0.827	116,403,768
4,959,400	64,533,400	0	1,636,918	66,170,318	0.743	94,518,967
4,959,400	64,323,200	0	1,820,884	66,144,084	0.498	79,630,399

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

	<u>Vacant</u>					
	<u>Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>
Freehold Borough						
2011	10,342,700	768,700,500	0	0	241,539,000	25,345,900
2010	11,375,600	766,577,000	0	0	242,880,100	25,345,900
2009	11,552,000	765,785,300	0	0	236,440,200	25,345,900
2008	11,815,100	763,101,500	0	0	237,093,900	34,727,100
2007	13,574,000	761,011,000	0	0	238,891,500	34,727,100
2006	16,481,600	756,389,400	0	0	243,545,100	34,727,100
2005	16,243,200	756,435,500	0	0	243,404,500	35,266,400
2004	4,440,800	333,950,200	0	0	103,596,400	28,234,100
2003	4,580,700	331,257,600	0	0	102,940,501	28,234,100
2002	5,421,900	330,156,100	0	0	101,088,100	28,194,100
Freehold Township						
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
2003	55,110,200	1,971,411,100	15,538,500	2,200,600	636,091,100	71,633,200
2002	51,326,200	1,920,317,900	15,480,700	2,400,000	626,546,000	71,895,300
Howell						
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
2003	116,491,150	2,276,816,540	38,719,400	2,814,319	255,402,100	57,578,250
2002	92,838,850	2,257,106,240	36,076,300	2,784,919	246,563,100	58,033,850

<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Less: Tax- Exempt Property</u>	<u>Public Utilities (1)</u>	<u>Net Valuation Taxable</u>	<u>Total Direct School Tax Rate (2)</u>	<u>Estimated Actual (County Equalized) Value</u>
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
11,094,100	478,107,001	1,559,800	6,441,774	484,548,775	0.619	632,658,418
11,088,100	475,948,300	1,735,400	7,726,301	483,674,601	0.595	555,456,472
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	0	49,220,887	6,217,754,887	0.394	6,647,432,225
64,320,400	6,217,490,300	0	68,077,410	6,285,567,710	0.373	6,734,691,283
30,165,900	3,055,400,900	0	32,780,996	3,088,181,896	0.707	6,390,779,856
30,948,600	3,007,501,000	0	36,970,360	3,044,471,360	0.700	6,037,954,660
30,948,600	2,982,974,600	0	42,025,816	3,025,000,416	0.662	5,391,727,021
30,958,400	2,927,214,300	0	48,144,874	2,975,359,174	0.597	4,663,434,469
30,958,400	2,832,070,300	0	57,693,210	2,889,763,510	0.587	4,177,454,308
31,258,400	2,783,243,100	0	62,057,147	2,845,300,247	0.582	3,701,205,541
10,177,700	2,698,143,800	0	63,422,340	2,761,566,140	0.550	3,288,107,808
0	6,864,165,040		11,110,173	6,875,275,213	0.380	6,762,336,368
0	6,890,955,680	0	13,114,350	6,904,070,030	0.385	6,954,660,611
0	6,867,016,000	0	10,565,151	6,877,581,151	0.370	7,070,767,733
0	6,860,605,000	0	9,626,317	6,870,231,317	0.371	7,044,038,272
0	6,846,805,200	0	8,875,863	6,855,681,063	0.353	6,558,866,149
0	2,939,678,340	0	4,399,393	2,944,077,733	0.786	5,787,205,601
0	2,895,524,640	0	5,407,198	2,900,931,838	0.724	4,892,925,316
0	2,812,739,240	0	6,303,982	2,819,043,222	0.681	4,232,410,832
0	2,747,821,759	0	7,592,629	2,755,414,388	0.652	3,620,786,101
0	2,693,403,259	0	7,904,466	2,701,307,725	0.616	3,154,151,095

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

	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>
Manalapan						
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
2003	51,469,900	2,074,986,500	17,829,900	2,940,700	179,219,000	11,519,100
2002	59,236,700	2,013,660,600	17,722,500	3,025,900	171,351,300	11,142,600
Marlboro						
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
2003	75,760,600	2,562,720,000	15,807,300	849,250	155,266,800	45,389,900
2002	94,333,300	2,457,327,800	16,125,100	872,950	143,184,400	44,479,200

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.

<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Less: Tax- Exempt Property</u>	<u>Public Utilities (1)</u>	<u>Net Valuation Taxable</u>	<u>Total Direct School Tax Rate (2)</u>	<u>Estimated Actual (County Equalized) Value</u>
0	5,697,047,400		6,951,526	5,703,998,926	0.421	6,281,820,516
0	5,652,093,900	0	9,382,496	5,661,476,396	0.432	6,459,604,048
0	6,382,285,900	0	7,636,903	6,389,922,803	0.364	6,480,948,402
0	6,325,770,900	0	6,259,661	6,332,030,561	0.360	6,261,851,792
0	6,151,643,200	0	5,707,918	6,157,351,118	0.363	5,837,550,667
0	2,514,266,100	0	2,632,821	2,516,898,921	0.825	5,056,910,192
0	2,445,598,100	0	2,977,355	2,448,575,455	0.812	4,480,195,412
0	2,374,529,300	0	3,330,216	2,377,859,516	0.798	3,977,921,781
0	2,337,965,100	0	3,818,262	2,341,783,362	0.795	3,483,837,544
0	2,276,139,600	0	4,033,844	2,280,173,444	0.710	3,028,017,290
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	0	10,332,044	6,933,408,244	0.388	7,588,204,970
3,343,100	3,184,534,750	0	4,173,653	3,188,708,403	0.827	7,698,068,929
3,343,100	3,153,852,750	0	3,868,514	3,157,721,264	0.843	7,588,651,622
3,343,100	3,127,283,350	0	4,230,659	3,131,514,009	0.851	7,209,924,440
2,965,200	3,076,715,950	0	4,500,670	3,081,216,620	0.834	6,365,196,819
2,965,200	3,012,105,850	0	5,176,020	3,017,281,870	0.817	5,696,176,531
2,965,200	2,937,421,450	0	5,704,911	2,943,126,361	0.790	5,044,169,053
2,965,200	2,858,759,050	0	6,708,171	2,865,467,221	0.769	4,335,738,675
2,965,200	2,759,287,950	0	6,764,797	2,766,052,747	0.722	3,850,326,029

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
Colts Neck								
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
2003	0.642	0.042	0.684	1.211	0.241	0.094	0.593	2.823
2002	0.590	0.034	0.624	1.166	0.241	0.080	0.579	2.690
Englishtown								
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
2003	0.492	0.033	0.525	1.615	0.645	0.069	0.509	3.363
2002	0.440	0.026	0.466	1.408	0.607	0.055	0.486	3.022
Farmingdale								
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
2003	0.697	0.046	0.743	1.873	0.236	0.072	0.537	3.461
2002	0.471	0.027	0.498	1.815	0.216	0.055	0.486	3.070

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	
Freehold Boro								
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
2003	0.581	0.038	0.619	1.147	1.090	0.032	0.492	3.380
2002	0.562	0.033	0.595	1.074	1.047	0.021	0.484	3.221
Freehold Twp.								
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
2003	0.546	0.036	0.582	1.427	0.285	0.078	0.500	2.872
2002	0.520	0.030	0.550	1.349	0.255	0.066	0.489	2.709
Howell								
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
2003	0.612	0.040	0.652	1.795	0.365	0.077	0.499	3.388
2002	0.582	0.034	0.616	1.664	0.345	0.065	0.484	3.174

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
Manalapan								
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
2003	0.746	0.049	0.795	1.535	0.470	0.086	0.570	3.456
2002	0.671	0.039	0.710	1.469	0.460	0.073	0.560	3.272
Marlboro								
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
2003	0.721	0.048	0.769	1.660	0.419	0.099	0.584	3.531
2002	0.682	0.040	0.722	1.570	0.419	0.084	0.579	3.374

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.

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

Community/Taxpayer	2011	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Colts Neck		
Trump National Golf Club	32,006,800	1.04%
Due Process Golf & Horse Stables, LLC	21,000,000	0.68%
Individual Taxpayer 1	12,263,800	0.40%
Wellspring Stables Florida, LLC	10,934,700	0.36%
Individual Taxpayer 2	9,017,400	0.29%
24 Realty, LLC	8,507,400	0.28%
Bal Colt's Neck LLC	8,006,100	0.26%
Laird & Co. Inc.	8,000,000	0.26%
Pegasus Properties LLC	7,542,200	0.25%
Colts Neck Shopping Center Assoc	6,820,600	0.22%
Total	<u>\$ 124,099,000</u>	<u>4.03%</u>
Englishtown		
BAL Governor's Crossing LLC	7,425,200	2.94%
BTR Englishtown LLC	7,229,300	2.86%
Dorothy Leo, Inc.	3,495,400	1.39%
Wemacs, LLC	3,366,700	1.33%
Village Center Associates LLC	3,312,700	1.31%
DCD, LLC	2,150,300	0.85%
Brooklawn Gardens Inc	2,021,800	0.80%
K&K Englishtown, Inc.	1,782,800	0.71%
Moskowitz, K Trust & Berger, V Trust	1,374,700	0.54%
Individual Taxpayer	1,293,800	0.51%
Total	<u>\$ 33,452,700</u>	<u>13.26%</u>
Farmingdale		
Farmingdale Garden Apartments, LLC	\$ 11,500,000	7.58%
30 Southard Ave, Farmingdale LLC	3,795,400	2.50%
Verizon Communications	2,558,005	1.69%
Farmingdale Shopping Center, LLC	2,442,200	1.61%
R.T. Equities LLC	2,107,200	1.39%
Individual Taxpayer 1	1,476,600	0.97%
Individual Taxpayer 2	1,400,000	0.92%
Individual Taxpayer 3	1,297,000	0.86%
Farmingdale Train Station, LLC	1,190,000	0.78%
Bell Atlantic	992,800	0.65%
Total	<u>\$ 28,759,205</u>	<u>18.96%</u>

Source: Municipal Tax Assessors

Community/Taxpayer	2001	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Colts Neck		
Pirates Association	\$ 9,800,000	0.80%
Laird & Co. Inc.	4,788,100	0.39%
Pegasus Properties LLC	3,798,700	0.31%
Individual Taxpayer	3,475,600	0.28%
Rogen Inc.	3,472,000	0.28%
Pebble Creek at Colts Neck	3,095,000	0.25%
Orchard Associates	2,795,700	0.23%
Verizon New Jersey	2,659,307	0.22%
Colts Neck Shopping Center Assoc.	2,595,400	0.21%
New Jersey American Water Co	2,340,700	0.19%
Total	<u>\$ 38,820,507</u>	<u>3.16%</u>
Englishtown		
Ruck, Di Rubbio & Maccauley	\$ 6,500,000	7.34%
Englishtown Industrial Park	2,462,500	2.78%
Individual Taxpayer 1	1,203,100	1.36%
Verizon New Jersey	600,000	0.68%
Wemacs LLC	598,000	0.67%
K&K Englishtown, Inc.	550,000	0.62%
Jolor Realty Co.	422,800	0.48%
Individual Taxpayer 2	406,300	0.46%
Individual Taxpayer 3	399,400	0.45%
Exxon Corporation	372,400	0.42%
Total	<u>\$ 13,514,500</u>	<u>15.26%</u>
Farmingdale		
Individual Taxpayer 1	\$ 3,993,400	6.19%
Individual Taxpayer 2	2,700,000	4.19%
Verizon Communications	1,820,884	2.82%
Farmingdale Shopping Center	1,450,000	2.25%
R.T. Equities LLC	1,324,900	2.05%
Bell Atlantic	693,400	1.08%
Individual Taxpayer 3	651,000	1.01%
Schauer Medical Group	635,700	0.99%
Penn Federal	524,500	0.81%
Roadside Tavern Assoc	440,800	0.68%
Total	<u>\$ 14,234,584</u>	<u>22.07%</u>

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

Community/Taxpayer	2011	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Freehold Borough		
Freehold Racing Association	\$ 29,225,300	2.73%
Nestle USA	23,674,400	2.21%
AEW Brookside	14,269,000	1.33%
NJ Bell Tel.	9,917,155	0.92%
East Coach Post & Coach	6,495,700	0.61%
Park Plaza Shopping	5,560,900	0.52%
Freefern Associates	4,565,000	0.43%
Individual Taxpayer	3,000,000	0.28%
Bell Atlantic	3,000,000	0.28%
Chiu's Property Inc.	2,650,000	0.25%
Total	<u>\$ 102,357,455</u>	<u>9.54%</u>
Freehold Twp.		
Freemall Associates, LLC	\$ 312,000,000	5.10%
Freehold Financing, LLC	51,500,000	0.84%
Center for Aging dba/Appplewood	48,694,400	0.80%
Iron Mountain, Inc.	44,818,200	0.73%
Macy's East, Inc.	29,312,700	0.48%
Raintreetowne Center Associates, LP	28,116,800	0.46%
Verizon	27,563,697	0.45%
New Jersey Bell Tel. Co.	25,858,700	0.42%
Freehold Shopping Assoc.	24,108,000	0.39%
Verizon	21,657,191	0.35%
Total	<u>\$ 613,629,688</u>	<u>10.03%</u>
Howell		
Centex Homes, LLC	\$ 50,363,700	0.73%
Buffalo-Parkton & Feuerstein & Wain Co.	45,138,000	0.66%
Hurley Felds 1, LLC	24,978,280	0.36%
Howell Friendship Real Estate	24,973,300	0.36%
Wal-Mart Stores, Inc.	17,641,000	0.26%
Home Depot USA	17,160,000	0.25%
Lowe's Home Centers Inc.	16,530,000	0.24%
DS & DJ Realty, LLC	16,190,200	0.24%
Fairfield Park, LLC	14,845,100	0.22%
Target Corp	14,800,000	0.22%
Total	<u>\$ 242,619,580</u>	<u>3.53%</u>

Source: Municipal Tax Assessors

Community/Taxpayer	2001	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Freehold Borough		
Freehold Racing Association	\$ 20,199,200	4.38%
Nestle USA	14,500,000	3.14%
Bell Atlantic	3,000,000	0.65%
Post & Coach Freehold Association	2,925,000	0.63%
Freefern Associates	2,600,000	0.56%
Park Plaza Shopping Center	2,500,000	0.54%
Delli Santi Apartments	1,750,000	0.38%
CSB Building Corp	1,696,000	0.37%
Chiu's Building	1,540,100	0.33%
FUNB CRNAPP	1,417,000	0.31%
Total	\$ 52,127,300	11.29%
Freehold Twp.		
Freemall Associates	\$ 154,401,000	5.88%
Macy's East	24,272,800	0.92%
New Jersey Bell	23,220,000	0.88%
Center for Aging (Applewood)	19,489,500	0.74%
Raintree Center Associates	15,614,900	0.60%
Nordstrom, Inc	14,257,000	0.54%
Loews Theater c/o Freemall	12,557,600	0.48%
Pond Road Associates	16,167,400	0.62%
The May Dept. Stores Co.(Lord & Taylor)	12,204,600	0.47%
JC Penney	12,050,600	0.46%
Total	\$ 304,235,400	11.59%
Howell		
Howell Friendship Real Estate Co.	\$ 14,194,800	0.54%
Individual Taxpayer 1	12,900,000	0.49%
Buffalo Parkton	12,454,000	0.48%
Home Depot	10,930,000	0.42%
Pine Meadows	9,000,000	0.34%
Wal-Mart Stores, Inc.	8,488,700	0.33%
Individual Taxpayer 2	6,661,600	0.26%
Crestwood (United Securities)	6,615,300	0.25%
Shore Oaks Cannon Golf	6,466,500	0.25%
Individual Taxpayer 3	5,800,000	0.22%
Total	\$ 93,510,900	3.58%

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

Community/Taxpayer	2011	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan		
Manalapan Realty	\$ 42,593,600	0.75%
K Hovnanian at Manalapan II, LLC	30,664,700	0.54%
Manalapan VF	29,989,700	0.53%
Towne Pointe Associates	11,867,500	0.21%
Trans Equity Realty, LLC	9,694,600	0.17%
Reiss Manufacturing	7,956,900	0.14%
Justin Corp Center	7,694,100	0.14%
Taylor 9 South Assoc., LLC	7,593,400	0.13%
TC Braha, LLC	7,507,100	0.13%
Monmouth Investors, LLC	7,500,000	0.13%
Total	\$ 163,061,600	2.86%
Marlboro		
Marlboro Plaza	\$ 36,642,400	0.53%
Union Hill Nine	30,549,100	0.44%
TMC Marlboro	22,500,000	0.33%
Marlboro Lowe's	14,708,200	0.21%
Brooks Edge	12,700,000	0.18%
Royal Pines	11,400,000	0.17%
Sunrise Assisted Living	9,300,000	0.14%
Samuel Associates	8,801,000	0.13%
Dave Marion Corp	8,750,000	0.13%
Exclusive Plaza	7,501,600	0.11%
Total	\$ 162,852,300	2.36%

Source: Municipal Tax Assessors

Community/Taxpayer	2001	
	Taxable Assessed Value	As a % of Community's Net Assessed Valuation
Manalapan		
Muscarelle/Am Properties	\$ 12,374,800	0.57%
Manalapan Industries	11,400,000	0.53%
Towne Pointe Associates	10,519,600	0.49%
Manalapan Realty	7,216,900	0.33%
Calton Homes, Inc.	6,985,800	0.32%
SGS Communities	4,642,500	0.21%
Westmon Corp.	4,471,800	0.21%
Trans Equity Realty	4,450,000	0.21%
Pension Road Realty	4,192,000	0.19%
Bell Atlantic - New Jersey	<u>4,174,774</u>	<u>0.19%</u>
Total	\$ 70,428,174	<u>3.25%</u>
Marlboro		
Marlboro Plaza Associates	\$ 20,876,700	0.78%
Union Hill Nine	16,704,700	0.63%
TMC Marlboro	13,624,200	0.51%
K Hovnanian	10,148,690	0.38%
Verizon	6,764,797	0.25%
Exclusive Plaza	4,008,900	0.15%
Individual Taxpayer 1	3,884,900	0.15%
Marlboro Industrial Park	3,672,900	0.14%
Samuel Associates	3,556,000	0.13%
Dadekian Marlboro Partnership	<u>3,367,300</u>	<u>0.13%</u>
Total	\$ 86,609,087	<u>3.25%</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	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
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%	-
2003	80,046,158	80,046,158	100.00%	-
2002	62,599,802	62,599,802	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		
2011	\$ 38,490,000	-	-	-	-	\$ 38,490,000	N/A	N/A
2010	41,770,000	-	-	-	-	\$ 41,770,000	N/A	218.621278
2009	44,870,000	-	-	-	-	44,870,000	0.12%	235
2008	47,830,000	-	-	-	-	47,830,000	0.12%	251
2007	52,815,000	-	-	-	-	52,815,000	0.11%	278
2006	57,795,000	-	-	-	-	57,795,000	0.09%	307
2005	62,745,000	-	-	-	-	62,745,000	0.08%	334
2004	67,670,000	-	5	-	-	67,670,005	0.07%	362
2003	72,565,000	-	65,160	-	-	72,630,160	0.06%	391
2002	77,430,000	-	245,439	-	-	77,675,439	0.06%	424

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>
2011	\$ 38,490,000	191,061	30,200,912,655	0.13%	202
2010	41,770,000	191,061	30,322,815,072	0.14%	219
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
2003	72,565,000	185,671	12,772,284,381	0.57%	391
2002	77,430,000	183,239	12,431,551,238	0.62%	423

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, 2011
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Colts Neck Township	\$ 7,899,428	100.000%	\$ 7,899,428
Englishtown Borough	1,115,000	100.000%	1,115,000
Borough of Farmingdale	341,396	100.000%	341,396
Borough of Freehold	7,522,206	100.000%	7,522,206
Freehold Township	51,895,928	100.000%	51,895,928
Howell Township	54,432,753	100.000%	54,432,753
Manalapan Township	16,930,221	100.000%	16,930,221
Marlboro Township	28,083,581	100.000%	28,083,581
Other debt			
Monmouth County	488,135,115	<u>Net Valuation</u>	
Colts Neck Township		3,080,093,167	2.900% 14,157,824
Englishtown Borough		252,343,900	0.238% 1,159,913
Borough of Farmingdale		154,242,005	0.145% 708,982
Borough of Freehold		1,078,233,655	1.015% 4,956,163
Freehold Township		6,159,186,704	5.800% 28,311,054
Howell Township		6,875,275,213	6.474% 31,602,595
Manalapan Township		5,703,998,926	5.371% 26,218,757
Marlboro Township		6,897,539,085	6.495% 31,704,933
Subtotal, overlapping debt			307,040,734
Freehold Regional High School District Direct Debt		<u>County total</u>	<u>38,490,000</u>
		106,195,811,067	
Total Direct and Overlapping Debt			<u>\$ 345,530,734</u>

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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Debt Limit	\$ 971,666,105	\$ 978,159,048	\$ 955,264,285	\$ 895,449,731
Total Net Debt Applicable to Limit	<u>38,490,000</u>	<u>41,770,000</u>	<u>44,870,000</u>	<u>47,830,000</u>
Legal Debt Margin	<u>\$ 933,176,105</u>	<u>\$ 936,389,048</u>	<u>\$ 910,394,285</u>	<u>\$ 847,619,731</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.12%	4.46%	4.93%	5.64%

<u>Year</u>	<u>Equalized Valuation Basis</u>	
2008	33,039,984,469	
2009	32,478,058,738	
2010	31,648,567,272	
	[A] \$ 97,166,610,479	
Average Equalized Valuation of Taxable Property	[A/3] \$ 32,388,870,160	
Debt limit (3% of average)	[B] \$ 971,666,105	(a)
Net bonded school debt as of June 30, 2011	[C] 38,490,000	
Legal debt margin	[B-C] \$ 933,176,105	

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>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 780,200,630	\$ 712,525,468	\$ 546,288,447	\$ 623,447,146	\$ 467,194,862	\$ 416,677,618
<u>52,815,000</u>	<u>57,795,000</u>	<u>67,670,000</u>	<u>62,745,000</u>	<u>72,565,000</u>	<u>77,430,000</u>
<u>\$ 727,385,630</u>	<u>\$ 654,730,468</u>	<u>\$ 478,618,447</u>	<u>\$ 560,702,146</u>	<u>\$ 394,629,862</u>	<u>\$ 339,247,618</u>
7.26%	8.83%	14.14%	11.19%	18.39%	22.82%

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
2010	Colts Neck	10,065	\$ 551,270,115	\$ 54,771	7.3%
	Englishtown	1,916	\$ 104,941,236	54,771	6.8%
	Farmingdale	1,572	\$ 86,100,012	54,771	4.7%
	Freehold Borough	11,432	\$ 626,142,072	54,771	12.0%
	Freehold Twp.	34,589	\$ 1,894,474,119	54,771	7.7%
	Howell	51,551	\$ 2,823,499,821	54,771	8.9%
	Manalapan	39,390	\$ 2,157,429,690	54,771	7.8%
	Marlboro	40,546	\$ 2,220,744,966	54,771	6.6%
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%

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
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%
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%

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
2002	Colts Neck	9,966	\$ 432,394,842	\$ 43,387	2.8%
	Englishtown	1,831	79,441,597	43,387	5.7%
	Farmingdale	1,599	69,375,813	43,387	4.6%
	Freehold Borough	11,629	504,547,423	43,387	6.7%
	Freehold Twp.	33,320	1,445,654,840	43,387	3.3%
	Howell	50,165	2,176,508,855	43,387	5.4%
	Manalapan	36,265	1,573,429,555	43,387	4.4%
	Marlboro	38,464	1,668,837,568	43,387	3.9%
2001	Colts Neck	9,751	\$ 427,708,113	\$ 43,863	2.0%
	Englishtown	1,792	78,602,496	43,863	3.9%
	Farmingdale	1,597	70,049,211	43,863	3.2%
	Freehold Borough	11,606	509,073,978	43,863	4.7%
	Freehold Twp.	32,023	1,404,624,849	43,863	2.3%
	Howell	49,873	2,187,579,399	43,863	3.8%
	Manalapan	34,741	1,523,844,483	43,863	3.1%
	Marlboro	37,528	1,646,090,664	43,863	2.7%

^a Population information provided by the NJ Dept of Labor and Workforce Development, Municipal Population by Municipality (June 2010)

^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 (April 2011)

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development (March 2011)

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

<u>Employer</u>	<u>2011</u>		<u>2009</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Meridian Health System, Neptune	7,500	2.46%	8,500	3.95%
Saker Shoprites, Inc, Freehold	6,800	2.23%	N/A	N/A
Air Safety Equipment Inc, Holmdel	4,350	1.43%	N/A	N/A
Centra State Healthcare, Freehold	2,354	0.77%	2,500	1.16%
Monmouth Medical Center, Long Branch	2,100	0.69%	1,850	0.86%
Visiting Nurse Assoc. of Central Jersey	1,700	0.56%	1,200	0.56%
Hovarian Enterprises Inc, Red Bank	1,629	0.53%	N/A	N/A
Food Circus Supermarkets Inc, Middletown	1,300	0.43%	N/A	N/A
Monmouth University, W. Long Branch	1,290	0.42%	1,241	0.58%
Bayshore Community Health Services, Holmdel	1,200	0.39%	1,500	0.70%
	<u>30,223</u>	<u>9.92%</u>		

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>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>	<u>2002</u>
Instruction										
Regular	627.2	753.5	794.2	756.1	783.0	772.0	761.0	745.0	732.0	629.0
Special education	139.0	43.0	44.8	35.3	37.0	38.5	42.0	62.0	56.0	27.0
Other instruction	3.0	19.0	15.6	12.2	12.0	12.0	12.0	12.0	12.0	12.0
Support Services:										
Student & Instruction Rel. Svcs	202.8	177.7	185.1	187.5	176.0	186.0	180.0	138.0	138.0	191.0
School Administrative Services	61.0	59.0	65.5	61.4	65.0	61.0	78.0	63.0	85.0	85.0
General and Central Services	31.5	31.3	36.3	35.5	38.0	55.0	34.0	33.0	31.0	31.0
Plant Operations & Maintenance	128.5	137.0	158.0	149.0	150.0	151.0	151.0	151.0	147.0	135.0
Pupil Transportation	<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>	<u>157.0</u>
Total	<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>	<u>1,267.0</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 Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	11,737.0	\$ 171,415,626	14,605	-2.73%	737	1:15.9	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	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	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	11,036.7	2.21	94.5%
2007	11,669.0	156,890,204	13,445	7.90%	799	1:14.7	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	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	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	9,957.7	4.89	93.7%
2003	10,810.5	116,313,121	10,759	6.28%	760	1:14.2	10,130.4	9,429.5	6.32	93.1%
2002	10,298.5	104,252,155	10,123	5.12%	634	1:16.2	9,528.5	8,879.9	4.74	93.2%

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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>District Building</u>				
<u>High Schools</u>				
Colts Neck High School (1998)				
Square Feet	219,490	219,490	219,490	219,490
Capacity (students)	1,748	1,748	1,748	1,748
Enrollment ^a	1,523	1,481	1,550	1,721
Freehold Borough High School (1954)				
Square Feet	187,256	187,256	187,256	187,256
Capacity (students)	1,564	1,564	1,564	1,564
Enrollment	1,534	1,433	1,395	1,416
Freehold Township High School (1968)				
Square Feet	256,293	256,293	256,293	256,293
Capacity (students)	2,224	2,224	2,224	2,224
Enrollment	2,193	2,208	2,191	2,240
Howell High School (1962)				
Square Feet	249,497	249,497	249,497	249,497
Capacity (students)	2,274	2,274	2,274	2,274
Enrollment	2,488	2,475	2,351	2,317
Manalapan High School (1968)				
Square Feet	256,293	256,293	256,293	256,293
Capacity (students)	2,341	2,341	2,341	2,341
Enrollment	2,038	2,065	2,018	2,029
Marlboro High School (1966)				
Square Feet	264,142	264,142	264,142	264,142
Capacity (students)	2,450	2,450	2,450	2,450
Enrollment	1,961	2,015	2,052	2,155
<u>Other</u>				
Administration Building (1982) ^b				
Square Feet	22,000	22,000	22,000	22,000
Transportation ^c				
Square Feet	9,600	9,600	9,600	9,600
Maintenance Offices				
Square Feet	400	400	400	400
Number of Schools at June 30, 2011				
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.

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.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
219,490	219,490	219,490	219,490	219,490	141,190
1,748	1,748	1,748	1,748	1,748	750
1,780	1,773	1,604	1,388	1,085	980
187,256	187,256	187,256	187,256	142,581	142,581
1,564	1,564	1,564	1,564	1,250	1,250
1,402	1,387	1,268	1,194	1,089	1,001
256,293	256,293	256,293	256,293	256,293	203,530
2,224	2,224	2,224	2,224	2,224	1,620
2,190	2,151	2,011	1,961	1,876	1,886
249,497	249,497	249,497	249,497	249,497	211,997
2,274	2,274	2,274	2,274	2,274	1,650
2,115	1,948	1,853	1,730	1,654	1,579
256,293	256,293	256,293	256,293	256,293	256,293
2,341	2,341	2,341	2,341	2,341	2,341
1,952	1,974	2,222	2,218	2,190	1,981
264,142	264,142	264,142	264,142	218,142	218,142
2,450	2,450	2,450	2,450	1,790	1,790
2,160	2,246	2,222	2,218	2,190	1,981
22,000	22,000	22,000	22,000	22,000	22,000
9,600	9,600	9,600	9,600	9,600	9,600
400	400	400	400	400	400

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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Colts Neck High School	NA	\$ 347,111	\$ 465,593	\$ 510,603	\$ 370,897
Freehold Borough High School	NA	296,135	397,217	442,524	347,255
Freehold Township High School	NA	405,313	543,662	612,725	454,676
Howell High School	NA	394,566	529,246	612,725	454,676
Manalapan-Englishtown High School	NA	405,313	543,662	612,725	454,676
Marlboro High School	NA	417,726	560,311	612,725	454,676
Total School Facilities		<u>2,266,166</u>	<u>3,039,691</u>	<u>3,404,027</u>	<u>2,536,856</u>
Other Facilities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grand Total		<u>\$ 2,266,166</u>	<u>\$ 3,039,691</u>	<u>\$ 3,404,027</u>	<u>\$ 2,536,856</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>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>Total</u>
\$ 444,859	\$ 338,483	\$ 486,325	\$ 461,507	\$ 330,061	\$ 3,755,440
560,535	515,354	559,857	352,353	251,996	3,723,226
602,446	281,188	526,825	444,063	317,585	4,188,484
896,564	421,414	502,941	432,288	309,164	4,553,584
799,762	396,202	526,825	444,063	317,585	4,500,814
902,624	690,887	506,825	457,663	327,311	4,930,748
<u>4,206,790</u>	<u>2,643,528</u>	<u>3,109,598</u>	<u>2,591,937</u>	<u>1,853,702</u>	<u>25,652,295</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 4,206,790</u>	<u>\$ 2,643,528</u>	<u>\$ 3,109,598</u>	<u>\$ 2,591,937</u>	<u>\$ 1,853,702</u>	<u>\$ 25,652,295</u>

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Wachovia Insurance Services		
Property	\$ 205,524,445	\$ 5,000
Boiler/Machinery	50,000,000	1,000
Liability		
General	1,000,000	1,000
Excess Liability	10,000,000	
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	350,000
Crime:		
Board Secretary	300,000	1,000

Source: District Records

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SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-1"

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

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

We have audited the basic financial statements of the Freehold Regional High School District, County of Monmouth, New Jersey as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 21, 2011. We conducted our audit in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Freehold Regional High School District, County of Monmouth, New Jersey internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of the Freehold Regional High School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Freehold Regional High School District's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

SUPLEE, CLOONEY & COMPANY

Our consideration of the internal control over financial reporting was limited for the purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However we noted immaterial matters involving the internal control over financial reporting 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 21, 2011.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Freehold Regional High School District's basic financial statements are free of 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 basic 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. However we noted 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 21, 2011.

This report is intended solely for the information and use of management and the Board of Education of the Freehold Regional High School District, the New Jersey State Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

November 21, 2011



SUPLEE, CLOONEY & COMPANY

EXHIBIT "K-2"

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH 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

Compliance

We have audited the compliance of the Freehold Regional High School District with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the New Jersey State Grant Compliance Supplement that are applicable to each of its major federal and state programs for the year ended June 30, 2011. The Freehold Regional High School 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Freehold Regional High School District's management. Our responsibility is to express an opinion on Freehold Regional High School District's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; 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 and 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 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. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Freehold Regional High School District's compliance with those requirements.

SUPLEE, CLOONEY & COMPANY

In our opinion, the Freehold Regional High School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the Freehold Regional High School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Freehold Regional High School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 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 or state program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management and the Board of Education of the Freehold Regional High School District, the New Jersey State Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

November 21, 2011

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Award Amount	Grant Period	
				From	To
U.S. Department of Education Passed-Through State Department of Education:					
General Fund					
Education Jobs Fund	84.410		\$ 1,763,514	9/1/2010	8/31/2012
Total General Fund					
Special Revenue Fund:					
Title I, Part A Basic	84.010	NCLB_11	319,297	9/1/2010	8/31/2011
Title I, Part A Carryover	84.010	NCLB_10	295,359	9/1/2009	8/31/2010
Title II, Part A Teacher & Principal Training	84.281	NCLB_11	185,272	9/1/2010	8/31/2011
Title II, Part A Carryover	84.281	NCLB_10	182,107	9/1/2009	8/31/2010
Title II, Part D	84.168	NCLB_11	716	9/1/2010	8/31/2011
Title II, Part D Carryover	84.168	NCLB_10	2,980	9/1/2009	8/31/2010
Title III	84.365	NCLB_11	29,935	9/1/2010	8/31/2011
Title III Carryover	84.365	NCLB_10	23,362	9/1/2009	8/31/2010
Title III Carryover	84.365	NCLB_09	25,918	9/1/2008	8/31/2009
Title III Supplemental	84.365	NCLB_11	16,268	9/1/2010	8/31/2011
I.D.E.A. Part B Basic Regular	84.027	FT_11	2,225,083	9/1/2010	8/31/2011
I.D.E.A. Part B Basic Carryover	84.027	FT_10	2,099,999	9/1/2009	8/31/2010
I.D.E.A. ARRA	84.391	N/A	2,444,379	9/1/2010	8/31/2011
Vocational Education - Perkins	84.048	PERK165007	144,378	9/1/2010	8/31/2011
Vocational Education - Perkins Carryover	84.048	PERK165007	159,779	9/1/2009	8/31/2010
Total Special Revenue Fund					
U.S. Department of Agriculture Passed-Through State Department of Education:					
Food Distribution Program	10.550	N/A	130,747	7/1/2010	6/30/2011
Food Distribution Program	10.550	N/A	103,272	7/1/2010	6/30/2011
School Breakfast Program	10.553	N/A	31,085	7/1/2009	6/30/2010
School Breakfast Program	10.553	N/A	33,291	7/1/2010	6/30/2011
National School Lunch Program	10.555	N/A	308,020	7/1/2009	6/30/2010
National School Lunch Program	10.555	N/A	308,134	7/1/2010	6/30/2011
Total Enterprise Fund					
Total Federal Financial Awards					

Schedule A

Balance at June 30, 2010	Adjustment	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year's Balances	Balance at June 30, 2011		
					Accounts Receivable	Deferred Revenue	Due to Grantor
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	169,571	(242,127)	-	(72,556)	-	-
-	-	69,573	(78,031)	-	(8,458)	-	-
-	-	55,570	(161,219)	-	(105,649)	-	-
-	(1,246)	23,368	(27,209)	-	(5,087)	-	-
-	-	-	(716)	-	(716)	-	-
-	(783)	-	-	-	(783)	-	-
-	-	13,754	(18,425)	-	(4,671)	-	-
-	(414)	5,122	(5,564)	-	(856)	-	-
267	-	-	-	-	-	-	267
-	-	11,963	(12,018)	-	(55)	-	-
-	-	1,355,544	(2,124,595)	-	(769,051)	-	-
-	-	12,022	(12,023)	-	(1)	-	-
-	-	139,649	(311,825)	-	(172,176)	-	-
-	-	94,798	(139,944)	-	(45,146)	-	-
-	(251)	-	(18)	-	(269)	-	-
267	(2,694)	1,950,934	(3,133,714)	-	(1,185,474)	-	267
1,386	-	-	(1,386)	-	-	-	-
(2,830)	-	103,272	(97,894)	-	-	5,378	-
(24,756)	-	2,830	-	-	-	-	-
-	-	31,446	(33,291)	-	(1,845)	-	-
-	-	24,756	-	-	-	-	-
(26,200)	-	294,043	(308,134)	-	(14,091)	-	-
-	-	456,347	(440,705)	-	(15,936)	5,378	-
\$ (25,933)	\$ (2,694)	\$ 2,407,281	\$ (3,574,419)	\$ -	\$ (1,201,410)	\$ 5,378	\$ 267

FREEHOLD REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Deferred Revenue (Accts Receivable) June 30, 2010
			From	To	
State Department of Education:					
General Fund:					
Non-Public Transportation Costs Aid	11-100-034-5120-068	104,481	7/1/2010	6/30/2011	\$ -
Extraordinary Special Education Costs Aid	11-100-034-5120-473	1,280,964	7/1/2010	6/30/2011	-
Special Education Aid	11-495-034-5120-011	6,658,275	7/1/2010	6/30/2011	-
Equalization Aid	11-495-034-5120-078	37,975,359	7/1/2010	6/30/2011	-
Reimbursed TPAF Social Security	11-495-034-5095-051	5,163,559	7/1/2010	6/30/2011	-
Reimbursed TPAF Social Security	10-495-034-5095-051	5,272,336	7/1/2009	6/30/2010	(271,553)
Non-Public Transportation Costs Aid	10-100-034-5120-068	111,918	7/1/2009	6/30/2010	(111,918)
Extraordinary Special Education Costs Aid	10-100-034-5120-473	2,134,993	7/1/2009	6/30/2010	(2,134,993)
Transportation Aid	10-495-034-5120-014	3,261,903	7/1/2009	6/30/2010	-
Equalization Aid	10-495-034-5120-078	32,625,381	7/1/2009	6/30/2010	-
Security Aid	10-495-034-5120-084	600,038	7/1/2009	6/30/2010	-
Special Education Aid	10-495-034-5120-011	6,707,906	7/1/2009	6/30/2010	-
Total General Fund					<u>(2,518,464)</u>
Special Revenue Fund:					
N.J. Nonpublic Aid:					
Textbook Aid	10-100-034-5120-064	3,711	7/1/2009	6/30/2010	-
Textbook Aid	11-100-034-5120-064	2,728	7/1/2010	6/30/2011	-
Nursing Services	11-100-034-5120-070	3,165	7/1/2010	6/30/2011	-
Compensatory Education	11-100-034-5120-067	335	7/1/2010	6/30/2011	-
Handicapped Services:					
Supplemental Instruction	11-100-034-5120-066	3,474	7/1/2010	6/30/2011	-
Speech	11-100-034-5120-066	1,251	7/1/2010	6/30/2011	-
Exam and Classification	11-100-034-5120-066	7,816	7/1/2010	6/30/2011	-
Total Special Revenue Fund					<u>-</u>
Debt Service Fund:					
Debt Service Aid Type II	11-100-034-5120-125	1,305,562	7/1/2010	6/30/2011	-
Total Debt Service Fund					<u>-</u>
Enterprise Fund:					
National School Lunch Program (State Share)	10-100-010-3360-067	22,450	7/1/2009	6/30/2010	(1,763)
National School Lunch Program (State Share)	11-100-010-3360-067	16,524	7/1/2010	6/30/2011	-
School Breakfast Program (State Share)	10-100-010-3360-096	2,805	7/1/2009	6/30/2010	(243)
Total Enterprise Fund					<u>(2,006)</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	29,480	7/1/2009	6/30/2010	(29,460)
Manalapan High School - Partial Roof Replacement	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>\$ (2,654,928)</u>
On Behalf TPAF Contributions Not Subject to OMB 04-04:					
On-behalf TPAF Pension/Medical	10-495-034-5095-050	4,709,269	7/1/2010	6/30/2011	
Total Indirect State Financial Assistance					
Total State Financial Assistance					

Schedule B

Due to Grantor June 30, 2010	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year's Balances	Balance at June 30, 2011			MEMO	
				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
\$ -	\$ -	\$ (104,481)	\$ -	\$ (104,481)	\$ -	\$ -	\$ 104,481	\$ 104,481
-	-	(1,280,964)	-	(1,280,964)	-	-	1,280,964	1,280,964
-	6,000,205	(6,658,275)	658,070	-	-	-	658,070	6,658,275
-	34,222,062	(37,975,359)	3,753,297	-	-	-	3,753,297	37,975,359
-	5,152,630	(5,163,559)	-	(10,929)	-	-	10,929	5,163,559
-	271,553	-	-	-	-	-	-	5,272,336
-	111,918	-	-	-	-	-	-	111,918
-	2,134,993	-	-	-	-	-	-	2,134,993
-	326,190	-	(326,190)	-	-	-	-	3,261,903
-	4,213,439	-	(4,213,439)	-	-	-	-	32,625,381
-	60,004	-	(60,004)	-	-	-	-	600,038
-	670,791	-	(670,791)	-	-	-	-	6,707,906
-	53,163,785	(51,182,638)	(859,057)	(1,396,374)	-	-	5,807,741	101,897,113
426	-	-	(426)	-	-	-	-	-
-	2,728	(452)	-	-	-	2,276	-	452
-	3,165	(3,165)	-	-	-	-	-	3,165
-	335	(335)	-	-	-	-	-	335
-	3,474	(3,474)	-	-	-	-	-	3,474
-	1,251	(1,251)	-	-	-	-	-	1,251
-	7,816	(7,816)	-	-	-	-	-	7,816
426	18,769	(18,493)	(426)	-	-	2,276	-	16,493
-	1,305,562	(1,305,562)	-	-	-	-	-	1,305,562
-	1,305,562	(1,305,562)	-	-	-	-	-	1,305,562
-	1,763	-	-	-	-	-	-	22,450
-	14,865	(16,524)	-	(1,659)	-	-	-	16,524
-	243	-	-	-	-	-	-	2,805
-	16,871	(16,524)	-	(1,659)	-	-	-	41,779
-	-	-	-	(40,900)	-	-	-	40,900
-	-	-	-	(29,460)	-	-	-	29,460
-	-	-	-	(64,098)	-	-	-	64,098
-	-	-	-	(134,458)	-	-	-	134,458
\$ 426	54,504,987	(52,521,217)	\$ (859,483)	\$ (1,532,491)	\$ -	\$ 2,276	\$ 5,807,741	103,395,405
	4,709,269	(4,709,269)						4,709,269
	4,709,269	(4,709,269)						4,709,269
\$ 59,214,256	\$ (57,230,486)							\$ 108,104,674

Freehold Regional High School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2011

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.

Freehold Regional High School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2011

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$859,057.00) 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		\$56,750,964.00	\$56,750,964.00
Special Revenue Fund	\$3,133,714.00	16,493.00	3,150,207.00
Debt Service Fund		1,305,562.00	1,305,562.00
Food Service Fund	440,705.00	16,524.00	457,229.00
	<u>\$3,574,419.00</u>	<u>\$58,089,543.00</u>	<u>\$61,663,962.00</u>
GAAP Adjustments		(\$859,057.00)	
Total Awards & Financial Assistance	<u>\$3,574,419.00</u>	<u>\$57,230,486.00</u>	<u>\$61,663,962.00</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, 2011. 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, 2011.

Freehold Regional High School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section I – Summary of Auditor's Results

Financial Statements

- | | | |
|-----|--|-------------|
| (1) | Type of Auditor's Report Issued: | Unqualified |
| (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)? | Unqualified |
| (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, 2011

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

Federal Program(s) (Continued)

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

<u>Program</u>	<u>Grant Number</u>
Title I	84.01
IDEA Part B	84.027
IDEA Part B - ARRA	84.391
National School Lunch Program	10.555

(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, 2011

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)? Unqualified
- (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>Program</u>	<u>Grant Number</u>
Equalization Aid	11-495-034-5120-078

Freehold Regional High School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

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

State Program(s) Continued)

- (5) Program Threshold Determination:
Type A State Program Threshold > \$1,575,633.00
Type B State Program Threshold <= \$1,575,633.00
- (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

The prior year finding has been corrected.

