

REPORT OF AUDIT
FREEHOLD TOWNSHIP SCHOOL DISTRICT
COUNTY OF MONMOUTH
FISCAL YEAR ENDED JUNE 30, 2017
SUMMARY

FREEHOLD TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2017

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 7,602,553	\$ 6,531	\$ -	\$ 1	\$ 7,609,085
Cash on hand with fiscal agent	-	-	-	-	-
Investments	-	-	-	-	-
Capital reserve	-	-	-	-	-
Receivables, net	139,021	15,259	-	-	154,280
Due from other funds	22,500	-	-	-	22,500
Receivables - State	968,546	-	-	-	968,546
Receivables - Federal	-	178,950	-	-	178,950
Total assets	<u>\$ 8,732,620</u>	<u>\$ 200,740</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 8,933,361</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	139,351	1,012	-	-	140,363
Interfund payable	20,217	-	-	-	20,217
Deferred revenue	48,589	196,652	-	-	245,241
Due to grantor	-	3,076	-	-	3,076
Total liabilities	<u>208,157</u>	<u>200,740</u>	<u>-</u>	<u>-</u>	<u>408,897</u>
Fund Balances:					
Restricted for:					
Unexpended additional spending proposal	-	-	-	-	-
Capital reserve account	2,156,784	-	-	-	2,156,784
Maintenance reserve account	1,046,838	-	-	-	1,046,838
Emergency reserve account	613,748	-	-	-	613,748
Excess surplus	-	-	-	-	-
Excess surplus -- designated for subsequent year's expenditures	-	-	-	-	-
Committed to:					
Other purposes	793,230	-	-	-	793,230
Assigned to:					
Debt service fund	-	-	-	1	1
Designated by the BOE for subsequent year's expenditures	2,100,000	-	-	-	2,100,000
Capital projects fund	-	-	-	-	-
Other purposes	-	-	-	-	-
Unassigned to:					
General fund	1,813,863	-	-	-	1,813,863
Total Fund balances	<u>8,524,463</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>8,524,464</u>
Total liabilities and fund balances	<u>\$ 8,732,620</u>	<u>\$ 200,740</u>	<u>\$ -</u>	<u>\$ 1</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets are \$100,235,546 and the accumulated depreciation is \$47,545,734.	52,689,812
Deferred outflows related to the PERS pension plan	14,397,366
Deferred inflows related to the PERS pension plan	-
Bond issuance costs are being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$888,390.	648,602
Bond premium is being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$7,618,957.	(6,836,373)
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.	<u>(84,475,929)</u>
Net position of governmental activities	<u>\$ (15,052,058)</u>

FREEHOLD TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	GAAP Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 64,054,680	\$ -	\$ -	\$ 3,200,132	\$ 67,254,812
Tuition charges	119,856	-	-	-	119,856
Interest on investments	-	-	-	-	-
Interest earned on capital reserve funds	-	-	-	-	-
Transportation fees	400,942	-	-	-	400,942
Rents and royalties	29,992	-	-	-	29,992
Miscellaneous	578,850	79,058	-	-	657,908
Total - Local Sources	65,184,320	79,058	-	3,200,132	68,463,510
State sources	9,852,884	5,646	33,167	35,807	9,927,504
Federal sources	106,675	1,123,722	-	-	1,230,397
Total revenues	<u>\$ 75,143,879</u>	<u>\$ 1,208,426</u>	<u>\$ 33,167</u>	<u>\$ 3,235,939</u>	<u>\$ 79,621,411</u>
EXPENDITURES					
Current:					
Regular instruction	\$ 18,841,941	\$ 1,095,528	\$ -	\$ -	\$ 19,937,469
Special education instruction	9,490,139	-	-	-	9,490,139
Other special instruction	1,176,013	-	-	-	1,176,013
Undistributed - current:					
Instruction	1,024,940	-	-	-	1,024,940
Health services	749,466	-	-	-	749,466
Other support services	6,001,367	112,898	-	-	6,114,265
Educational media services	510,820	-	-	-	510,820
Instruction staff training	108,367	-	-	-	108,367
General administrative services	935,557	-	-	-	935,557
School administrative services	2,380,673	-	-	-	2,380,673
Allowed maintenance for school facilities	1,226,284	-	-	-	1,226,284
Other operation & maintenance of plant	4,095,409	-	-	-	4,095,409
Care and upkeep of grounds	300,872	-	-	-	300,872
Security	25,070	-	-	-	25,070
Student transportation services	3,740,728	-	-	-	3,740,728
Central services	832,280	-	-	-	832,280
Admin info technology	1,080,864	-	-	-	1,080,864
Unallocated employee benefits	13,836,357	-	-	-	13,836,357
Non-budgeted expenditures	4,725,857	-	-	-	4,725,857
Special schools	-	-	-	-	-
Transfer to charter school	-	-	-	-	-
Debt service:					
Principal	-	-	-	1,490,000	1,490,000
Interest and other charges	-	-	-	1,841,322	1,841,322
Capital outlay	765,701	-	-	-	765,701
Total expenditures	<u>71,848,705</u>	<u>1,208,426</u>	<u>-</u>	<u>3,331,322</u>	<u>76,388,453</u>
Excess (Deficiency) of revenues over expenditures	3,295,174	-	33,167	(95,383)	3,232,958
OTHER FINANCING SOURCES (USES)					
Bond refunding	-	-	-	-	-
New bonds issued	-	-	-	-	-
Premium and costs for bond issuance	-	-	-	-	-
Transfer in	146,931	-	-	-	146,931
Transfers out	-	-	(146,931)	-	(146,931)
Total other financing sources and uses	<u>146,931</u>	<u>-</u>	<u>(146,931)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,442,105	-	(113,764)	(95,383)	3,232,958
Fund balance—July 1	5,082,358	-	113,764	95,384	5,291,506
Fund balance—June 30	<u>\$ 8,524,463</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 8,524,464</u>

FREEHOLD TOWNSHIP SCHOOL DISTRICT
SUMMARY
JULY 1, 2016 THROUGH JUNE 30, 2017
(Continued)

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
None
3. School Purchasing Program
None
4. School Food Service
None
5. Student Body Activities
None
6. Application for State School Aid
None
7. Pupil Transportation
None
8. Facilities and Capital Assets
None
9. Miscellaneous
None
10. Status of Prior Year's Findings/Recommendations
Corrected