

KINGSWAY REGIONAL SCHOOL DISTRICT

BOARD OF EDUCATION

Woolwich Township, New Jersey
County of Gloucester

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

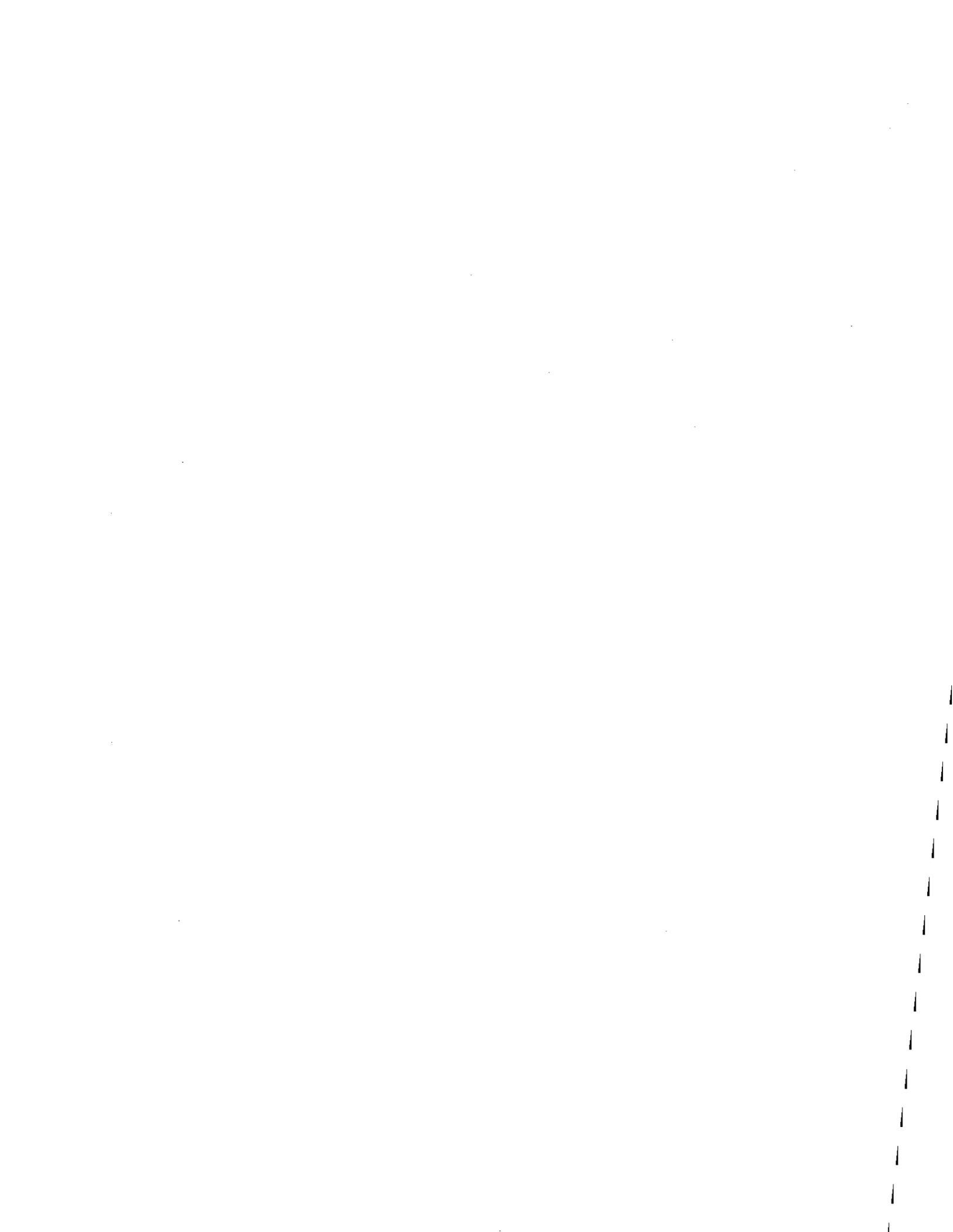


Kingsway Regional School District
Board of Education
Woolwich Township, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013



Prepared by: Jason Schimpf
School Business Administrator/
Board Secretary



OUTLINE OF CAFR

| | PAGE |
|------------------------------|-------------|
| INTRODUCTORY SECTION | |
| Letter of Transmittal | 1 |
| Organizational Chart | 6 |
| Roster of Officials | 7 |
| Consultants and Advisors | 8 |
| FINANCIAL SECTION | |
| Independent Auditor's Report | 9 |

REQUIRED SUPPLEMENTARY INFORMATION – PART I

| | |
|--------------------------------------|----|
| Management's Discussion and Analysis | 12 |
|--------------------------------------|----|

BASIC FINANCIAL STATEMENTS

| | |
|--|----|
| A. District-wide Financial Statements: | |
| A-1 Statement of Net Position | 19 |
| A-2 Statement of Activities | 20 |
| B. Fund Financial Statements: | |
| B-1 Balance Sheet | 22 |
| B-2 Statement of Revenues, Expenditures & Changes in Fund Balances | 23 |
| B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds to the Statement of Activities | 24 |
| Proprietary Funds: | |
| B-4 Statement of Net Position | 25 |
| B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position | 27 |
| B-6 Statement of Cash Flows | 29 |
| Fiduciary Funds: | |
| B-7 Statement of Fiduciary Net Position | 31 |
| B-8 Statement of Changes in Fiduciary Net Position | 32 |
| Notes to Financial Statements | 33 |

REQUIRED SUPPLEMENTARY INFORMATION – PART II

| | |
|--|-----|
| C. Budgetary Comparison Schedules: | |
| C-1 Budgetary Comparison Schedule – General Fund | 55 |
| C-1a Combining Schedule of Revenues, Expenditures & Changes in Fund Balance - Budget & Actual (if applicable) | N/A |
| C-1b Education Jobs Fund Program – Budget & Actual (if applicable) | 73 |
| C-2 Budgetary Comparison Schedule – Special Revenue Fund | 75 |

(continued)

OUTLINE OF CAFR (continued):

| | PAGE |
|---|-------------|
| Notes to the Required Supplementary Information: | |
| C-3 Budget-to-GAAP Reconciliation | 76 |
| D. School Based Budget Schedules (if applicable): | |
| D-1 Combining Balance Sheet | N/A |
| D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual | N/A |
| D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual | N/A |
| E. Special Revenue Fund: | |
| E-1 Combining Schedule of Revenues & Expenditures Special Revenue Fund – Budgetary Basis | 77 |
| E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis | N/A |
| F. Capital Projects Fund: | |
| F-1 Summary Schedule of Project Expenditures | 78 |
| F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis | 79 |
| F-2a Schedule of Revenues, Expenditures Project Balance & Project Status – Renovation of Science Laboratories at High School | 80 |
| F-2b Schedule of Revenues, Expenditures Project Balance & Project Status – Construction of Middle School Auxiliary Gymnasium | 81 |
| F-2c Schedule of Revenues, Expenditures Project Balance & Project Status – Additions and Renovations to Middle School | 82 |
| F-2d Schedule of Revenues, Expenditures Project Balance & Project Status – Additions and Renovations to High School | 83 |
| G. Proprietary Funds: | |
| Enterprise Fund: | |
| G-1 Combining Schedule of Net Position | 84 |
| G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Position | 85 |
| G-3 Combining Schedule of Cash Flows | 86 |
| Internal Service Fund – | |
| G-4 Combining Schedule of Net Position | 87 |
| G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position | 88 |
| G-6 Combining Schedule of Cash Flows | 89 |
| H. Fiduciary Funds: | |
| H-1 Combining Statement of Fiduciary Net Position | 90 |
| H-2 Combining Statement of Changes in Fiduciary Net Position | 91 |
| H-3 Student Activity Agency Fund Schedule of Receipts & Disbursements | 92 |

(continued)

OUTLINE OF CAFR (continued):

| | PAGE |
|--|-------------|
| H. Fiduciary Funds (continued): | |
| H-4 Payroll Agency Fund Schedule of Receipts & Disbursements | 92 |
| I. Long-Term Debt: | |
| I-1 Schedule of Serial Bonds | 93 |
| I-2 Schedule of Obligations Under Capital Leases | 95 |
| I-3 Debt Service Fund Budgetary Comparison Statement | 96 |

STATISTICAL SECTION (unaudited)

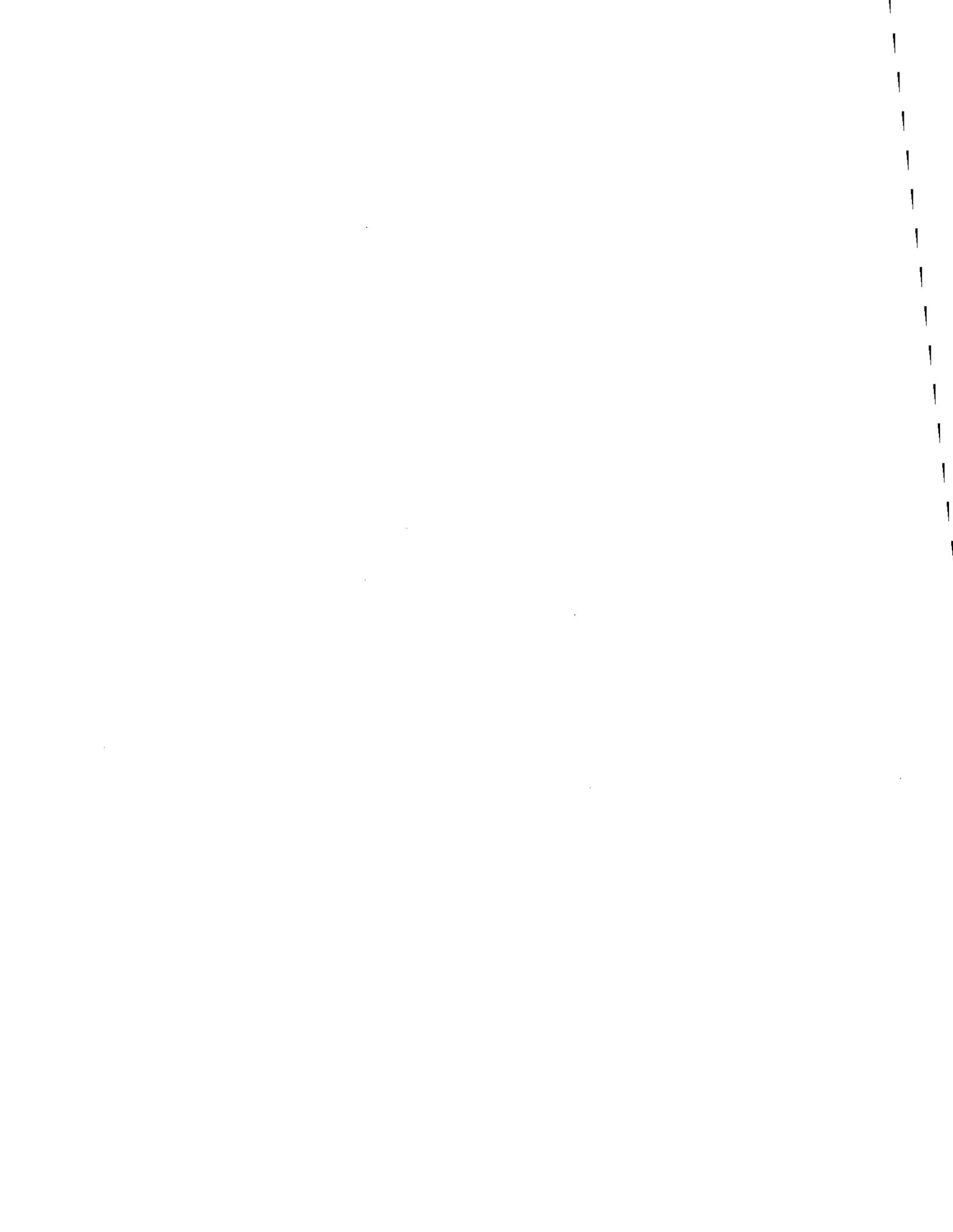
| | |
|--|-----|
| Financial Trends: | |
| J-1 Net Position by Component | 97 |
| J-2 Changes in Net Position | 98 |
| J-3 Fund Balances – Governmental Funds | 101 |
| J-4 Changes in Fund Balances – Governmental Funds | 102 |
| J-5 General Fund Other Local Revenue by Source | 104 |
| Revenue Capacity: | |
| J-6 Assessed Value & Estimated Actual Value of Taxable Property | 105 |
| J-7 Direct & Overlapping Property Tax Rates | 106 |
| J-8 Principal Property Taxpayers | 107 |
| J-9 Property Tax Levies & Collections | 109 |
| Debt Capacity: | |
| J-10 Ratios of Outstanding Debt by Type | 110 |
| J-11 Ratios of General Bonded Debt Outstanding | 111 |
| J-12 Direct & Overlapping Governmental Activities Debt | 112 |
| J-13 Legal Debt Margin Information | 113 |
| Demographic & Economic Information: | |
| J-14 Demographic & Economic Statistics | 114 |
| J-15 Principal Employers | 115 |
| Operating Information: | |
| J-16 Full-Time Equivalent District Employees by Function/Program | 116 |
| J-17 Operating Statistics | 117 |
| J-18 School Building Information | 118 |
| J-19 Schedule of Required Maintenance | 119 |
| J-20 Insurance Schedule | 120 |

K SINGLE AUDIT SECTION

| | |
|---|-----|
| K-1 Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> | 121 |
| K-2 Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04 | 123 |
| K-3 Schedule of Expenditures of Federal Awards, Schedule A | 126 |
| K-4 Schedule of Expenditures of State Financial Assistance, Schedule B | 127 |
| K-5 Notes to Schedules of Awards and Financial Assistance | 128 |
| K-6 Schedule of Findings and Questioned Costs | 130 |
| K-7 Summary Schedule of Prior Audit Findings | 132 |

(concluded)

INTRODUCTORY SECTION





November 20, 2013

Honorable President and
Members of the Board of Education
Kingsway Regional School District
County of Gloucester
Woolwich Township, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report (“CAFR”) of the Kingsway Regional School District (hereinafter, the “District”) for the fiscal year ended June 30, 2013, is hereby submitted. 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 financial position and results of operations of the various funds and account groups of the District at June 30, 2013. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The CAFR is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter (designed to complement Management’s Discussion and Analysis and should be read in conjunction with), the District’s organizational chart, and a roster of district officials, consultants and advisors. The financial section includes Management’s Discussion and Analysis (“MD&A”), basic financial statements, required supplementary information and other supplementary information, as well as the auditor’s report therein. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, “Audits of States, Local Governments, and Non-profit Organizations,” and the New Jersey OMB Circular 04-04, “Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments.” Information related to this single audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, findings, and questioned costs, is included in the single audit section of this report.

Reporting Entity

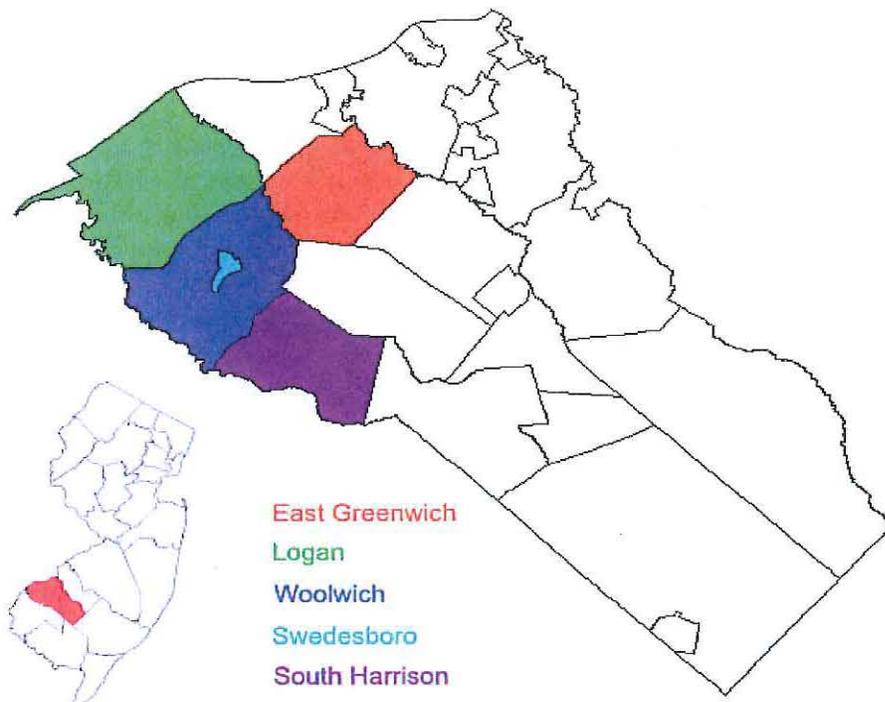
The Kingsway Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”) as established by Statement No. 39. All funds and the government-wide financial statements of the District are included within this report. The Kingsway Regional School District Board of Education and its Middle and High Schools constitute the District’s reporting entity.

School District Organization

The Kingsway Regional School District is one of twenty-nine (29) public school districts within Gloucester County. The District provides a full range of educational services appropriate to grade levels 7 through 12.

An elected nine-member Board of Education (“Board”), along with a representative from the Logan Township School District, serves as the policy making entity for the School District.

Geographically, the District is situated in predominately rural/suburban areas, with more than 20,000 people residing within its 52 square mile border. The District includes the Borough of Swedesboro and the Townships of South Harrison, East Greenwich, and Woolwich. Though not part of the District, students from Logan Township attend Kingsway Regional High School through a send/receive relationship as paid tuition students.



The District completed the 2012-2013 fiscal year with an Average Daily Enrollment (“ADE”) of 2,329.9 students, which equates to an increase of 68.6 students from the 2011-2012 fiscal year. The following chart details the changes in the ADE of the District over the last five years:

Average Daily Enrollment

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percent Change</u> |
|--------------------|---------------------------|-----------------------|
| 2012-13 | 2,329.9 | +3.0% |
| 2011-12 | 2,261.3 | +1.3% |
| 2010-11 | 2,232.1 | +1.1% |
| 2009-10 | 2,207.9 | +3.6% |
| 2008-09 | 2,130.4 | +4.2% |

Economic Condition and Outlook

Over the last decade Kingsway has experienced unprecedented growth. The student population has grown from 1,100 students in the 2000-01 school year to more than 2,300 students in the 2012-13 school year. A recent demographic study projects student enrollment to exceed 3,000 students by the year 2015.

This level of growth has forced Kingsway to *"do more with less"* and stretch every tax dollar to its absolute limit. Kingsway spent less per pupil than the average Grades 7-12 district, and as a result was ranked the lowest for the 2011-12 school year as reported in the Taxpayer's Guide to Education Spending. While spending less we have achieved more.

Educational Program

The mission of the Kingsway Regional School District is to construct and preserve a comprehensive educational program that fosters the academic, social, emotional, and personal development of all students. The district provides a secure, supportive environment that allows for the unique needs of each student to be met while providing rigorous and stimulating programs of study. Kingsway provides high quality resources that challenge and empower each individual to reach his or her maximum potential and develop an enduring passion for learning.

The educational opportunities and experiences provided to each student within the district enhances college and career readiness as he or she enters into a diverse and challenging world upon graduation. To support instruction, the district continues to expand the technology available to our students and our staff. Virtually every classroom is equipped with a projector and the number of classrooms with an interactive whiteboard continues to grow. Wireless capabilities extend throughout the building enabling teachers and students to utilize laptop carts for a multitude of purposes. A growing number of teachers have developed and implemented Moodle sites to deliver instruction through a blended model (face-to-face and online).

The Kingsway Regional Middle School is built upon a "teaming" structure to support student growth and achievement. This approach enhances pupil development by linking them to a group of six teachers from core subjects which promotes shared accountability for a common group of students. Teams are provided collaborative time each day to review student data, discuss current educational topics and trends, map curricula and plan interdisciplinary/thematic units to support student achievement. Teams also spend time actively working to recognize academically, socially, and behaviorally "at-risk" students based upon multiple measures. Teams meet with identified students and their parents to develop individual improvement plans that include intervention strategies such as daily report cards, homework monitoring programs, and tutoring via an established homework clinic.

The Kingsway Regional High School offers a variety of programs that support and encourage college and career readiness for all students to ensure they are sufficiently prepared for post-graduation expectations. The high school currently offers fifteen Advanced Placement programs, dual credit opportunities with two local colleges, twenty-six award-winning sports and extracurricular programs, more than twenty clubs and after-school activities, an award-winning mock trial team, and a state and nationally recognized Model Congress Program. Additionally, the high school is proud to offer a unique S.T.E.M program that allows gifted students to earn up to thirty-two college credits through an articulation agreement with Gloucester County College, while enrolled in a rigorous science-centered program at the high school. Kingsway also supports the development of classified students by providing various setting options that include supported inclusion into the general education classroom and small-group instruction supported by a special education teacher. Specialized programs that support our multiply disabled and behaviorally disabled population have also been developed and work to provide a more focused and individualized approach to student development. During this current year, Kingsway established the Next Step Program; a program devoted to our 18-21 year old classified students to support their transition into the workforce.

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 within 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 is also 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 performed to determine the adequacy of the internal control system, including that portion related to major federal and state awards, as well as to determine whether 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. Annual appropriated budgets are adopted for the general, special revenue, and debt services funds. 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at fiscal year-end.

Accounting System and Reports

The District's accounting records reflect accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board ("GASB"). The accounting system of the District is organized on the basis of funds and account groups. These funds and government-wide statements are explained in "Notes to the Basic Financial Statements," Note 1.

Cash Management

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the 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.

Independent Audit

State statute requires an annual audit by independent certified public accountants. The accounting firm of Holman, Frenia, & Allison, P.C., was selected by the Board of Education. In addition to meeting the requirements set forth in state statute, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996, and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's 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 Kingsway Regional School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report would not have been accomplished without the efficient and dedicated services of our financial and accounting staff members.

Respectfully submitted,



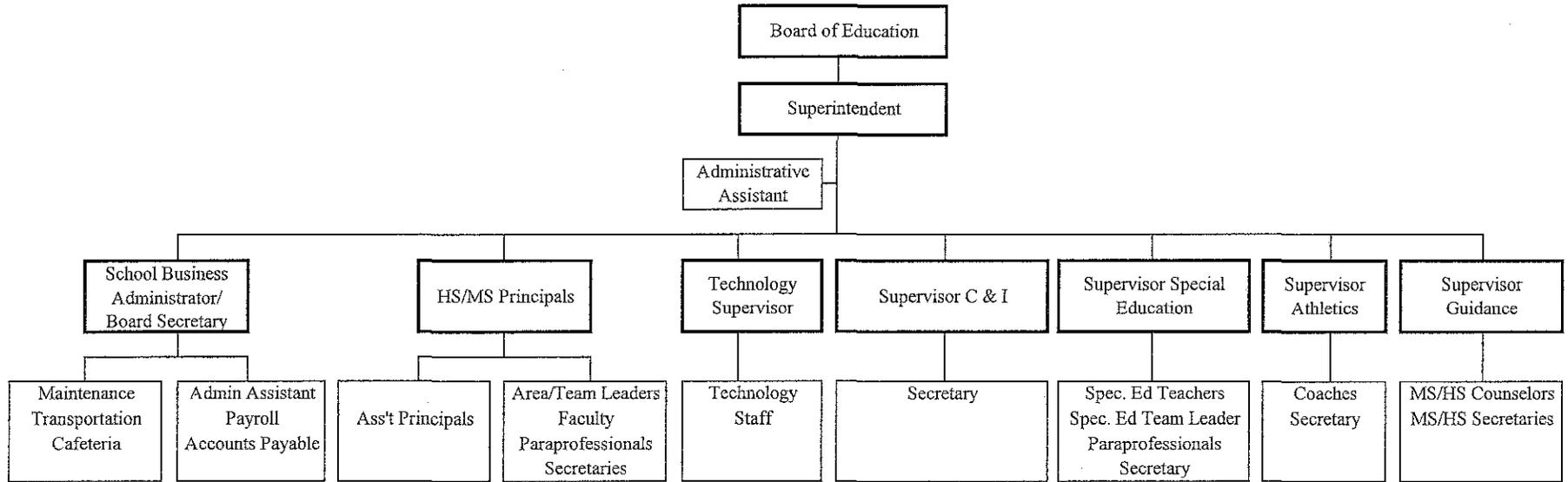
Dr. James J. Lavender
Superintendent of Schools



Jason Schimpf
School Business Administrator/
Board Secretary



**KINGSWAY REGIONAL SCHOOL DISTRICT
ORGANIZATIONAL CHART**





**KINGSWAY REGIONAL SCHOOL DISTRICT
WOOLWICH TOWNSHIP, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2013**

| <u>Members of the Board of Education</u> | <u>Term Expires</u> |
|---|----------------------------|
| Mark Kehoe, President | 2014 |
| Katherine DiGiovacchino, Vice President | 2013 |
| Daniel Battisti | 2014 |
| Lauren Boerlin | 2013 |
| Mia Randazzo | 2015 |
| Deborah Cunningham | 2013 |
| Patrick Daley | 2014 |
| Mary Kay Grasso | 2013 |
| James Mueller | 2015 |
| Frank Donnelly, Logan Representative | 2013 |
| <u>Other Officials</u> | |
| Dr. James J. Lavender, Superintendent | |
| Jason Schimpf, Business Administrator/Board Secretary | |
| Allan Dzwilewski, Solicitor | |

**KINGSWAY REGIONAL SCHOOL DISTRICT
WOOLWICH TOWNSHIP, NEW JERSEY**

**CONSULTANTS AND ADVISORS
JUNE 30, 2013**

Audit Firm

Holman Frenia Allison, P.C.
618 Stokes Road
Medford, NJ 08055

Attorney

Schwartz, Simon, Edelstein & Celso, LLC
44 Whippany Road, Suite 210
Morristown, New Jersey 07960

Architect

Garrison Architects
130 Presidential Boulevard
Bala Cynwyd, Pennsylvania 19004

Official Depository

Fulton Bank of New Jersey
179 Kings Highway
Woolwich Township, New Jersey 08085

FINANCIAL SECTION





HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

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926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090
www.hfacpas.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Kingsway Regional School District
County of Gloucester
Woolwich Township, New Jersey 08085

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 12 through 18 and 55 through 75 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Kingsway Regional Board of Education's basic financial statements. The accompanying introductory section, comparative totals for June 30, 2012, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal and state financial assistance 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* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements.

The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of federal and state financial assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of federal and state financial assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section, comparative totals for June 30, 2012, and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2013 on our consideration of the Board of Education of the Kingsway Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Board of Education of the Kingsway Regional School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Michael Holt
Public School Accountant
Certified Public Accountant
No. 1148

Medford, New Jersey
November 20, 2013

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

KINGSWAY REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2013

UNAUDITED

The discussion and analysis of the Kingsway Regional School District's ("District") financial performance provides a narrative overview and analysis of the District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

- In total, the net position of the District's governmental activities increased \$2,464,761. The change in net position reflects the addition of state grant funds to facilitate the ongoing construction of additions and renovations to the middle and high schools.
- Total revenue of \$36,765,409 was comprised of general revenues in the amount of \$35,163,252, or 96 percent, and program specific revenues from charges for services, grants, and contributions in the amount of \$1,602,157, or 4 percent.
- The District had \$34,300,648 in governmental activity expenses; only \$1,602,157 of these expenses were offset by program specific charges for services, operating grants and contributions. General revenues of \$35,163,252 were adequate to provide for these programs.
- In the governmental funds, the General fund had \$31,368,744 in revenues and \$30,373,904 in expenditures. The General fund's fund balance increased \$1,141,324 from fiscal year ended June 30, 2012.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided within this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

District-wide Financial Statements

The district-wide financial statements are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

Statement of Net Position (A-1)

The statement of net position presents information about the District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as an indicator of whether the overall financial position of the District has improved or diminished.

Statement of Activities (A-2)

The statement of activities presents information showing how the net position of the District changed during the fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of the related cash flows. Therefore, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

In the statement of net position and statement of activities, the District is divided into two distinct kinds of activities:

- Governmental activities – the District’s programs and services are reported here including instruction, support services, maintenance and operation of plant, transportation, and extra-curricular activities.
- Business-type activities – services provided on a charge-for-goods-or-services basis. These activities attempt to recover all their costs from user fees and charges. The District’s food service, community education and recreation, and technology services programs are recorded here.

Fund Financial Statements

Fund financial statements provide a more detailed analysis of the District’s separate funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific purposes. The District’s funds are divided into three categories: governmental, proprietary, and fiduciary.

Governmental Funds

The funds through which most district functions are typically financed. The reporting focus of these funds is on determining financial position rather than net income. Governmental funds track the financial activity of the District’s basic services such as regular and special education. The governmental fund category includes the general fund, special revenue fund, capital projects fund, and debt service fund. The governmental fund financial statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. This information assists the reader in determining whether there are sufficient resources available to finance future educational programs.

Since the governmental funds and the governmental activities report information using the same functions, it may be useful to compare the information presented. The focus of each report differs, therefore, a reconciliation of the statements is provided within the fund financial statements to assist the reader.

The District adopts an annual appropriations budget for the general, special revenue, and debt service funds. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary Funds

The funds used to account for District activities for which a fee is charged to external users for goods or services. The proprietary fund includes enterprise and internal service funds. Proprietary funds present the same functions as the business-type activities presented in the district-wide financial statements.

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the District as a trustee or agent for individuals, private organizations, or other governmental units and, therefore, are not available to support the District's programs. Fiduciary funds are not reflected in the district-wide financial statements.

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. Please consult the table of contents to locate these notes.

District-wide Financial Analysis

Recall that the statement of net position provides the perspective of the District as a whole. Net position may serve over time as a useful indicator of the District's financial position.

The District's financial position is the product of various financial transactions which includes the net results of activities, addition and repayment of debt, acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the District's net position for fiscal years ending 2013 and 2012.

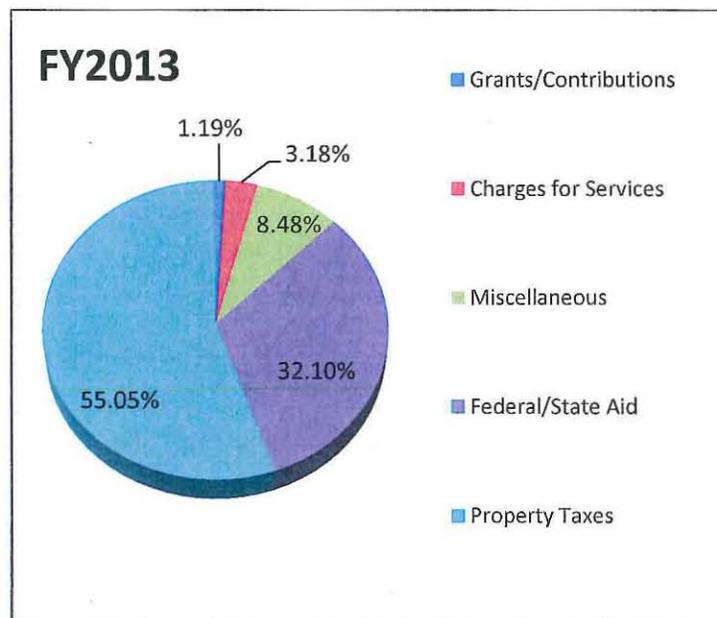
| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | |
|--|--------------------------------|----------------------|---------------------------------|-------------------|
| | <u>FY 2013</u> | <u>FY 2012</u> | <u>FY 2013</u> | <u>FY 2012</u> |
| Assets | | | | |
| Current and Other Assets | \$ 16,184,089 | \$ 32,818,083 | \$ 336,753 | \$ 242,833 |
| Capital Assets, Net | 58,599,462 | 42,290,670 | 10,762 | 41,293 |
| Total Assets | <u>74,783,551</u> | <u>75,108,753</u> | <u>347,515</u> | <u>284,126</u> |
| Liabilities | | | | |
| Current and Other Liabilities | 2,546,542 | 3,094,014 | 24,365 | 10,226 |
| Long-term Liabilities | <u>49,763,928</u> | <u>52,022,941</u> | <u>36,870</u> | <u>13,999</u> |
| Total Liabilities | 52,310,470 | 55,116,955 | 61,235 | 24,225 |
| Net Position | | | | |
| Invested in Capital Assets, Net of Related Debt | 17,607,415 | 16,354,079 | 10,762 | 41,293 |
| Restricted Assets | 4,725,703 | 3,584,379 | | |
| Unrestricted Assets | <u>139,963</u> | <u>53,340</u> | <u>275,518</u> | <u>218,608</u> |
| Total Net Position | <u>\$ 22,473,081</u> | <u>\$ 19,991,798</u> | <u>\$ 286,280</u> | <u>\$ 259,901</u> |

Table 2 illustrates changes in net position for fiscal years ending 2013 and 2012.

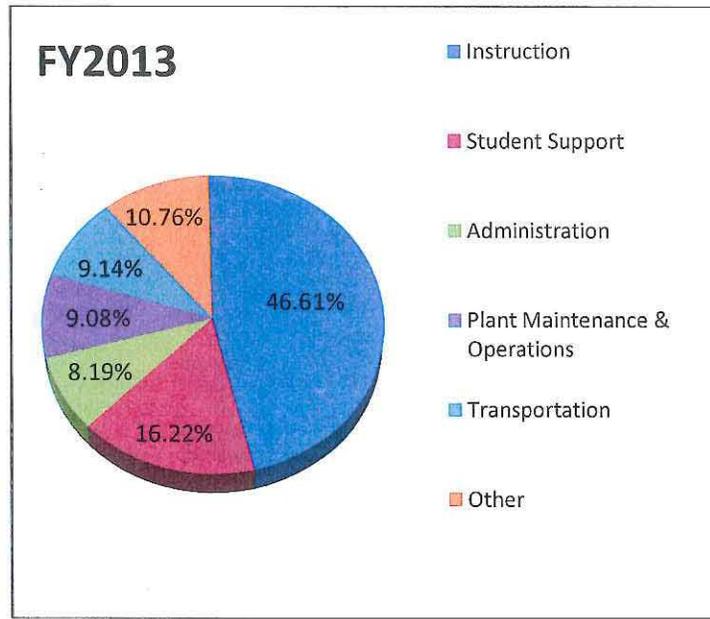
| | Governmental Activities | | Business-type Activities | |
|--|--------------------------------|-------------------|---------------------------------|------------------|
| | FY 2013 | FY 2012 | FY 2013 | FY 2012 |
| Revenues | | | | |
| Charges for Services | 1,165,354 | 1,104,912 | 871,149 | 880,764 |
| Operating Grants and Contributions | 436,803 | 449,711 | 255,493 | 230,539 |
| Property Taxes | 20,198,210 | 18,212,010 | | |
| Grants and Entitlements | 11,779,848 | 18,533,839 | | |
| Other | 3,185,194 | 3,234,865 | | |
| Total Revenues | 36,765,409 | 41,535,337 | 1,126,642 | 1,111,303 |
| Expenses | | | | |
| Instruction | 16,100,834 | 15,377,919 | | |
| Tuition | 2,097,428 | 1,658,412 | | |
| Related Services | 3,504,324 | 3,249,067 | | |
| Administrative Services | 2,900,757 | 2,668,151 | | |
| Operations and Maintenance of Plant Services | 3,137,022 | 3,171,687 | | |
| Pupil Transportation | 3,156,947 | 3,112,014 | | |
| Interest on Debt | 1,715,834 | 1,448,736 | | |
| Food Service | | | 1,046,087 | 1,042,778 |
| Unallocated Depreciation | 1,679,247 | 1,904,135 | | |
| Other | 8,255 | 413,292 | 16,409 | 13,832 |
| Total Expenses | 34,300,648 | 33,003,413 | 1,062,496 | 1,056,610 |
| Increase/(Decrease) in Net Position | 2,464,761 | 8,531,924 | 64,146 | 54,693 |

Governmental Activities

Property taxes made up 55 percent of revenues for fiscal year 2013 and 45.8 percent for fiscal year 2012. Property tax revenues increased \$1,986,200, or 10.9 percent over the prior fiscal year.



The cost of all programs and services was \$34,300,648. Instruction comprised 46.6 percent of District expenses.



Business-Type Activities

Revenues for the District’s business-type activities (Food service, community education and technology services) were comprised of charges for services and federal and state reimbursements.

- Food service revenues exceeded expenditures by \$30,456. This result was consistent with expectations of the program.
- Charges for services represent \$871,149 of revenue. This represents \$842,295 paid by patrons for daily food service and \$28,854 paid by participants of the community education program.
- Federal and state reimbursement for meals, including payments for free and reduced price lunches, and donated commodities totaled \$255,493.

Governmental Funds Financial Analysis

The governmental funds (General, special revenue, capital projects, and debt service funds presented in the fund-based statements) are accounted for utilizing the modified accrual basis of accounting. Total revenues amounted to \$35,600,638 and expenditures were \$51,902,853. The net change in fund balance was \$(16,031,970).

General Fund Budgetary Highlights

The School District’s budget is prepared in accordance with New Jersey state 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 2012, the District had \$58,599,462 invested in land, buildings, machinery and equipment, net of depreciation. Table 5 shows fiscal year 2013 balances compared to 2012.

**Capital Assets (net of accumulated depreciation)
June 30, 2013 and 2012**

| | Governmental | | Business-Type | | District-Wide | |
|--------------------------|----------------------|----------------------|------------------|------------------|----------------------|----------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Land | \$ 2,481,278 | \$ 2,481,278 | | | \$ 2,481,278 | \$ 2,481,278 |
| Construction in Progress | 22,912,843 | 5,546,441 | | | 22,912,843 | 5,546,441 |
| Building & Structures | 27,376,486 | 28,512,538 | | | 27,376,486 | 28,512,538 |
| Land Improvements | 2,235,372 | 2,661,807 | | | 2,235,372 | 2,661,807 |
| Machinery and Equipment | 3,593,483 | 3,088,606 | 10,762 | 41,293 | 3,604,244 | 3,129,899 |
| Net Assets | <u>\$ 58,599,462</u> | <u>\$ 42,290,670</u> | <u>\$ 10,762</u> | <u>\$ 41,293</u> | <u>\$ 58,610,223</u> | <u>\$ 42,331,962</u> |

Overall capital assets increased \$16,278,261 from fiscal year 2012 to fiscal year 2013. The reason for the increase in net capital assets is the ongoing construction of additions and renovations to the High school and Middle School buildings.

Debt Administration

At June 30, 2013, the District had \$49,763,928 in outstanding liabilities. This total consists of \$569,928 in compensated absences, \$48,294,000 of serial bonds for school construction, and \$900,000 in capital leases.

On March 1, 1999, the District issued \$18,500,000 of general obligation bonds at 4.65% for the construction of additions and renovations to the existing Kingsway Regional School. On May 19, 2005, the District issued refunding bonds for \$15,780,000 of this series at 4.05%.

On August 15, 2004, the District completed the sale of \$16,914,000 of serial bonds with interest ranging from 4.5% to 4.875% in 2031. The proceeds of the bonds were used to finance the District's capital projects approved by the voters on September 30, 2003. On November 15, 2006, the District issued refunding bonds for \$9,075,000 of this series at 4.17%. On March 8, 2012; the District issued refunding bonds for \$5,935,000 of the original 2004 series at 2.49%.

On April 21, 2009, the voters of the District approved a bond referendum in the amount of \$449,600. The proceeds funded the renovations of two high school science laboratories. On July 2, 2009, the District issued Bond Anticipation Notes in the amount of \$449,600 to fund the project. As of June 30, 2012, the remaining balance was \$149,600. The note matures on July 1, 2012 with an interest rate of 2.25%.

On September 27, 2011, the voters of the District approved a bond referendum in the amount of \$22,659,000. The proceeds will fund the construction of additions and renovations to the existing middle and high schools. The interest rate on the bonds issued on January 18, 2012 is 3.106%.

The District maintains an AA- rating from Standard and Poor's.

For the Future

As one of the State's fastest growing school district's, Kingsway serves the two fastest growing municipalities in the state – The Townships of Woolwich and East Greenwich. Woolwich Township's population alone has swelled to 10,937 residents, more than tripling the census totals in 2000. East Greenwich's population currently exceeds 10,000 residents. Today, there are over 3,400 children in Woolwich alone, more than its entire population ten years ago. As a result, the District's enrollment has increased by close to 100 pupils per year each of the last ten years. Since 2001 more than 1,000 students

have entered Kingsway, placing demands on facilities, programs, and staff, resulting in increased costs to our School District.

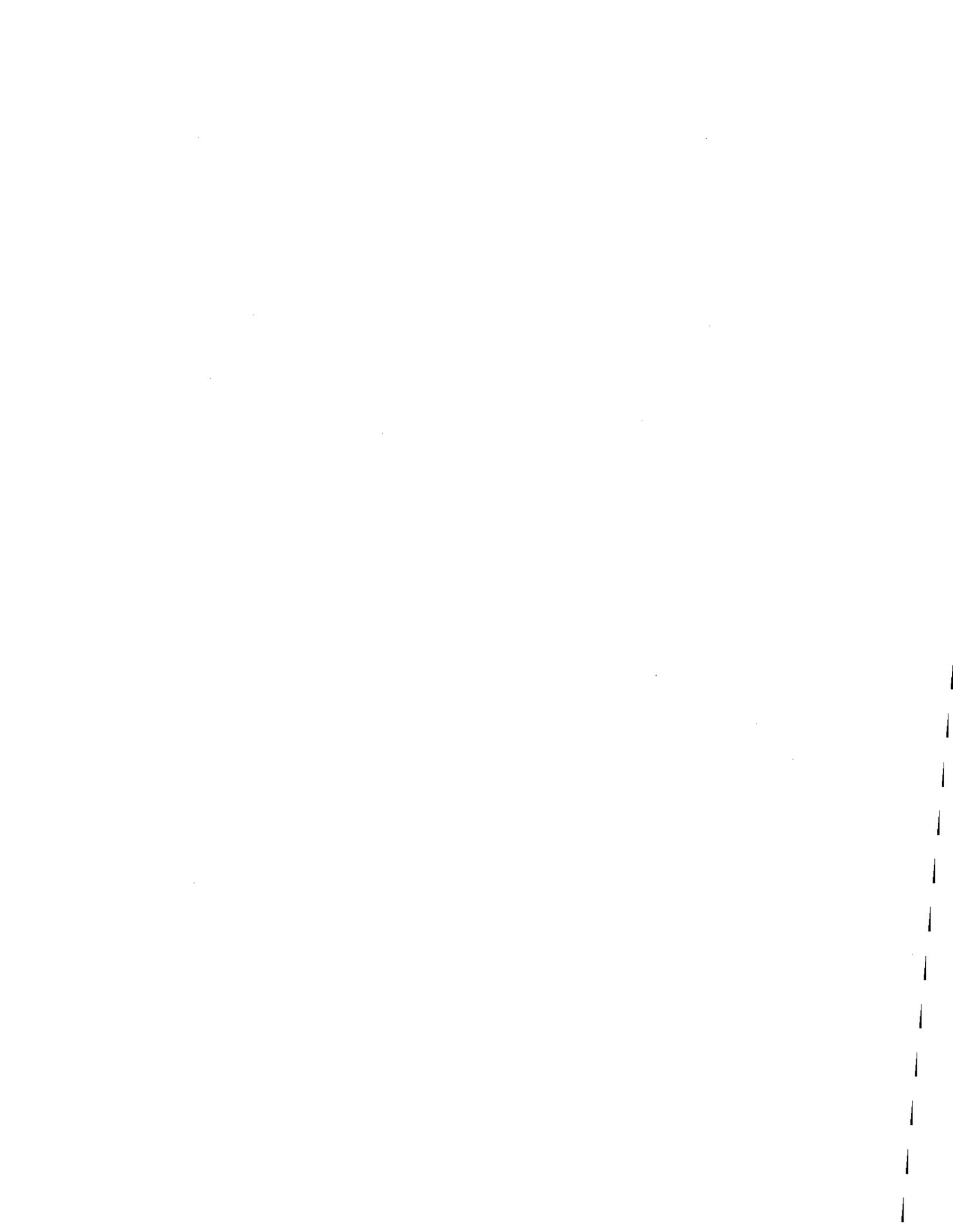
Looking ahead, enrollment will exceed 2,800 students by 2015, placing an unbearable pressure on Kingsway's resources. The burden to fund our school district has consistently shifted to our local tax payers. This shift of responsibility has made it increasingly difficult to maintain our quality school system.

Contacting the School District's Financial Department

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 to demonstrate the district's accountability for the resources it receives. If you have questions regarding this report or require additional information, contact the School Business Administrator at the Kingsway Regional School District, 213 Kings Highway, Woolwich Township, New Jersey 08085. Our website provides additional district information and can be located at www.kingsway.k12.nj.us.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements



KINGSWAY REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)

| ASSETS | GOVERNMENTAL ACTIVITIES | BUSINESS- TYPE ACTIVITIES | TOTALS | |
|--|----------------------------|---------------------------------|----------------------|---------------------------------------|
| | | | JUNE 30, 2013 | (MEMORANDUM ONLY) JUNE 30, 2012 |
| Cash & Cash Equivalents | \$ 9,853,107 | \$ 314,378 | \$ 10,167,485 | \$ 22,254,807 |
| Receivables, Net | 4,792,164 | 5,757 | 4,797,921 | 9,129,928 |
| Bond Issuance Costs (Net of Amortization) | 276,169 | - | 276,169 | 298,873 |
| Loss on Bond Refunding (Net of Amortization) | 1,262,648 | - | 1,262,648 | 1,366,190 |
| Inventory | - | 16,618 | 16,618 | 11,117 |
| Restricted Cash & Cash Equivalents | 1 | - | 1 | 1 |
| Capital Assets, Net (Note 5) | 58,599,462 | 10,762 | 58,610,224 | 42,331,963 |
| Total Assets | 74,783,551 | 347,515 | 75,131,066 | 75,392,879 |
| LIABILITIES | | | | |
| Accounts Payable | 1,659,118 | 14,823 | 1,673,941 | 1,984,603 |
| Bond Anticipation Note | - | - | - | 153,600 |
| Bond Premium (Net of Amortization) | 254,511 | - | 254,511 | 278,489 |
| Deferred Revenue | 11,336 | 9,542 | 20,878 | 18,255 |
| Accrued Interest Payable | 621,577 | - | 621,577 | 669,293 |
| Noncurrent Liabilities (Note 6): | | | | |
| Due Within One Year | 2,385,000 | - | 2,385,000 | 2,165,000 |
| Due Beyond One Year | 47,378,928 | 36,870 | 47,415,798 | 49,871,940 |
| Total Liabilities | 52,310,470 | 61,235 | 52,371,705 | 55,141,180 |
| NET POSITION | | | | |
| Invested in Capital Assets, Net of Related Debt | 17,607,415 | 10,762 | 17,618,177 | 16,395,372 |
| Restricted For: | | | | |
| Capital Projects | 1 | - | 1 | 1 |
| Other Purposes | 4,725,702 | - | 4,725,702 | 3,584,378 |
| Unrestricted | 139,963 | 275,518 | 415,481 | 271,948 |
| Total Net Position | \$ 22,473,081 | \$ 286,280 | \$ 22,759,361 | \$ 20,251,699 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| FUNCTIONS/PROGRAMS | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION | | | | | | TOTALS | |
|---|---|----------------------------|--|----------------------------|---------------------------------|---------------------|---------------------|--|
| | EXPENSES | PROGRAM REVENUES | | GOVERNMENTAL ACTIVITIES | BUSINESS- TYPE ACTIVITIES | JUNE 30, 2013 | (MEMORANDUM ONLY) | |
| | | CHARGES FOR SERVICES | OPERATING GRANTS & CONTRIBUTIONS | | | | JUNE 30, 2012 | |
| Governmental Activities: | | | | | | | | |
| Instruction: | | | | | | | | |
| Regular | \$ 11,978,588 | \$ - | \$ - | \$ (11,978,588) | \$ - | \$(11,978,588) | \$ (11,243,222) | |
| Special Education | 2,965,920 | - | 7,225 | (2,958,695) | - | (2,958,695) | (3,040,276) | |
| Other Instructional | 401 | - | - | (401) | - | (401) | (4,850) | |
| School Sponsored | 1,155,925 | - | - | (1,155,925) | - | (1,155,925) | (1,073,294) | |
| Support Services & Undistributed Costs: | | | | | | | | |
| Tuition | 2,097,428 | - | 347,317 | (1,750,111) | - | (1,750,111) | (1,307,069) | |
| Student & Instruction Related Services | 2,582,391 | - | 82,261 | (2,500,130) | - | (2,500,130) | (2,318,063) | |
| Health Services | 292,302 | - | - | (292,302) | - | (292,302) | (286,422) | |
| Educational Media Services/School Library | 629,631 | - | - | (629,631) | - | (629,631) | (562,491) | |
| School Administrative Services | 1,392,634 | - | - | (1,392,634) | - | (1,392,634) | (1,464,383) | |
| General Administration | 682,990 | 40,089 | - | (642,901) | - | (642,901) | (618,884) | |
| Central Services | 369,867 | - | - | (369,867) | - | (369,867) | (370,338) | |
| Administrative Information Technology | 455,266 | 57,999 | - | (397,267) | - | (397,267) | (198,024) | |
| Plant Operations & Maintenance | 3,137,022 | 620 | - | (3,136,402) | - | (3,136,402) | (3,171,687) | |
| Pupil Transportation | 3,156,947 | 1,066,646 | - | (2,090,301) | - | (2,090,301) | (2,007,102) | |
| Interest on Long-Term Debt | 1,715,834 | - | - | (1,715,834) | - | (1,715,834) | (1,448,736) | |
| Unallocated Depreciation | 1,679,247 | - | - | (1,679,247) | - | (1,679,247) | (1,904,135) | |
| Capital Asset Adjustment | - | - | - | - | - | - | (72,143) | |
| Amortization of Debt Issuance Costs | 102,268 | - | - | (102,268) | - | (102,268) | (75,192) | |
| Unallocated Compensated Absences | (94,013) | - | - | 94,013 | - | 94,013 | (265,957) | |
| Total Governmental Activities | 34,300,648 | 1,165,354 | 436,803 | (32,698,491) | - | (32,698,491) | (31,432,268) | |

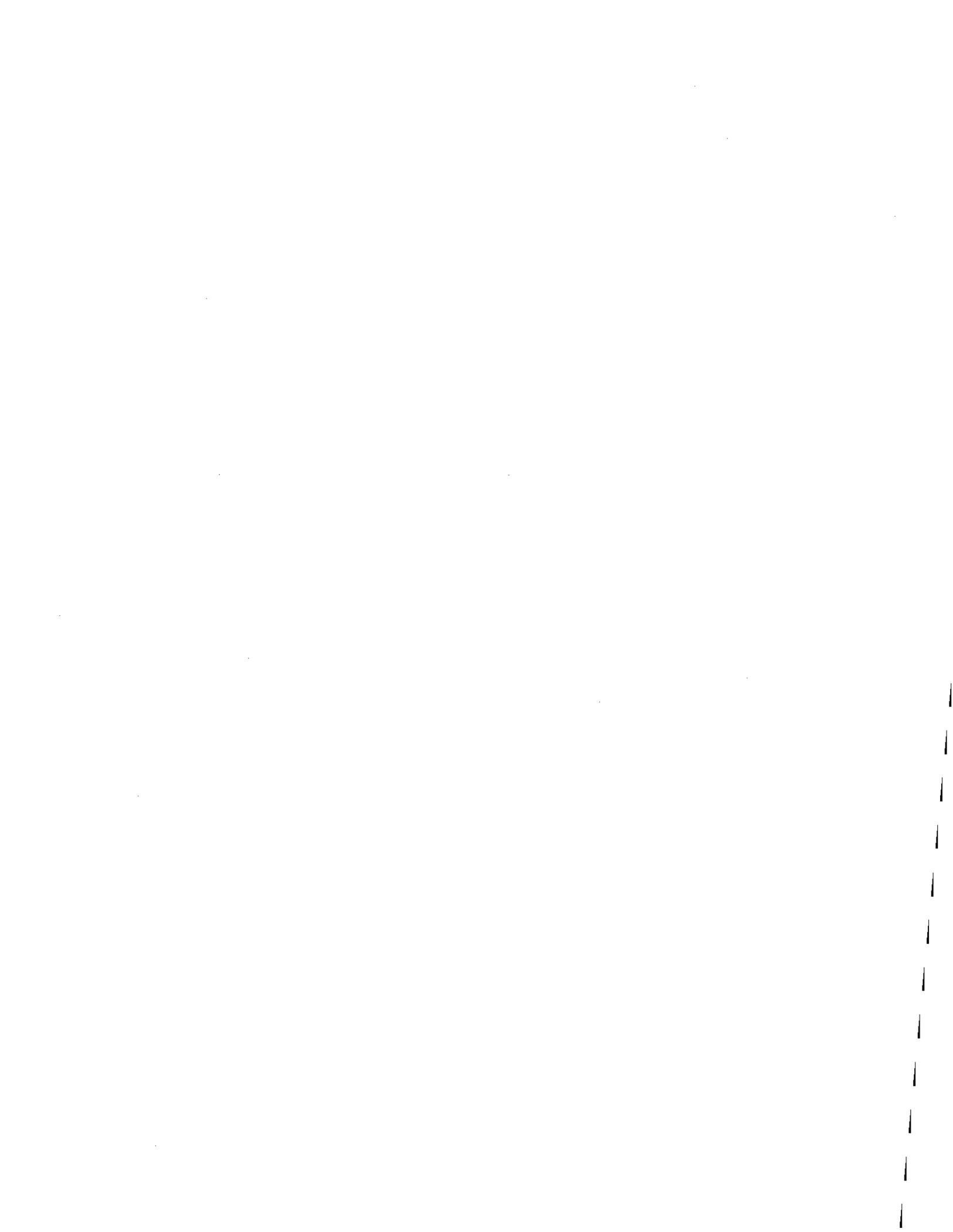
**KINGSWAY REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| FUNCTIONS/PROGRAMS | EXPENSES | PROGRAM REVENUES | | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION | | | |
|--|----------------------|----------------------|----------------------------------|---|--------------------------|-----------------------------|----------------------|
| | | CHARGES FOR SERVICES | OPERATING GRANTS & CONTRIBUTIONS | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTALS (MEMORANDUM ONLY) | |
| | | | | | | JUNE 30, 2013 | JUNE 30, 2012 |
| Business-Type Activities: | | | | | | | |
| Food Service | 1,046,087 | 842,295 | 255,493 | - | 51,701 | 51,701 | 25,625 |
| Community Education Program | 16,409 | 28,854 | - | - | 12,445 | 12,445 | 12,546 |
| Total Business-Type Activities | 1,062,496 | 871,149 | 255,493 | - | 64,146 | 64,146 | 38,171 |
| Total Primary Government | <u>\$ 35,363,144</u> | <u>\$ 2,036,503</u> | <u>\$ 692,296</u> | (32,698,491) | 64,146 | (32,634,345) | (31,394,097) |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes, Levied for General Purposes, Net | | | | 17,089,971 | - | 17,089,971 | 16,323,659 |
| Taxes Levied for Debt Service | | | | 3,108,239 | - | 3,108,239 | 1,888,351 |
| Federal & State Aid Not Restricted | | | | 11,779,848 | - | 11,779,848 | 18,533,839 |
| Tuition Received | | | | 2,855,074 | - | 2,855,074 | 2,798,202 |
| Investment Earnings | | | | 11,659 | 1,627 | 13,286 | 1,383 |
| Miscellaneous Income | | | | 319,044 | - | 319,044 | 379,629 |
| Cancellation of Accounts Receivable/Payable | | | | (583) | - | (583) | - |
| Transportation Fees from Other LEA's Within State | | | | - | - | - | 57,034 |
| Net Change in Compensated Absences | | | | - | (22,872) | (22,872) | (248) |
| Total General Revenues, Special Items, Extraordinary Items & Transfers | | | | 35,163,252 | (21,245) | 35,142,007 | 39,981,849 |
| Change In Net Position | | | | 2,464,761 | 42,901 | 2,507,662 | 8,587,752 |
| Net Position - Beginning | | | | 20,008,320 | 243,379 | 20,251,699 | 10,623,181 |
| Prior Period Adjustment | | | | - | - | - | 1,040,766 |
| Net Position - Beginning | | | | 20,008,320 | 243,379 | 20,251,699 | 11,663,947 |
| Net Position - Ending | <u>\$ 22,473,081</u> | <u>\$ 286,280</u> | <u>\$ 22,759,361</u> | <u>\$ 22,473,081</u> | <u>\$ 286,280</u> | <u>\$ 22,759,361</u> | <u>\$ 20,251,699</u> |

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

B. Fund Financial Statements

Governmental Funds



**KINGSWAY REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS & OTHER DEBITS | GENERAL FUND | SPECIAL REVENUE FUND | CAPITAL PROJECTS FUND | DEBT SERVICE FUND | TOTALS (MEMORANDUM ONLY) | |
|--|---------------------|----------------------------|-----------------------------|-------------------------|-----------------------------|----------------------|
| | | | | | JUNE 30, 2013 | JUNE 30, 2012 |
| Cash & Cash Equivalents | \$ 3,444,850 | \$ - | \$ 6,413,661 | \$ - | \$ 9,858,511 | \$ 22,247,476 |
| Receivables from Other Governments | 1,033,490 | 80,574 | 3,327,797 | 95,532 | 4,537,393 | 8,824,714 |
| Due from Other Funds | 392,554 | - | - | - | 392,554 | 168,031 |
| Receivables, Net | 58,322 | - | - | - | 58,322 | 49,467 |
| Total Assets | \$ 4,929,216 | \$ 80,574 | \$ 9,741,458 | \$ 95,532 | \$ 14,846,780 | \$ 31,289,688 |
| LIABILITIES & FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Cash Deficit | \$ - | \$ 79,022 | \$ - | \$ 48,370 | \$ 127,392 | \$ 75,440 |
| Bond Anticipation Note Payable | - | - | - | - | - | 153,600 |
| Deferred Revenue | 10,684 | 652 | - | - | 11,336 | 8,029 |
| Accounts Payable | 192,829 | 900 | 84,554 | - | 278,283 | 102,899 |
| Due to Other Funds | - | - | 95,668 | - | 95,668 | 61,504 |
| Construction Contract Payable | - | - | 974,681 | - | 974,681 | 1,811,294 |
| Construction Contract Payable - Retainage | - | - | 384,602 | - | 384,602 | 70,134 |
| Total Liabilities | 203,513 | 80,574 | 1,539,505 | 48,370 | 1,871,962 | 2,282,900 |
| Fund Balances: | | | | | | |
| Restricted for: | | | | | | |
| Capital Reserve Account | 1 | - | - | - | 1 | 1 |
| Excess Surplus - Designated for Subsequent Year's Expenditures | 1,711,091 | - | - | - | 1,711,091 | 1,174,790 |
| Excess Surplus | 1,894,984 | - | - | - | 1,894,984 | 1,711,091 |
| Capital Projects Fund | - | - | 3,777,425 | - | 3,777,425 | 6,417,347 |
| Debt Service Fund | - | - | - | 47,162 | 47,162 | - |
| Committed to: | | | | | | |
| Other Purposes | - | - | 4,424,528 | - | 4,424,528 | 19,005,062 |
| Assigned to: | | | | | | |
| Other Purposes | 319,627 | - | - | - | 319,627 | 381,660 |
| Designated for Subsequent Year's Expenditures | 800,000 | - | - | - | 800,000 | 316,837 |
| Total Fund Balances | 4,725,703 | - | 8,201,953 | 47,162 | 12,974,818 | 29,006,788 |
| Total Liabilities & Fund Balances | \$ 4,929,216 | \$ 80,574 | \$ 9,741,458 | \$ 95,532 | | |

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 is \$84,219,002 and the accumulated depreciation is \$25,619,540. | 58,599,462 | 42,290,670 |
| Unamortized portion of debt issuance costs, the loss on refunding and the bond premium are not reported as an asset or liability in the fund financials. | 1,284,306 | 1,386,574 |
| 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. | (49,763,928) | (52,022,941) |
| Internal service funds are used by management to charge the costs of certain activities. Assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. | - | 16,522 |
| Interest on Long-Term debt in the statement of activities is accrued, regardless of when due. | (621,577) | (669,293) |
| Net Position of Governmental Activities | \$ 22,473,081 | \$ 20,008,320 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | GENERAL FUND | SPECIAL REVENUE FUND | CAPITAL PROJECTS FUND | DEBT SERVICE FUND | TOTALS | |
|---|---------------------|----------------------------|-----------------------------|-------------------------|----------------------|---------------------------------------|
| | | | | | JUNE 30, 2013 | (MEMORANDUM ONLY) JUNE 30, 2012 |
| Revenues: | | | | | | |
| Local Sources: | | | | | | |
| Local Tax Levy | \$ 17,089,971 | \$ - | \$ - | \$ 3,108,239 | \$ 20,198,210 | \$ 18,212,010 |
| Tuition | 2,855,074 | - | - | - | 2,855,074 | 2,798,202 |
| Transportation | - | - | - | - | - | 57,034 |
| Miscellaneous | 268,168 | 11,585 | 34,164 | 16,786 | 330,703 | 379,629 |
| Total Local Sources | 20,213,213 | 11,585 | 34,164 | 3,125,025 | 23,383,987 | 21,446,875 |
| State Sources | 11,149,748 | - | - | 635,902 | 11,785,650 | 18,254,364 |
| Federal Sources | 5,783 | 425,218 | - | - | 431,001 | 729,186 |
| Total Revenues | 31,368,744 | 436,803 | 34,164 | 3,760,927 | 35,600,638 | 40,430,425 |
| Expenditures: | | | | | | |
| Current Expense: | | | | | | |
| Regular Instruction | 8,277,245 | - | - | - | 8,277,245 | 7,735,128 |
| Special Education Instruction | 2,076,357 | 7,225 | - | - | 2,083,582 | 2,220,282 |
| Other Instruction | 401 | - | - | - | 401 | 4,850 |
| School Sponsored | 1,047,621 | - | - | - | 1,047,621 | 970,645 |
| Support Services: | | | | | | |
| Tuition | 1,752,871 | 344,557 | - | - | 2,097,428 | 1,658,412 |
| Attendance Services | 75,372 | - | - | - | 75,372 | 78,322 |
| Health Services | 233,328 | - | - | - | 233,328 | 230,527 |
| Student & Instruction Related Services | 1,581,754 | 82,261 | - | - | 1,664,015 | 1,590,779 |
| Educational Media Services/School | | | | | | |
| Library | 189,410 | - | - | - | 189,410 | 145,254 |
| Instructional Staff Training | 82,227 | - | - | - | 82,227 | 9,997 |
| General Administration | 532,048 | - | - | - | 532,048 | 513,819 |
| School Administration | 1,265,636 | - | - | - | 1,265,636 | 1,344,016 |
| Central Services | 369,867 | - | - | - | 369,867 | 370,338 |
| Administrative Information Technology | 380,745 | - | - | - | 380,745 | 214,546 |
| Plant Operations & Maintenance | 2,400,574 | - | - | - | 2,400,574 | 2,474,277 |
| Pupil Transportation | 2,058,100 | - | - | - | 2,058,100 | 1,865,474 |
| Allocated Employee Benefits | 4,037,238 | - | - | - | 4,037,238 | 4,489,690 |
| Unallocated Employee Benefits | 3,035,067 | 2,760 | - | - | 3,037,827 | 2,215,982 |
| Debt Service: | | | | | | |
| Principal | - | - | - | 2,018,600 | 2,018,600 | 1,310,000 |
| Interest & Other Charges | - | - | - | 1,695,165 | 1,695,165 | 1,214,657 |
| Capital Outlay | 978,043 | - | 17,378,381 | - | 18,356,424 | 6,160,542 |
| Total Expenditures | 30,373,904 | 436,803 | 17,378,381 | 3,713,765 | 51,902,853 | 36,817,537 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | 994,840 | - | (17,344,217) | 47,162 | (16,302,215) | 3,612,888 |
| Other Financing Sources/(Uses) | | | | | | |
| Bond Proceeds | - | - | - | - | - | 22,659,000 |
| Bond Anticipation Note | - | - | 153,600 | - | 153,600 | 146,000 |
| Cancellation of Account Payable | - | - | 4,325 | - | 4,325 | - |
| Cancellation of Account Receivable | (16,133) | - | - | - | (16,133) | - |
| Cancellation of Prior Year Encumbrances | 11,225 | - | - | - | 11,225 | - |
| Transfers In | 151,392 | - | - | - | 151,392 | 49 |
| Transfers Out | - | - | (34,164) | - | (34,164) | (49) |
| Total Other Financing Sources/(Uses) | 146,484 | - | 123,761 | - | 270,245 | 22,805,000 |
| Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing (Uses) | 1,141,324 | - | (17,220,456) | 47,162 | (16,031,970) | 26,417,888 |
| Fund Balances July 1, 2012 | 3,584,379 | - | 25,422,409 | - | 29,006,788 | 2,588,900 |
| Fund Balances June 30, 2013 | \$ 4,725,703 | \$ - | \$ 8,201,953 | \$ 47,162 | \$ 12,974,818 | \$ 29,006,788 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (16,031,970)

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, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

| | | |
|----------------------|-------------------|------------|
| Depreciation Expense | \$ (1,679,247) | |
| Capital Outlay | <u>17,988,039</u> | 16,308,792 |

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.

| | | |
|----------------|--|-----------|
| Bond Principal | | 1,865,000 |
|----------------|--|-----------|

Government funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the Treatment of long-term debt and related activities.

| | | |
|------------------------|---------------|-----------|
| Cost of Issuance | (22,704) | |
| Loss on Refunding | (103,542) | |
| Original Issue Premium | <u>23,978</u> | (102,268) |

In the statement of activities, the reduction for Capital Leases should not be an expenditure. Thus the change in net assets will differ from the change in fund balance by the cost of the asset removed (-). 300,000

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

| | | |
|--------------|------------------|--------|
| Prior Year | 669,293 | |
| Current Year | <u>(621,577)</u> | 47,716 |

Internal service funds are used by management to charge the costs of certain activities, such as shared business services. The operations are included in the the governmental activities and Statement of Net Position. (16,522)

Increase in compensated absences is not an expenditure in the governmental funds, but increases long-term liabilities in the statement of net assets and is not reported in the statement of activities.

| | | |
|--------------|------------------|--------|
| Prior Year | 663,941 | |
| Current Year | <u>(569,928)</u> | 94,013 |

Change in Net Position of Governmental Activities \$ 2,464,761

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

Proprietary Funds

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS | BUSINESS-TYPE ACTIVITIES | | | |
|------------------------------|--------------------------|---------------------|-------------------------|----------------------|
| | ENTERPRISE FUNDS | | GOVERNMENTAL ACTIVITIES | |
| | FOOD SERVICE FUND | COMMUNITY EDUCATION | TRANSPORTATION SERVICES | MAINTENANCE SERVICES |
| Current Assets: | | | | |
| Cash & Cash Equivalents | \$ 278,645 | \$ 35,733 | \$ 73,468 | \$ 620 |
| Accounts Receivable | 5,757 | - | 171,247 | - |
| Inventories | 16,618 | - | - | - |
| Total Current Assets | 301,020 | 35,733 | 244,715 | 620 |
| Noncurrent Assets: | | | | |
| Equipment | 589,005 | - | - | - |
| Accumulated Depreciation | (578,243) | - | - | - |
| Total Fixed Assets | 10,762 | - | - | - |
| Total Assets | 311,782 | 35,733 | 244,715 | 620 |
| LIABILITIES: | | | | |
| Current Liabilities: | | | | |
| Cash Deficit | - | - | - | - |
| Accounts Payable | 14,823 | - | 21,552 | - |
| Interfund Payable | - | - | 223,163 | 620 |
| Deferred Revenue | 9,542 | - | - | - |
| Total Current Liabilities | 24,365 | - | 244,715 | 620 |
| Noncurrent Liabilities: | | | | |
| Compensated Absences | 36,870 | - | - | - |
| Total Noncurrent Liabilities | 36,870 | - | - | - |
| Total Liabilities | 61,235 | - | 244,715 | 620 |
| NET POSITION | | | | |
| Investment in Fixed Capital | 10,762 | - | - | - |
| Unreserved Retained Earnings | 239,785 | 35,733 | - | - |
| Total Net Position | \$ 250,547 | \$ 35,733 | \$ - | \$ - |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS | GOVERNMENTAL ACTIVITIES | | TOTALS | |
|------------------------------|---------------------------|------------------------|------------------|---------------------------------------|
| | GENERAL ADMINISTRATION | TECHNOLOGY SERVICES | JUNE 30, 2013 | (MEMORANDUM ONLY) JUNE 30, 2012 |
| Current Assets: | | | | |
| Cash & Cash Equivalents | \$ - | \$ 60,857 | \$ 449,323 | \$ 222,252 |
| Accounts Receivable | - | - | 177,004 | 250,321 |
| Other Receivables | 14,578 | 10,166 | 24,744 | 4,834 |
| Inventories | - | - | 16,618 | 11,117 |
| Total Current Assets | 14,578 | 71,023 | 667,689 | 488,524 |
| Noncurrent Assets: | | | | |
| Equipment | - | - | 589,005 | 586,505 |
| Accumulated Depreciation | - | - | (578,243) | (545,212) |
| Total Fixed Assets | - | - | 10,762 | 41,293 |
| Total Assets | 14,578 | 71,023 | 678,451 | 529,817 |
| LIABILITIES: | | | | |
| Current Liabilities: | | | | |
| Cash Deficit | 12,956 | - | 12,956 | 139,480 |
| Accounts Payable | - | - | 36,375 | 276 |
| Interfund Payable | 1,622 | 71,023 | 296,428 | 105,935 |
| Deferred Revenue | - | - | 9,542 | 10,226 |
| Total Current Liabilities | 14,578 | 71,023 | 355,301 | 255,917 |
| Noncurrent Liabilities: | | | | |
| Compensated Absences | - | - | 36,870 | 13,999 |
| Total Noncurrent Liabilities | - | - | 36,870 | 13,999 |
| Total Liabilities | 14,578 | 71,023 | 392,171 | 269,916 |
| NET POSITION | | | | |
| Investment in Fixed Capital | - | - | 10,762 | 41,293 |
| Unreserved Retained Earnings | - | - | 275,518 | 218,608 |
| Total Net Position | \$ - | \$ - | \$ 286,280 | \$ 259,901 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | BUSINESS-TYPE ACTIVITIES | | | |
|---|-----------------------------|------------------------|----------------------------|-------------------------|
| | ENTERPRISE FUNDS | | GOVERNMENTAL ACTIVITIES | |
| | FOOD SERVICE FUND | COMMUNITY EDUCATION | TRANSPORTATION SERVICES | MAINTENANCE SERVICES |
| Operating Revenue: | | | | |
| Local Sources: | | | | |
| Transportation Fees Charged | | | | |
| to Other LEA's | \$ - | \$ - | \$ 1,046,089 | \$ - |
| Sale of Gasoline | - | - | 20,557 | - |
| Daily Sales - Reimbursable Programs | 461,401 | - | - | - |
| Daily Sales - Nonreimbursable Programs | 343,379 | - | - | - |
| Vending Machine Sales | 24,286 | - | - | - |
| Special Function | 1,706 | - | - | - |
| Program Fees | - | 28,790 | - | - |
| Service Fees | - | - | - | 620 |
| Miscellaneous | 11,523 | 64 | - | - |
| Total Operating Revenue | 842,295 | 28,854 | 1,066,646 | 620 |
| Operating Expenses: | | | | |
| Salaries & Employee Benefits | 490,538 | 6,544 | 732,720 | 620 |
| Supplies and Materials | 27,246 | 4,750 | 143,394 | - |
| Repairs & Other Expenses | 21,932 | - | 1,149 | - |
| Other Purchased Services-Contracted | 10,700 | 5,115 | 67,134 | - |
| Miscellaneous Purchased Services | - | - | 4,790 | - |
| Depreciation | 33,030 | - | - | - |
| Miscellaneous Expense | 2,997 | - | 231 | - |
| School Bus | - | - | - | - |
| Cost of Sales | 459,644 | - | - | - |
| Total Operating Expenses | 1,046,087 | 16,409 | 949,418 | 620 |
| Operating (Loss)/Gain | (203,792) | 12,445 | 117,228 | - |
| Nonoperating Revenues: | | | | |
| State Sources: | | | | |
| State School Lunch Program | 8,446 | - | - | - |
| Federal Sources: | | | | |
| National School Lunch Program | 172,009 | - | - | - |
| Food Distribution Program | 75,038 | - | - | - |
| Interest & Dividends | 1,627 | - | - | - |
| Total Nonoperating Revenues | 257,120 | - | - | - |
| Net Income/(Loss) | 53,328 | 12,445 | 117,228 | - |
| Other Financing Sources/(Uses): | | | | |
| Operating Transfer In/(Out): | | | | |
| Change in Compensated Absences | (22,872) | - | - | - |
| Transfer to General Fund | - | - | (117,228) | - |
| Total Other Financing Sources/(Uses) | (22,872) | - | (117,228) | - |
| Change in Net Position | 30,456 | 12,445 | - | - |
| Total Net Position - Beginning | 220,091 | 23,288 | - | - |
| Total Net Position - Ending | \$ 250,547 | \$ 35,733 | \$ - | \$ - |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | GOVERNMENTAL ACTIVITIES | | TOTALS | |
|---|---------------------------|------------------------|-------------------|---------------------------------------|
| | GENERAL ADMINISTRATION | TECHNOLOGY SERVICES | JUNE 30, 2013 | (MEMORANDUM ONLY) JUNE 30, 2012 |
| Operating Revenue: | | | | |
| Local Sources: | | | | |
| Transportation Fees Charged to Other LEA's | \$ - | \$ - | \$ 1,046,089 | \$ 1,085,450 |
| Field Trips | - | - | - | 317 |
| Sale of Gasoline | - | - | 20,557 | 18,143 |
| Miscellaneous | - | - | - | 1,002 |
| Daily Sales - Reimbursable Programs | - | - | 461,401 | 463,116 |
| Daily Sales - Nonreimbursable Programs | - | - | 343,379 | 348,234 |
| Vending Machine Sales | - | - | 24,286 | 23,342 |
| Special Function | - | - | 1,706 | 3,172 |
| Program Fees | - | - | 28,790 | 26,378 |
| Service Fees | 40,089 | 57,999 | 98,708 | 16,522 |
| Miscellaneous | - | - | 11,587 | - |
| Total Operating Revenue | 40,089 | 57,999 | 2,036,503 | 1,985,676 |
| Operating Expenses: | | | | |
| Salaries & Employee Benefits | 40,089 | 74,521 | 1,345,032 | 1,221,174 |
| Supplies and Materials | - | - | 175,390 | 184,122 |
| Repairs & Other Expenses | - | - | 23,081 | 16,348 |
| Other Purchased Services-Contracted | - | - | 82,949 | 90,764 |
| Miscellaneous Purchased Services | - | - | 4,790 | 22,804 |
| Depreciation | - | - | 33,030 | 33,030 |
| Miscellaneous Expense | - | - | 3,228 | 329 |
| School Bus | - | - | - | 78,596 |
| Cost of Sales | - | - | 459,644 | 457,321 |
| Total Operating Expenses | 40,089 | 74,521 | 2,127,144 | 2,104,488 |
| Operating (Loss)/Gain | - | (16,522) | (90,641) | (118,812) |
| Nonoperating Revenues: | | | | |
| State Sources: | | | | |
| State School Lunch Program | - | - | 8,446 | 8,433 |
| Federal Sources: | | | | |
| National School Lunch Program | - | - | 172,009 | 152,037 |
| Food Distribution Program | - | - | 75,038 | 70,069 |
| Interest & Dividends | - | - | 1,627 | 1,383 |
| Total Nonoperating Revenues | - | - | 257,120 | 231,922 |
| Net Income/(Loss) | - | (16,522) | 166,479 | 113,110 |
| Other Financing Sources/(Uses): | | | | |
| Operating Transfer In/(Out): | | | | |
| Change in Compensated Absences | - | - | (22,872) | (248) |
| Transfer to General Fund | - | - | (117,228) | (57,034) |
| Total Other Financing Sources/(Uses) | - | - | (140,100) | (57,034) |
| Change in Net Position | - | (16,522) | 26,379 | 55,828 |
| Total Net Position - Beginning | - | 16,522 | 259,901 | 204,073 |
| Total Net Position - Ending | \$ - | \$ - | \$ 286,280 | \$ 259,901 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | BUSINESS-TYPE ACTIVITIES | | | |
|---|-----------------------------|------------------------|----------------------------|-------------------------|
| | ENTERPRISE FUNDS | | GOVERNMENTAL ACTIVITIES | |
| | FOOD SERVICE FUND | COMMUNITY EDUCATION | TRANSPORTATION SERVICES | MAINTENANCE SERVICES |
| Cash Flows From Operating Activities: | | | | |
| Receipts from Customers | \$ 840,484 | \$ 28,854 | \$ 1,141,089 | \$ 620 |
| Payments to Employees | (386,757) | (6,079) | (621,116) | - |
| Payments for Employee Benefits | (103,781) | (465) | (111,604) | - |
| Payments to Suppliers | (513,197) | (9,865) | (195,421) | - |
| Net Cash Provided/(Used) by Operating Activities | (163,251) | 12,445 | 212,948 | 620 |
| Cash Flows From Investing Activities: | | | | |
| Interest & Dividends | 1,627 | - | - | - |
| Purchase of Equipment | (2,500) | - | - | - |
| Net Cash Provided by Investing Activities | (873) | - | - | - |
| Cash Flows From Noncapital Financing Activities: | | | | |
| State Sources | 8,446 | - | - | - |
| Federal Sources | 247,047 | - | - | - |
| Net Cash Provided by Noncapital Financing Activities | 255,493 | - | - | - |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 91,369 | 12,445 | 212,948 | 620 |
| Cash and Cash Equivalents, July 1 | 187,276 | 23,288 | (139,480) | - |
| Cash & Cash Equivalents, June 30 | \$ 278,645 | \$ 35,733 | \$ 73,468 | \$ 620 |

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

| | | | | |
|--|---------------------|------------------|-------------------|---------------|
| Cash Provided/(Used) by Operating Activities: | | | | |
| Operating Income/(Loss) | \$ (203,792) | \$ 12,445 | \$ 117,228 | \$ - |
| Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities: | | | | |
| Depreciation Expense | 33,030 | - | - | - |
| Change in Assets & Liabilities: | | | | |
| (Increase)/Decrease in Inventory | (5,501) | - | - | - |
| (Increase)/Decrease in Accounts Receivable, Net | (1,127) | - | 74,443 | - |
| (Increase)/Decrease in Accounts Payable | 14,823 | - | 21,277 | - |
| Increase/(Decrease) in Interfund Payable | - | - | - | 620 |
| Increase/(Decrease) in Prepaid Lunches | (684) | - | - | - |
| Total Adjustments | 40,541 | - | 95,720 | 620 |
| Net Cash Provided/(Used) by Operating Activities | \$ (163,251) | \$ 12,445 | \$ 212,948 | \$ 620 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | GOVERNMENTAL ACTIVITIES | | TOTALS | |
|---|---------------------------|------------------------|-------------------|------------------|
| | GENERAL ADMINISTRATION | TECHNOLOGY SERVICES | JUNE 30, 2013 | JUNE 30, 2012 |
| (MEMORANDUM ONLY) | | | | |
| Cash Flows From Operating Activities: | | | | |
| Receipts from Customers | \$ 25,511 | \$ 52,667 | \$ 2,089,225 | \$ 1,784,166 |
| Payments to Employees | (38,467) | (3,498) | (1,055,917) | (911,600) |
| Payments for Employee Benefits | - | - | (215,850) | (309,574) |
| Payments to Suppliers | - | - | (718,483) | (848,296) |
| Net Cash Provided/(Used) by Operating Activities | (12,956) | 49,169 | 98,975 | (285,304) |
| Cash Flows From Investing Activities: | | | | |
| Interest & Dividends | - | - | 1,627 | 1,383 |
| Purchase of Equipment | - | - | (2,500) | - |
| Net Cash Provided by Investing Activities | - | - | (873) | 1,383 |
| Cash Flows From Noncapital Financing Activities: | | | | |
| State Sources | - | - | 8,446 | 8,433 |
| Federal Sources | - | - | 247,047 | 222,106 |
| Net Cash Provided by Noncapital Financing Activities | - | - | 255,493 | 230,539 |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (12,956) | 49,169 | 353,595 | (53,382) |
| Cash and Cash Equivalents, July 1 | - | 11,688 | 82,772 | 136,154 |
| Cash & Cash Equivalents, June 30 | \$ (12,956) | \$ 60,857 | \$ 436,367 | \$ 82,772 |

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

| | | | | |
|---|--------------------|------------------|------------------|---------------------|
| Cash Provided/(Used) by Operating Activities: | | | | |
| Operating Income/(Loss) | \$ - | \$ (16,522) | \$ (90,641) | \$ (175,846) |
| Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities: | | | | |
| Depreciation Expense | - | - | 33,030 | 33,030 |
| Change in Assets & Liabilities: | | | | |
| (Increase)/Decrease in Inventory | - | - | (5,501) | 1,905 |
| (Increase)/Decrease in Accounts Receivable, Net | (14,578) | (5,332) | 53,406 | (205,243) |
| (Increase)/Decrease in Accounts Payable | - | - | 36,100 | 57,117 |
| Increase/(Decrease) in Interfund Payable | 1,622 | 71,023 | 73,265 | - |
| Increase/(Decrease) in Prepaid Lunches | - | - | (684) | 3,733 |
| Total Adjustments | (12,956) | 65,691 | 189,616 | (109,458) |
| Net Cash Provided/(Used) by Operating Activities | \$ (12,956) | \$ 49,169 | \$ 98,975 | \$ (285,304) |

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

Fiduciary Fund

**KINGSWAY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS | PRIVATE PURPOSE | | | TOTALS | |
|---|---------------------------------------|---------------------|----------------|------------------|---------------------------------------|
| | UNEMPLOYMENT COMPENSATION TRUST | SCHOLARSHIP FUND | AGENCY FUND | JUNE 30, 2013 | (MEMORANDUM ONLY) JUNE 30, 2012 |
| Cash & Cash Equivalents | \$ 163,765 | \$ 199,026 | \$ 292,728 | \$ 655,519 | \$ 543,831 |
| Interfund Receivable | - | - | 5,123 | 5,123 | - |
| Total Assets | 163,765 | 199,026 | 297,851 | 660,642 | 543,831 |
| LIABILITIES | | | | | |
| Payroll Deductions & Withholdings | - | - | 36,494 | 36,494 | 1,447 |
| Due to Student Groups | - | - | 260,899 | 260,899 | 214,631 |
| Interfund Payable | 5,123 | - | 458 | 5,581 | 592 |
| Total Liabilities | 5,123 | - | 297,851 | 302,974 | 216,670 |
| NET POSITION | | | | | |
| Held in Trust for Unemployment Claims & Other Purposes | 158,642 | - | - | 158,642 | 126,058 |
| Reserved for Scholarships | - | 199,026 | - | 199,026 | 201,103 |
| Total Net Position | \$ 158,642 | \$ 199,026 | \$ - | \$ 357,668 | \$ 327,161 |

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

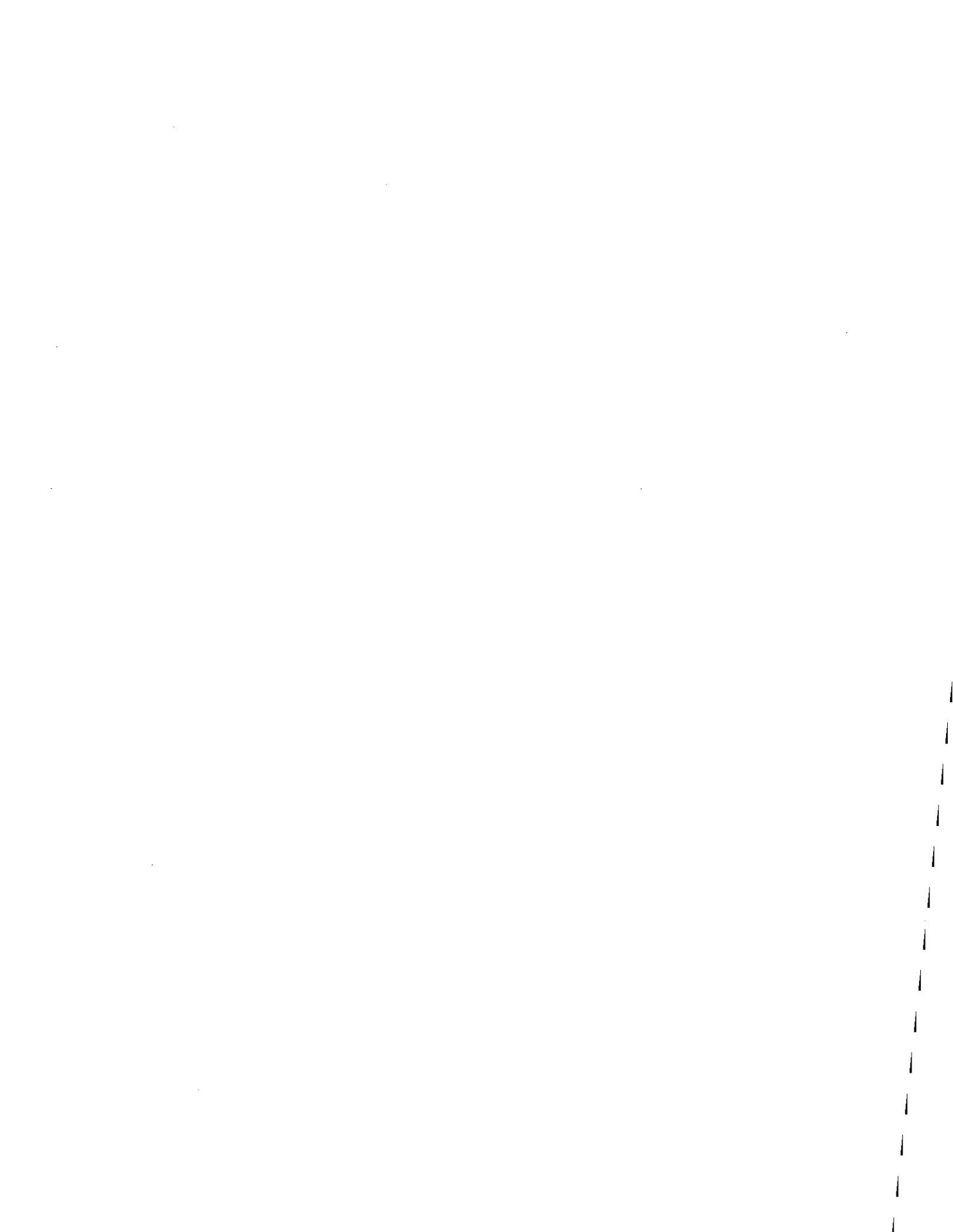
**KINGSWAY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ADDITIONS: | SCHOLARSHIPS | UNEMPLOYMENT COMPENSATION INSURANCE TRUST FUND | TOTALS | |
|---|--------------|---|-------------------|------------------|
| | | | (MEMORANDUM ONLY) | |
| | | | JUNE 30, 2013 | JUNE 30, 2012 |
| Local Sources: | | | | |
| Contributions | \$ 1,600 | \$ - | \$ 1,600 | \$ 1,250 |
| Board Contributions | - | 100,000 | 100,000 | 150,000 |
| Transfer from Payroll Agency Account | - | - | - | 29,798 |
| Total Contributions | 1,600 | 100,000 | 101,600 | 181,048 |
| Investment Earnings: | | | | |
| Interest on Investments | 423 | 353 | 776 | 1,980 |
| Total Investment Earnings | 423 | 353 | 776 | 1,980 |
| Total Additions | 2,023 | 100,353 | 102,376 | 183,028 |
| DEDUCTIONS: | | | | |
| Unemployment Claims | - | 67,769 | 67,769 | 164,655 |
| Scholarship Payments | 4,100 | - | 4,100 | 4,100 |
| Total Deductions | 4,100 | 67,769 | 71,869 | 168,755 |
| Change in Net Position | (2,077) | 32,584 | 30,507 | 14,273 |
| Net Position - Beginning of Year | 201,103 | 126,058 | 327,161 | 312,888 |
| Net Position - End of Year | \$ 199,026 | \$ 158,642 | \$ 357,668 | \$ 327,161 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**



KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Southampton Township Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The District has implemented these standards beginning with the fiscal year-ending June 30, 2004 with the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. The District has implemented the following GASB Statements in the current fiscal year: Statement 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement No.65 reclassifies, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Management is currently evaluating the impact of the adoption of this Statement but it is expected to have a material impact on the financial statements for the year ended June 30, 2013.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2013 and for the year then ended with comparative totals as of and for the year ended June 30, 2012 (Memorandum Only).

A. Reporting Entity

The Kingsway Regional School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The District is governed by a nine (9) member board elected to three-year staggered terms and one (1) sending district member appointed annually by the Logan Township School District. The

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

A. Reporting Entity (continued):

District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Kingsway Regional School District has an approximate enrollment at June 30, 2013 of 2,365 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization
- ◆ the District appoints a voting majority of the organization's board
- ◆ the District is able to impose its will on the organization
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

B. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net position and the statement of activities) report information of all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net positions are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting

The accounts of the Kingsway Regional School District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Kingsway Regional School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education, the Kingsway Regional School District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) as they pertain to governmental entities state that General Fund resources

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

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, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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).

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.

Internal Service Fund - Internal service funds are cost accounting and distribution entities, and are intended to "break even" annually and/or over a period of years. The use of an internal service fund does not provide additional revenue or expenses to the district but acts as a means to document the sharing of the costs. The internal service fund has been established to account for the financing of transportation, maintenance, technology, and general administration services provided by the Kingsway Regional School District for use by various other districts within the county of Gloucester. Services are provided on a cost reimbursement basis.

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

The District's Enterprise Fund is comprised of the Food Service Fund and Community Education Program.

All Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line-method. The estimated useful lives are as follows:

| | |
|-------------------------|------------|
| Machinery and Equipment | 5-20 Years |
|-------------------------|------------|

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund and Retirement Trust as private purpose trusts.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds

E. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

E. Basis of Accounting (continued):

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both 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. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

In its accounting and financial reporting, the Kingsway Regional School District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

The Kingsway Regional School District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

F. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund.

Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

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 generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control (continued):

fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis 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.

The budget, as detailed on Exhibit C-1 and Exhibit C-2, includes all amendments to the adopted budget, if any.

G. Encumbrances

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 for which the Kingsway Regional School 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.

H. Cash and Cash Equivalents

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and 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. *N.J.S.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 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 public depository unless

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

H. Cash and Cash Equivalents (continued):

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 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.

I. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2013, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2010-2011 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

J. Inventories & Prepaid Expenses

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

K. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Kingsway Regional School District and that are due within one year.

L. Capital Assets:

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

L. Capital Assets (continued):

received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

| | |
|---------------------|---------------|
| School Buildings | 50 Years |
| Electrical/Plumbing | 30 Years |
| HVAC Systems | 20 Years |
| Roofing | 20 Years |
| Machinery & Tools | 15 Years |
| Computer Software | 5 to 10 Years |
| Computer Hardware | 5 Years |
| Athletics Equipment | 10 Years |
| Vehicles/Buses | 8 Years |
| Grounds Equipment | 15 Years |

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2013 for such salaries.

N. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

O. Deferred Revenue

Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 1. Summary of Significant Accounting Policies (continued):

P. Long-term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

Q. Fund Equity

In accordance with Fund Balance Reporting and Governmental Fund Type Definitions, the Kingsway Regional School District classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds

The Kingsway Regional School District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Southampton Board of Education would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

R. Subsequent Events

The Kingsway Regional School District has evaluated subsequent events occurring after June 30, 2013 through the date of November 20, 2013, which is the date the financial statements were available to be issued.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 2. Cash and Cash Equivalents

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2013, and reported at fair value are as follows:

| Type | Carrying Value |
|-----------------------|----------------------|
| Deposits | |
| Demand Deposits | \$ 10,823,005 |
| Total Deposits | <u>\$ 10,823,005</u> |

The District's Cash & Cash Equivalents are Reported as Follows:

| | |
|--|----------------------|
| Governmental Activities | \$ 9,731,119 |
| Business-Type Activities | 436,367 |
| Fiduciary Funds | <u>655,519</u> |
| Total Cash & Cash Equivalents | <u>\$ 10,823,005</u> |

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does not have a deposit policy for custodial credit risk. As of June 30, 2013, the District's bank balance of \$11,547,585 was insured or collateralized as follows:

| | |
|---|---------------------|
| Insured | \$500,000 |
| Uninsured | 258,208 |
| Collateralized in the District's Name Under GUDPA (See Note 3) | <u>10,789,377</u> |
| Total | <u>\$11,547,585</u> |

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2013 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above; secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Capital Reserve Account

A capital reserve account was established by the Kingsway Regional School District by inclusion of \$1 on October 3, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 4. Capital Reserve Account (continued):

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 or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated 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-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

| | | |
|--------------------------------|----|---|
| Beginning Balance, July 1 2012 | \$ | 1 |
| Ending Balance June 30, 2013 | \$ | 1 |

Note 5. Fixed Assets

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2013:

| | June 30, <u>2012</u> | <u>Additions</u> | <u>Deletions</u> | <u>Adjustments</u> | June 30, <u>2013</u> |
|-------------------------------|-------------------------|------------------|------------------|--------------------|-------------------------|
| <u>Non-Depreciable Assets</u> | | | | | |
| Land | \$ 2,481,278 | \$ - | \$ - | \$ - | \$ 2,481,278 |
| Total Non-Depreciable Assets | 2,481,278 | - | - | - | 2,481,278 |
| <u>Depreciable Assets</u> | | | | | |
| Construction in Progress | 5,546,441 | 17,366,402 | - | - | 22,912,843 |
| Building & Structures | 46,575,522 | - | - | - | 46,575,522 |
| Land Improvements | 6,042,156 | - | - | - | 6,042,156 |
| Machinery & Equipment | 5,585,566 | 621,637 | - | - | 6,207,203 |
| Subtotal | 63,749,685 | 17,988,039 | - | - | 81,737,724 |
| Accumulated Depreciation | (23,940,293) | (1,679,247) | - | - | (25,619,540) |
| Total | \$ 42,290,670 | \$ 16,308,792 | \$ - | \$ - | \$ 58,599,462 |

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 5. Fixed Assets (continued):

The following schedule is a summary of the proprietary fund type fixed assets at June 30, 2013:

| | Balance June 30, 2013 |
|-----------------------|----------------------------------|
| Machinery & Equipment | \$ 589,005 |
| Depreciation | <u>(578,243)</u> |
| Total | <u>\$ 10,762</u> |

Note 6. Long-Term Debt

During the fiscal year ended June 30, 2013 the following changes occurred in liabilities reported in the Long-Term Debt Account Group:

| | <u>Balance 6/30/12</u> | | <u>Issued</u> | | <u>Retired</u> | | <u>Balance 6/30/13</u> | | <u>Due Within One Year</u> |
|------------------------|-----------------------------|--------------------|---------------|------------------------------|----------------|-----------------------------|----------------------------|--|--------------------------------|
| Compensated Absences | \$ 663,941 | \$ - | | \$ (94,013) | | \$ 569,928 | \$ - | | |
| Capital Leases Payable | 1,200,000 | | | (300,000) | | 900,000 | 300,000 | | |
| Bonds Payable | <u>50,159,000</u> | <u>-</u> | | <u>(1,865,000)</u> | | <u>48,294,000</u> | <u>2,085,000</u> | | |
| Total | <u>\$ 52,022,941</u> | <u>\$ -</u> | | <u>\$ (2,259,013)</u> | | <u>\$ 49,763,928</u> | <u>\$ 2,385,000</u> | | |

A. Bonds Payable

Bond 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.

On August 17, 2004, the District issued Bonds of \$16,914,000 (par value) with interest rates ranging from 4.5% to 4.875%. Maturities of the 2004 Bonds range from 2006 to 2031 and they are callable, at par, on or after January 15, 2031. The proceeds from the sale of the Bond will be used to finance the construction of the middle school and renovations to the existing school building. During 2013, the maturities due in 2015 through 2024 were refinanced and during 2006 the 2025 through 2031 maturities were refinanced. Only the 2013 and 2014 amounts are still due as of June 30, 2013.

On May 15, 2005, the School District issued \$15,780,000 in Refunding Bonds with interest rates ranging from 1.250% to 3.900% to advance refund \$15,050,000 of outstanding 1999 General Obligation Bonds with interest rates ranging from 4% to 5%.

On November 21, 2006, the School District issued \$9,075,000 in Refunding Bonds with interest rates ranging from 1.250% to 3.900% to advance refund \$8,400,000 of outstanding 2004 General Obligation Bonds with interest rates ranging from 4.00% to 4.125%.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 6. Long-Term Debt (continued):

A. Bonds Payable (continued):

On January 18, 2012, the District issued Bonds of \$22,659,000 (par value) with interest rates ranging from 2.5% to 3.5%. Maturities of the 2012 Bonds range from 2013 to 2037 and they are callable, at par, on or after February 1, 2037. The proceeds from the sale of the Bond will be used to finance the Additions and Renovations of the Existing School Buildings.

On January 27, 2012, the School District issued \$5,935,000 in Refunding Bonds with interest rates ranging from 2% to 4% to advance refund \$5,514,000 of outstanding 2004 General Obligation Bonds with interest rates ranging from 4.00% to 4.125%.

Principal and interest due on serial bonds outstanding is as follows:

| Year Ending <u>June 30,</u> | Balance <u>6/30/13</u> Principal | <u>Issued</u> Interest | <u>Retired</u> Total |
|-----------------------------------|--|---------------------------|-------------------------|
| 2014 | \$ 1,930,000 | \$ 1,662,163 | \$ 3,592,163 |
| 2015 | 2,085,000 | 1,590,063 | 3,675,063 |
| 2016 | 2,200,000 | 1,516,413 | 3,716,413 |
| 2017 | 2,190,000 | 1,444,138 | 3,634,138 |
| 2018 | 2,255,000 | 1,372,213 | 3,627,213 |
| 2019 | 2,345,000 | 1,303,413 | 3,648,413 |
| 2020 | 2,330,000 | 1,232,963 | 3,562,963 |
| 2021 | 2,500,000 | 1,150,638 | 3,650,638 |
| 2022 | 2,605,000 | 1,070,993 | 3,675,993 |
| 2023 | 2,605,000 | 985,028 | 3,590,028 |
| 2024 | 2,650,000 | 895,715 | 3,545,715 |
| 2025 | 2,110,000 | 796,278 | 2,906,278 |
| 2026 | 2,130,000 | 720,628 | 2,850,628 |
| 2027 | 2,170,000 | 644,428 | 2,814,428 |
| 2028 | 2,190,000 | 565,603 | 2,755,603 |
| 2029 | 2,235,000 | 486,234 | 2,721,234 |
| 2030 | 2,275,000 | 405,571 | 2,680,571 |
| 2031 | 2,315,000 | 323,821 | 2,638,821 |
| 2032 | 1,175,000 | 240,984 | 1,415,984 |
| 2033 | 1,200,000 | 204,265 | 1,404,265 |
| 2034 | 1,200,000 | 165,265 | 1,365,265 |
| 2035 | 1,200,000 | 124,765 | 1,324,765 |
| 2036 | 1,200,000 | 83,965 | 1,283,965 |
| 2037 | 1,199,000 | 41,965 | 1,240,965 |
| Total | \$ 48,294,000 | \$ 19,027,512 | \$ 67,321,512 |

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 6. Long-Term Debt (continued):

B. Bonds Authorized But Not Issued

Bond Anticipation note matured on July 1, 2011 at which time the district paid \$146,000.00 on principal. A new note in the amount of \$153,600.00 was issued and matures on July 1, 2012 with interest at 2.25%.

C. Capital Leases Payable

As of June 30, 2013, the Board had Capital Leases outstanding for Technology Equipment in the amount of \$900,000.

The following is a schedule of the future minimum lease payments under these capital leases and present value of the net minimum lease payments at June 30, 2013:

| | Year | Amount |
|---|------|-----------------------|
| | 2014 | \$ 328,530 |
| | 2015 | 319,020 |
| | 2016 | <u>309,510</u> |
| Total Minimum Lease Payments | | 957,060 |
| Less: Amount Representing Interest | | 57,060 |
| Present Value of net minimum lease payments | | <u><u>900,000</u></u> |

Note 7. Operating Leases

At June 30, 2013, the District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$84,764 for the fiscal year ended June 30, 2013. The future minimum lease payments for these leases are as follows:

| | Year Ending June 30, | Amount |
|------------------------------|-------------------------|-------------------------|
| | 2014 | \$ 83,814 |
| | 2015 | 2,914 |
| Total Minimum Lease Payments | | <u><u>\$ 86,728</u></u> |

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 8. Pension Plans

Plan Descriptions - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund 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 in January 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 (PERS) was established in January 1955 under the provisions of *N.J.S.A. 43:15A* to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A. 43:15A* and *43.3B* and *N.J.S.A. 18A: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 55 and are generally determined to be 1/55 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 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Significant Legislation below.

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 8. Pension Plans (continued):

obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

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 6.5%, effective October 1, 2011, of employees' annual compensation, as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

| Year Funding | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-----------------|---------------------------------|-------------------------------------|------------------------------|
| 6/30/2013 | \$ 393,638 | 100% | \$ - |
| 6/30/2012 | 428,045 | 100% | - |
| 6/30/2011 | 422,537 | 100% | - |

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 8. Pension Plans (continued):

Three-Year Trend Information for TPAF (Paid on behalf of the District)

| Year Funding | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|-----------------|---------------------------------|-------------------------------------|------------------------------|
| 6/30/2013 | \$ 1,577,616 | 100% | \$ - |
| 6/30/2012 | 1,059,415 | 100% | - |
| 6/30/2011 | 788,748 | 100% | - |

During the year ended June 30, 2013 the State of New Jersey contributed \$1,577,616 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$855,415 for the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 9. Post-Retirement Benefits

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

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members in Fiscal Year 2012.

Note 10. 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.

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

Note 10. Risk Management (continued):

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 their 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 School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s expendable trust fund for the current and previous two years:

| Fiscal Year | <u>District Contributions</u> | <u>Interest Earned</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|-------------|-----------------------------------|----------------------------|------------------------------|---------------------------|
| 2012-2013 | \$ 100,000 | \$ 353 | \$ 67,769 | \$ 158,642 |
| 2011-2012 | 150,000 | 30,163 | 164,655 | 126,058 |
| 2010-2011 | 200,000 | 45,464 | 169,859 | 110,550 |

Note 11. Contingent Liabilities

The District participates in a number of federal and state programs that are fully or partially funded by grants received from governmental units. These programs are subject to compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the District.

Note 12. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2013:

| Fund | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|------------------------------|---------------------------------|------------------------------|
| General Fund | \$ 392,554 | \$ - |
| Capital Projects Fund | - | 95,668 |
| Internal Service Fund | - | 296,428 |
| Fiduciary Fund- Payroll | 5,123 | 458 |
| Fiduciary Fund- Unemployment | - | 5,123 |
| | <hr/> | <hr/> |
| Total | \$ 397,677 | \$ 397,677 |

The purpose of interfunds are for short-term borrowings.

KINGSWAY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

Note 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:

| | |
|--|----------------------------|
| Lincoln Investment Planning, Inc. | Siracusa Benefits Programs |
| The Equitable Life Assurance Society of the US | 403(b) ASP |

Note 14. Compensated Absences

District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. Upon retirement and those with ten (10) years of service in the District, the District shall pay the employee for unused sick leave in accordance with the Districts' agreements with the various employee unions. Vacation days not used during the year may only be carried forward with approval from the Superintendent.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group, the current portion of the compensated absence balance is not considered material to the applicable funds total liabilities and is therefore not shown separately from the long-term liability balance of compensated absences. This liability of \$569,928 is reflected on the statement of net position Exhibit A-1.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2013, \$36,870 liability existed for compensated absences in the Food Service Fund.

Note 15. Calculation of Excess Surplus

In accordance with J.J.S.A. 18A:7F-7, 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. The excess fund balance at June 30, 2013 is \$1,894,984.

KINGSWAY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

16. Deferred Bond Issuance Costs, Loss on Bond Refunding & Bond Premium

In Governmental Funds, bond issuance costs, the loss on bond refunding and the bond premium are recognized in the current period. For district-wide financial statements, the bond issuance costs, the loss on bond refunding and the bond premium are amortized over the life of the original issue or refunding issue, whichever is longer. The cost associated with the issues was an asset of \$276,169 at June 30, 2013, the Loss on Bond Refunding was an asset of \$1,262,648 at June 30, 2013 and the Bond Premium was a liability of \$254,511 at June 30, 2013.

17. Accounts Receivable

Accounts receivable at June 30, 2013 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Proprietary Funds | Total |
|-------------------|---------------------|----------------------------|-----------------------------|-------------------------|----------------------|---------------------|
| Intergovernmental | \$ 1,033,490 | \$ 80,574 | \$ 3,327,797 | \$ 95,532 | \$ 177,004 | \$ 4,714,397 |
| Other | 58,322 | - | - | - | 24,744 | 83,066 |
| Total | <u>\$ 1,091,812</u> | <u>\$ 80,574</u> | <u>\$ 3,327,797</u> | <u>\$ 95,532</u> | <u>\$ 201,748</u> | <u>\$ 4,797,463</u> |

18. Fund Balance

General Fund – Of the \$4,725,703 General Fund fund balance at June 30, 2013, \$1 has been restricted for future capital activity; \$2,511,091 has been appropriated and included as anticipated revenue for the year ending June 30, 2014; \$1,894,984 is restricted for current year excess surplus; and \$319,627 has been reserved for encumbrances.

Capital Projects Fund – Of the \$8,201,953 Capital Projects Fund fund balance at June 30, 2013, \$3,777,425 has been restricted for Capital Projects; and \$4,424,528 has been reserved for encumbrances.

Debt Service Fund – The Debt Service Fund fund balance of \$47,162 has been restricted for Debt Service.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|--|--------------------|---------------------|-----------------|-------------------|---|--------------------|---------------------|-----------------|-------------------|---|------------------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Revenues: | | | | | | | | | | | |
| Local Tax Levy | 10-1210 | \$ 17,089,971 | \$ - | \$ 17,089,971 | \$ 17,089,971 | \$ - | \$ 16,323,659 | \$ - | \$ 16,323,659 | \$ 16,323,659 | \$ - |
| Tuition | 10-1300 | 3,035,418 | - | 3,035,418 | 2,855,074 | (180,344) | 2,820,707 | - | 2,820,707 | 2,798,202 | (22,505) |
| Transportation | 10-1420-1440 | - | - | - | - | - | 100,000 | - | 100,000 | 57,034 | (42,966) |
| Miscellaneous Revenues | 10-1XXX | 221,000 | - | 221,000 | 268,168 | 47,168 | 135,000 | - | 135,000 | 371,372 | 236,372 |
| Total Local Sources | | 20,346,389 | - | 20,346,389 | 20,213,213 | (133,176) | 19,379,366 | - | 19,379,366 | 19,550,267 | 170,901 |
| Federal Sources: | | | | | | | | | | | |
| Medicaid Reimbursement (SEMI) | 10-4200 | 22,304 | - | 22,304 | 5,100 | (17,204) | 23,001 | - | 23,001 | - | (23,001) |
| Education Jobs Fund | 18-4522 | - | 683 | 683 | 683 | - | 265,361 | 8,313 | 273,674 | 273,674 | - |
| Total Federal Sources | | 22,304 | 683 | 22,987 | 5,783 | (17,204) | 288,362 | 8,313 | 296,675 | 273,674 | (23,001) |
| State Sources: | | | | | | | | | | | |
| Equalization Aid | 10-3176 | 6,178,008 | - | 6,178,008 | 6,178,008 | - | 5,853,346 | 106,205 | 5,959,551 | 5,959,551 | - |
| Categorical Special Education Aid | 10-3132 | 1,082,940 | - | 1,082,940 | 1,082,940 | - | 1,010,718 | - | 1,010,718 | 1,010,718 | - |
| Categorical Security Aid | 10-3177 | 147,689 | - | 147,689 | 147,689 | - | - | 145,918 | 145,918 | 145,918 | - |
| Categorical Transportation Aid | 10-3121 | 233,256 | - | 233,256 | 233,256 | - | - | 34,058 | 34,058 | 34,058 | - |
| Extraordinary Aid | 10-3131 | 100,000 | - | 100,000 | 136,319 | 36,319 | 88,130 | - | 88,130 | 133,639 | 45,509 |
| Non-Public Transportation Aid | 10-3XXX | - | - | - | 39,759 | 39,759 | - | - | - | 53,451 | 53,451 |
| Anti-Bullying | 10-XXXX | - | - | - | - | - | - | - | - | 3,406 | 3,406 |
| Supplemental Enrollment Growth Aid | 10-3100 | - | 921,670 | 921,670 | 921,670 | - | - | - | - | - | - |
| Nonbudgeted: | | | | | | | | | | | |
| On-Behalf TPAF Pension Contribution | | - | - | - | 740,405 | 740,405 | - | - | - | 1,059,415 | 1,059,415 |
| On-Behalf Post Retirement Medical Contribution | | - | - | - | 837,211 | 837,211 | - | - | - | - | - |
| Reimbursed TPAF Social Security Contribution | | - | - | - | 855,415 | 855,415 | - | - | - | 824,321 | 824,321 |
| Total State Sources | | 7,741,893 | 921,670 | 8,663,563 | 11,172,672 | 2,509,109 | 6,952,194 | 286,181 | 7,238,375 | 9,224,477 | 1,986,102 |
| Total Revenues | | 28,110,586 | 922,353 | 29,032,939 | 31,391,668 | 2,358,729 | 26,619,922 | 294,494 | 26,914,416 | 29,048,418 | 2,134,002 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|---|-----------------|------------------|------------------|------------------|------------------|---|------------------|------------------|------------------|------------------|---|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Expenditures: | | | | | | | | | | | |
| Current Expense: | | | | | | | | | | | |
| Instruction - Regular Programs: | | | | | | | | | | | |
| Salaries of Teachers: | | | | | | | | | | | |
| Grades 6 - 8 | 11-130-100-101 | 2,697,687 | 95,000 | 2,792,687 | 2,579,926 | 212,761 | 2,418,819 | (14,569) | 2,404,250 | 2,385,404 | 18,846 |
| Grades 9 - 12 | 11-140-100-101 | 5,393,516 | (17,000) | 5,376,516 | 5,016,001 | 360,515 | 4,859,554 | (19,978) | 4,839,576 | 4,808,686 | 30,890 |
| Home Instruction: | | | | | | | | | | | |
| Salaries of Teachers | 11-150-100-101 | 15,000 | 21,900 | 36,900 | 35,857 | 1,043 | 29,000 | 3,171 | 32,171 | 32,171 | - |
| Purchased Professional - Educational Services | 11-150-100-320 | 50,000 | 6,618 | 56,618 | 56,617 | 1 | 49,500 | (3,171) | 46,329 | 22,768 | 23,561 |
| Other Purchased Services | 11-150-100-500 | 300 | 1,150 | 1,450 | 1,427 | 23 | 1,800 | - | 1,800 | 1,140 | 660 |
| Regular Programs - Undistributed Instruction: | | | | | | | | | | | |
| Other Salaries for Instruction | 11-190-100-106 | 53,495 | 2,332 | 55,827 | 45,501 | 10,326 | 82,947 | (15,000) | 67,947 | 52,933 | 15,014 |
| Purchased Professional - Educational Services | 11-190-100-320 | 3,100 | 4,140 | 7,240 | 4,890 | 2,350 | - | - | - | - | - |
| Purchased Technical Services | 11-190-100-340 | 6,900 | 900 | 7,800 | 6,014 | 1,786 | - | - | - | - | - |
| Other Purchased Services | 11-190-100-500 | 40,960 | 15,312 | 56,272 | 53,374 | 2,898 | 153,435 | 12,000 | 165,435 | 144,116 | 21,319 |
| General Supplies | 11-190-100-610 | 468,384 | 536,373 | 1,004,757 | 427,555 | 577,202 | 284,563 | (14,843) | 269,720 | 252,039 | 17,681 |
| Textbooks | 11-190-100-640 | 74,195 | (9,426) | 64,769 | 49,853 | 14,916 | 72,500 | (15,800) | 56,700 | 35,647 | 21,053 |
| Other Objects | 11-190-100-890 | 1,165 | - | 1,165 | 230 | 935 | - | 224 | 224 | 224 | - |
| Total Regular Programs | | 8,804,702 | 657,299 | 9,462,001 | 8,277,245 | 1,184,756 | 7,952,118 | (67,966) | 7,884,152 | 7,735,128 | 149,024 |
| Special Education: | | | | | | | | | | | |
| Behavioral Disabilities: | | | | | | | | | | | |
| Salaries of Teachers | 11-209-100-101 | 116,350 | (22,560) | 93,790 | 46,557 | 47,233 | 107,473 | 60,000 | 167,473 | 162,348 | 5,125 |
| Other Salaries for Instruction | 11-209-100-106 | 42,530 | (21,000) | 21,530 | 18,979 | 2,551 | 43,016 | - | 43,016 | 41,806 | 1,210 |
| Other Purchased Services | 11-209-100-500 | - | - | - | - | - | 2,000 | (1,725) | 275 | 275 | - |
| Supplies and Materials | 11-209-100-610 | 1,558 | - | 1,558 | 986 | 572 | 1,300 | 110 | 1,410 | 1,350 | 60 |
| Total Behavioral Disabilities | | 160,438 | (43,560) | 116,878 | 66,522 | 50,356 | 153,789 | 58,385 | 212,174 | 205,779 | 6,395 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) |
|---|-----------------|------------------|------------------|------------------|------------------|-------------------------|------------------|------------------|------------------|------------------|-------------------------|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL |
| Multiple Disabilities: | | | | | | | | | | | |
| Salaries of Teachers | 11-212-100-101 | 236,489 | 11,450 | 247,939 | 234,862 | 13,077 | 160,035 | 85,000 | 245,035 | 232,707 | 12,328 |
| Other Salaries for Instruction | 11-212-100-106 | 132,093 | (3,414) | 128,679 | 102,055 | 26,624 | 89,977 | 50,000 | 139,977 | 132,712 | 7,265 |
| Other Purchased Services | 11-212-100-500 | - | - | - | - | - | 2,000 | 52 | 2,052 | 1,532 | 520 |
| Supplies and Materials | 11-212-100-600 | 11,557 | 2,425 | 13,982 | 13,076 | 906 | 7,500 | 1,235 | 8,735 | 8,634 | 101 |
| Textbooks | 11-212-100-640 | 386 | - | 386 | 373 | 13 | - | - | - | - | - |
| Total Multiple Disabilities | | 380,525 | 10,461 | 390,986 | 350,366 | 40,620 | 259,512 | 136,287 | 395,799 | 375,585 | 20,214 |
| Resource Room: | | | | | | | | | | | |
| Salaries of Teachers | 11-213-100-101 | 1,350,364 | 18,095 | 1,368,459 | 1,330,607 | 37,852 | 1,343,404 | 4,614 | 1,348,018 | 1,208,162 | 139,856 |
| Other Salaries for Instruction | 11-213-100-106 | 380,990 | (72,739) | 308,251 | 293,219 | 15,032 | 407,891 | - | 407,891 | 357,611 | 50,280 |
| Supplies and Materials | 11-213-100-600 | 11,536 | - | 11,536 | 11,125 | 411 | 16,600 | (4,069) | 12,531 | 11,876 | 655 |
| Textbooks | 11-213-100-640 | 4,165 | (4,161) | 4 | - | 4 | 2,000 | (1,253) | 747 | 701 | 46 |
| Total Resource Room | | 1,747,055 | (58,805) | 1,688,250 | 1,634,951 | 53,299 | 1,769,895 | (708) | 1,769,187 | 1,578,350 | 190,837 |
| Special Education - Home Instruction: | | | | | | | | | | | |
| Salaries of Teachers | 11-219-100-101 | 20,000 | - | 20,000 | 9,535 | 10,465 | 21,500 | - | 21,500 | 8,818 | 12,682 |
| Purchased Professional - Educational Services | 11-219-100-320 | 20,000 | - | 20,000 | 14,983 | 5,017 | 40,000 | (730) | 39,270 | 35,473 | 3,797 |
| Supplies and Materials | 11-219-100-610 | 500 | (500) | - | - | - | - | - | - | - | - |
| Total Special Education - Home Instruction | | 40,500 | (500) | 40,000 | 24,518 | 15,482 | 61,500 | (730) | 60,770 | 44,291 | 16,479 |
| Total Special Education | | 2,328,518 | (92,404) | 2,236,114 | 2,076,357 | 159,757 | 2,244,696 | 193,234 | 2,437,930 | 2,204,005 | 233,925 |
| Basic Skills/Remedial: | | | | | | | | | | | |
| Supplies and Materials | 11-230-100-600 | 1,650 | - | 1,650 | 401 | 1,249 | 2,096 | - | 2,096 | 231 | 1,865 |
| Textbooks | 11-230-100-640 | - | - | - | - | - | 5,666 | - | 5,666 | 4,619 | 1,047 |
| Total Basic Skills/Remedial | | 1,650 | - | 1,650 | 401 | 1,249 | 7,762 | - | 7,762 | 4,850 | 2,912 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|---|-----------------|------------------|---------------|----------------|---|-----------------|------------------|----------------|----------------|---|---------------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| School Sponsored Cocurricular Activities: | | | | | | | | | | | |
| Salaries | 11-401-100-100 | 159,500 | - | 159,500 | 138,279 | 21,221 | 88,976 | 25,220 | 114,196 | 114,192 | 4 |
| Other Purchased Services | 11-401-100-500 | 13,800 | (4,380) | 9,420 | 5,796 | 3,624 | - | - | - | - | - |
| General Supplies | 11-401-100-610 | 16,450 | 4,375 | 20,825 | 15,962 | 4,863 | 20,655 | (1,402) | 19,253 | 14,317 | 4,936 |
| Other Objects | 11-401-216-800 | 200 | 5 | 205 | 189 | 16 | 1,112 | - | 1,112 | 442 | 670 |
| Total School Sponsored Cocurricular Activities | | 189,950 | - | 189,950 | 160,226 | 29,724 | 110,743 | 23,818 | 134,561 | 128,951 | 5,610 |
| School Sponsored Athletics - Instruction: | | | | | | | | | | | |
| Salaries | 11-402-100-100 | 557,534 | 19,400 | 576,934 | 559,363 | 17,571 | 495,192 | 6,280 | 501,472 | 496,301 | 5,171 |
| Other Purchased Services | 11-402-100-500 | 96,026 | 1,958 | 97,984 | 87,944 | 10,040 | 89,475 | (4,319) | 85,156 | 73,735 | 11,421 |
| General Supplies | 11-402-100-610 | 86,936 | (7,165) | 79,771 | 68,289 | 11,482 | 110,425 | 7,185 | 117,610 | 113,308 | 4,302 |
| Other Objects | 11-402-216-800 | 32,735 | 5,550 | 38,285 | 35,235 | 3,050 | 25,742 | - | 25,742 | 25,657 | 85 |
| Total School Sponsored Athletics Instruction | | 773,231 | 19,743 | 792,974 | 750,831 | 42,143 | 720,834 | 9,146 | 729,980 | 709,001 | 20,979 |
| Before/After School Programs: | | | | | | | | | | | |
| Salaries | 11-421-100-101 | 25,420 | - | 25,420 | 19,490 | 5,930 | 38,400 | - | 38,400 | 24,005 | 14,395 |
| Total Before/Afterschool Programs | | 25,420 | - | 25,420 | 19,490 | 5,930 | 38,400 | - | 38,400 | 24,005 | 14,395 |
| Alternative Education Programs - Instruction: | | | | | | | | | | | |
| Salaries | 11-423-100-101 | 73,500 | (10,800) | 62,700 | 47,091 | 15,609 | - | 49,103 | 49,103 | 49,102 | 1 |
| Other Salaries for Instruction | 11-423-100-106 | 11,600 | - | 11,600 | 10,856 | 744 | - | - | - | - | - |
| Other Purchased Services | 11-423-100-500 | 2,500 | 10,000 | 12,500 | 5,061 | 7,439 | - | - | - | - | - |
| Salaries - Support Services | 11-423-200-100 | 39,500 | 10,800 | 50,300 | 50,296 | 4 | - | 60,144 | 60,144 | 56,575 | 3,569 |
| Supplies and Materials | 11-423-100-610 | 15,000 | (10,000) | 5,000 | 3,770 | 1,230 | - | 5,023 | 5,023 | 411 | 4,612 |
| Total Alternative Education Programs | | 142,100 | - | 142,100 | 117,074 | 25,026 | - | 114,270 | 114,270 | 106,088 | 8,182 |

58

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|--|-----------------|-------------------|------------------|-------------------|-------------------|---|-------------------|------------------|-------------------|-------------------|---|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| At-Risk Program: | | | | | | | | | | | |
| Salaries | 11-424-100-178 | 5,665 | - | 5,665 | - | 5,665 | 5,400 | - | 5,400 | - | 5,400 |
| Purchased Professional & Technical Services | 11-424-100-300 | 3,000 | - | 3,000 | - | 3,000 | 2,650 | - | 2,650 | 2,600 | 50 |
| Total At-Risk Program | | 8,665 | - | 8,665 | - | 8,665 | 8,050 | - | 8,050 | 2,600 | 5,450 |
| Total Instruction | | 12,274,236 | 584,638 | 12,858,874 | 11,401,624 | 1,457,250 | 11,082,603 | 272,502 | 11,355,105 | 10,914,628 | 440,477 |
| Undistributed Expenditures: | | | | | | | | | | | |
| Instruction : | | | | | | | | | | | |
| Tuition to Other LEAs Within the State - Regular | 11-000-100-561 | 15,000 | (2,986) | 12,014 | 12,014 | - | 105,361 | (75,799) | 29,562 | 22,720 | 6,842 |
| Tuition to Other LEAs Within the State - Special | 11-000-100-562 | 15,000 | (15,000) | - | - | - | 15,000 | - | 15,000 | - | 15,000 |
| Tuition to County Vocational School District - Special | 11-000-100-564 | 188,000 | (25,133) | 162,867 | 162,656 | 211 | 132,750 | 13,500 | 146,250 | 112,918 | 33,332 |
| Tuition to County Vocational School District - Regular | 11-000-100-563 | 161,400 | (21,964) | 139,436 | 139,370 | 66 | 159,120 | 21,664 | 180,784 | 173,910 | 6,874 |
| Tuition to CSSD & Regional Day School | 11-000-100-565 | 739,600 | 15,050 | 754,650 | 754,650 | - | 651,780 | (111,664) | 540,116 | 499,243 | 40,873 |
| Tuition to Private School for the Handicapped - State | 11-000-100-566 | 572,203 | 113,392 | 685,595 | 684,181 | 1,414 | 794,590 | (292,803) | 501,787 | 481,482 | 20,305 |
| Tuition - State Facilities | 11-000-100-568 | 32,000 | (32,000) | - | - | - | 28,982 | - | 28,982 | 28,982 | - |
| Total Undistributed Expenditures - Instruction | | 1,723,203 | 31,359 | 1,754,562 | 1,752,871 | 1,691 | 1,887,583 | (445,102) | 1,442,481 | 1,319,255 | 123,226 |
| Attendance & Social Work Services: | | | | | | | | | | | |
| Salaries | 11-000-211-100 | 77,918 | 1,600 | 79,518 | 75,372 | 4,146 | 77,148 | 1,030 | 78,178 | 78,178 | - |
| Other Purchased Services | 11-000-211-500 | 100 | - | 100 | - | 100 | - | - | - | - | - |
| Supplies and Materials | 11-000-211-600 | 1,000 | - | 1,000 | - | 1,000 | 800 | (100) | 700 | 144 | 556 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|--|--------------------|---------------------|-----------------|---------|---|--------------------|---------------------|-----------------|---------|---|--------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Total Attendance & Social Work Services | 79,018 | 1,600 | 80,618 | 75,372 | 5,246 | 77,948 | 930 | 78,878 | 78,322 | 556 | |
| Health Services: | | | | | | | | | | | |
| Salaries | 11-000-213-100 | 212,719 | 3,283 | 216,002 | 209,133 | 6,869 | 219,313 | (500) | 218,813 | 207,581 | 11,232 |
| Purchased Professional & Technical Services | 11-000-213-300 | 25,725 | (1,255) | 24,470 | 19,394 | 5,076 | 28,875 | (38) | 28,837 | 19,890 | 8,947 |
| Other Purchased Services | 11-000-213-500 | 600 | - | 600 | 150 | 450 | 300 | 228 | 528 | 363 | 165 |
| Supplies and Materials | 11-000-213-600 | 4,195 | - | 4,195 | 4,129 | 66 | 3,300 | - | 3,300 | 2,693 | 607 |
| Other Objects | 11-000-213-800 | 812 | - | 812 | 522 | 290 | - | - | - | - | - |
| Total Health Services | | 244,051 | 2,028 | 246,079 | 233,328 | 12,751 | 251,788 | (310) | 251,478 | 230,527 | 20,951 |
| Other Support Services - Students - Related Services: | | | | | | | | | | | |
| Purchased Professional - Educational Services | 11-000-216-320 | 50,000 | (50,000) | - | - | - | 165,884 | (17,653) | 148,231 | 148,231 | - |
| Purchased Services | 11-000-216-500 | 58,345 | 72,800 | 131,145 | 124,336 | 6,809 | - | - | - | - | - |
| Supplies and Materials | 11-000-216-600 | 500 | - | 500 | 375 | 125 | 250 | - | 250 | 234 | 16 |
| Total Other Support Services-Students-Related Services | | 108,845 | 22,800 | 131,645 | 124,711 | 6,934 | 166,134 | (17,653) | 148,481 | 148,465 | 16 |
| Other Support Services - Students - Extra Services: | | | | | | | | | | | |
| Salaries | 11-000-217-100 | - | 151,054 | 151,054 | 146,119 | 4,935 | - | - | - | - | - |
| Purchased Professional - Educational Services | 11-000-217-320 | 67,400 | (17,309) | 50,091 | 48,773 | 1,318 | - | 29,000 | 29,000 | 28,630 | 370 |
| Supplies and Materials | 11-000-217-600 | 5,889 | (2,300) | 3,589 | 3,289 | 300 | - | - | - | - | - |
| Total Other Support Services - Students - Extra Services | | 73,289 | 131,445 | 204,734 | 198,181 | 6,553 | - | 29,000 | 29,000 | 28,630 | 370 |
| Other Support Services - Students - Regular: | | | | | | | | | | | |
| Salaries of Other Professional Staff | 11-000-218-104 | 610,613 | (3,000) | 607,613 | 550,850 | 56,763 | 721,507 | - | 721,507 | 640,185 | 81,322 |
| Salaries of Secretarial & Clerical Assistants | 11-000-218-105 | 105,376 | 6,500 | 111,876 | 108,652 | 3,224 | 121,949 | - | 121,949 | 121,086 | 863 |
| Purchased Professional - Educational Services | 11-000-218-320 | 16,700 | (30) | 16,670 | 15,367 | 1,303 | - | - | - | - | - |
| Other Purchased Professional & Technical Services | 11-000-218-390 | 23,900 | 9,417 | 33,317 | 20,126 | 13,191 | 25,325 | 186 | 25,511 | 22,566 | 2,945 |
| Other Purchased Services | 11-000-218-500 | 17,710 | 1,030 | 18,740 | 9,719 | 9,021 | 34,950 | - | 34,950 | 27,643 | 7,307 |
| Supplies and Materials | 11-000-218-600 | 3,250 | - | 3,250 | 1,794 | 1,456 | 3,250 | - | 3,250 | 700 | 2,550 |
| Other Objects | 11-000-218-800 | 200 | - | 200 | 150 | 50 | 200 | - | 200 | 145 | 55 |

KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|--|--------------------|---------------------|-----------------|---------|---|--------------------|---------------------|-----------------|---------|---|--------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Total Other Support Services - Students - Regular | 777,749 | 13,917 | 791,666 | 706,658 | 85,008 | 907,181 | 186 | 907,367 | 812,325 | 95,042 | |
| Other Support Services - Students - Special Services: | | | | | | | | | | | |
| Salaries of Other Professional Staff | 11-000-219-104 | 387,592 | (4,200) | 383,392 | 339,199 | 44,193 | 325,450 | (33,000) | 292,450 | 279,949 | 12,501 |
| Salaries of Secretarial & Clerical Assistants | 11-000-219-105 | 57,480 | (6,000) | 51,480 | 49,706 | 1,774 | 37,720 | - | 37,720 | 37,120 | 600 |
| Purchased Professional - Educational Services | 11-000-219-320 | 55,600 | (5,001) | 50,599 | 37,621 | 12,978 | 10,000 | 350 | 10,350 | 10,350 | - |
| Other Purchased Professional & Technical Services | 11-000-218-390 | - | - | - | - | - | 27,250 | (10,739) | 16,511 | 10,750 | 5,761 |
| Miscellaneous Purchased Services | 11-000-219-592 | 8,540 | 389 | 8,929 | 8,559 | 370 | 15,500 | 4,319 | 19,819 | 19,660 | 159 |
| Supplies and Materials | 11-000-219-600 | 6,500 | 3,086 | 9,586 | 8,428 | 1,158 | 2,500 | 6,856 | 9,356 | 9,299 | 57 |
| Other Objects | 11-000-219-800 | 850 | - | 850 | 800 | 50 | 1,500 | (700) | 800 | 800 | - |
| Total Other Support Services-Students-Special Services | 516,562 | (11,726) | 504,836 | 444,313 | 60,523 | 419,920 | (32,914) | 387,006 | 367,928 | 19,078 | |
| Improvement of Instruction Services/Other Support Services - Instruction Staff: | | | | | | | | | | | |
| Salaries of Supervisor of Instruction | 11-000-221-102 | 50,274 | 1,600 | 51,874 | 51,677 | 197 | - | - | - | - | - |
| Salaries of Other Professional Staff | 11-000-221-104 | - | - | - | - | - | 10,000 | - | 10,000 | - | 10,000 |
| Salaries of Secretarial & Clerical Assistants | 11-000-221-105 | 31,994 | (493) | 31,501 | 31,054 | 447 | 45,613 | - | 45,613 | 44,363 | 1,250 |
| Other Salaries | 11-000-221-110 | 11,100 | (10,787) | 313 | 110 | 203 | 171,811 | (74,163) | 97,648 | 97,548 | 100 |
| Other Purchased Professional & Technical Services | 11-000-221-390 | 11,000 | - | 11,000 | 9,376 | 1,624 | - | - | - | - | - |
| Other Purchased Services | 11-000-221-500 | 4,450 | 34 | 4,484 | 2,877 | 1,607 | 3,500 | 4,000 | 7,500 | 7,288 | 212 |
| Supplies and Materials | 11-000-221-600 | 3,000 | 9,646 | 12,646 | 11,778 | 868 | 5,500 | (20) | 5,480 | 1,122 | 4,358 |
| Other Objects | 11-000-221-800 | 250 | 800 | 1,050 | 1,019 | 31 | 1,000 | 20 | 1,020 | 1,019 | 1 |
| Total Improvement of Instruction Services/Other Support Services Instructional Staff | 112,068 | 800 | 112,868 | 107,891 | 4,977 | 237,424 | (70,163) | 167,261 | 151,340 | 15,921 | |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|---|-----------------|-----------------|------------------|----------------|----------------|---|-----------------|------------------|----------------|----------------|---|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Educational Media Services/School Library: | | | | | | | | | | | |
| Salaries | 11-000-222-100 | 160,027 | 4,800 | 164,827 | 156,539 | 8,288 | 111,946 | 4,605 | 116,551 | 116,140 | 411 |
| Purchased Professional & Technical Services | 11-000-222-300 | 8,324 | - | 8,324 | 8,220 | 104 | - | - | - | - | - |
| Other Purchased Services | 11-000-222-500 | 11,119 | 3,000 | 14,119 | 12,699 | 1,420 | 5,746 | 1,445 | 7,191 | 6,661 | 530 |
| Supplies and Materials | 11-000-222-600 | 11,900 | - | 11,900 | 11,852 | 48 | 28,350 | (1,300) | 27,050 | 22,453 | 4,597 |
| Other Objects | 11-000-222-800 | 100 | - | 100 | 100 | - | - | - | - | - | - |
| Total Educational Media Services/School Library | | 191,470 | 7,800 | 199,270 | 189,410 | 9,860 | 146,042 | 4,750 | 150,792 | 145,254 | 5,538 |
| Support Services Instructional Staff Training Service: | | | | | | | | | | | |
| Salaries | 11-000-223-100 | 50,274 | 1,600 | 51,874 | 51,677 | 197 | 10,500 | (700) | 9,800 | 3,597 | 6,203 |
| Salaries of Secretarial & Clerical Assistants | 11-000-223-105 | 13,709 | - | 13,709 | 13,309 | 400 | - | - | - | - | - |
| Purchased Professional - Educational Services | 11-000-223-320 | 2,500 | 12,332 | 14,832 | 14,352 | 480 | 2,000 | - | 2,000 | 600 | 1,400 |
| Other Purchased Services | 11-000-223-500 | 5,500 | 1,186 | 6,686 | 2,629 | 4,057 | 5,000 | 2,869 | 7,869 | 5,377 | 2,492 |
| Supplies and Materials | 11-000-223-600 | 400 | - | 400 | 260 | 140 | 500 | - | 500 | 423 | 77 |
| Total Support Services Instructional Staff Training | | 72,383 | 15,118 | 87,501 | 82,227 | 5,274 | 18,000 | 2,169 | 20,169 | 9,997 | 10,172 |
| Support Services General Administration: | | | | | | | | | | | |
| Salaries | 11-000-230-100 | 215,655 | (32,247) | 183,408 | 182,693 | 715 | 210,355 | 80 | 210,435 | 210,435 | - |
| Legal Services | 11-000-230-331 | 45,000 | 57,865 | 102,865 | 101,339 | 1,526 | 35,000 | 30,000 | 65,000 | 64,105 | 895 |
| Audit Services | 11-000-230-332 | 25,000 | 3,500 | 28,500 | 28,500 | - | 18,000 | 1,420 | 19,420 | 14,088 | 5,332 |
| Architectural/Engineering Services | 11-000-230-334 | - | 9,500 | 9,500 | 2,138 | 7,362 | 30,000 | (14,500) | 15,500 | 2,865 | 12,635 |
| Other Purchased Professional Services | 11-000-230-339 | - | - | - | - | - | 36,000 | 7,500 | 43,500 | 32,626 | 10,874 |
| Purchased Technical Services | 11-000-230-340 | 5,000 | - | 5,000 | 2,100 | 2,900 | - | - | - | - | - |
| Communications/Telephone | 11-000-230-530 | 122,600 | (15,160) | 107,440 | 97,740 | 9,700 | 82,990 | 28,000 | 110,990 | 58,558 | 52,432 |
| BOE Other Purchased Services | 11-000-230-585 | 2,000 | 385 | 2,385 | 2,235 | 150 | 4,500 | - | 4,500 | 1,044 | 3,456 |
| Other Purchased Services | 11-000-230-590 | 93,900 | 115 | 94,015 | 92,846 | 1,169 | 123,228 | - | 123,228 | 109,898 | 13,330 |
| Supplies and Materials | 11-000-230-600 | 6,000 | - | 6,000 | 5,586 | 414 | 4,000 | 2,000 | 6,000 | 5,904 | 96 |
| Other Objects | 11-000-230-800 | 4,700 | - | 4,700 | 4,681 | 19 | 6,000 | - | 6,000 | 2,106 | 3,894 |
| BOE Membership Dues & Fees | 11-000-230-895 | 12,500 | - | 12,500 | 12,190 | 310 | 12,519 | - | 12,519 | 12,190 | 329 |
| Total Support Services General Administration | | 532,355 | 23,958 | 556,313 | 532,048 | 24,265 | 562,592 | 54,500 | 617,092 | 513,819 | 103,273 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) |
|---|-----------------|------------------|------------------|------------------|------------------|-------------------------|------------------|------------------|------------------|------------------|-------------------------|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL |
| Support Services School Administration: | | | | | | | | | | | |
| Salaries of Principals & Assistant Principals | | | | | | | | | | | |
| | 11-000-240-103 | 652,539 | 9,000 | 661,539 | 661,317 | 222 | 575,767 | 74,183 | 649,950 | 649,950 | - |
| Salaries of Other Professional Staff | | | | | | | | | | | |
| | 11-000-240-104 | 300,922 | 83,563 | 384,485 | 308,691 | 75,794 | 385,940 | (5,125) | 380,815 | 364,088 | 16,727 |
| Salaries of Secretarial & Clerical Assistants | | | | | | | | | | | |
| | 11-000-240-105 | 198,819 | 18,672 | 217,491 | 208,956 | 8,535 | 236,982 | 3,900 | 240,882 | 240,874 | 8 |
| Purchased Professional & Technical Services | | | | | | | | | | | |
| | 11-000-240-300 | 18,200 | (5,527) | 12,673 | 11,815 | 858 | - | - | - | - | - |
| Other Purchased Services | | | | | | | | | | | |
| | 11-000-240-500 | 46,029 | (5,500) | 40,529 | 31,253 | 9,276 | 96,040 | (2,950) | 93,090 | 52,611 | 40,479 |
| Supplies and Materials | | | | | | | | | | | |
| | 11-000-240-600 | 19,197 | 4,508 | 23,705 | 20,658 | 3,047 | 25,400 | 15,170 | 40,570 | 27,043 | 13,527 |
| Other Objects | | | | | | | | | | | |
| | 11-000-240-800 | 17,165 | 6,694 | 23,859 | 22,946 | 913 | 6,000 | 18,450 | 24,450 | 9,450 | 15,000 |
| Total Support Services School Administration | | 1,252,871 | 111,410 | 1,364,281 | 1,265,636 | 98,645 | 1,326,129 | 103,628 | 1,429,757 | 1,344,016 | 85,741 |
| Central Services: | | | | | | | | | | | |
| Salaries | | | | | | | | | | | |
| | 11-000-251-100 | 240,972 | 8,300 | 249,272 | 249,180 | 92 | 256,668 | 21,000 | 277,668 | 251,700 | 25,968 |
| Purchased Professional Services | | | | | | | | | | | |
| | 11-000-251-330 | 3,000 | (350) | 2,650 | 2,650 | - | - | - | - | - | - |
| Purchased Technical Services | | | | | | | | | | | |
| | 11-000-251-340 | 41,050 | 5,915 | 46,965 | 46,965 | - | - | - | - | - | - |
| Other Purchased Services | | | | | | | | | | | |
| | 11-000-251-500 | 19,450 | 1,690 | 21,140 | 20,799 | 341 | 28,000 | 31,350 | 59,350 | 58,894 | 456 |
| Supplies & Materials | | | | | | | | | | | |
| | 11-000-251-600 | 8,750 | (960) | 7,790 | 7,702 | 88 | 3,000 | 5,500 | 8,500 | 8,407 | 93 |
| Interest on Lease Purchase Agreements | | | | | | | | | | | |
| | 11-000-251-832 | 44,040 | (6,000) | 38,040 | 38,040 | - | 47,550 | - | 47,550 | 47,550 | - |
| Interest on Bond Anticipation Agreements | | | | | | | | | | | |
| | 11-000-251-836 | 3,366 | 100 | 3,466 | 3,466 | - | 6,800 | - | 6,800 | 2,722 | 4,078 |
| Miscellaneous Expenditures | | | | | | | | | | | |
| | 11-000-251-890 | 1,100 | - | 1,100 | 1,065 | 35 | 1,500 | (400) | 1,100 | 1,065 | 35 |
| Total Central Services | | 361,728 | 8,695 | 370,423 | 369,867 | 556 | 343,518 | 57,450 | 400,968 | 370,338 | 30,630 |
| Administrative Information Technology: | | | | | | | | | | | |
| Salaries | | | | | | | | | | | |
| | 11-000-252-100 | 307,811 | 2,419 | 310,230 | 234,619 | 75,611 | 226,643 | (5,000) | 221,643 | 210,707 | 10,936 |
| Purchased Technical Services | | | | | | | | | | | |
| | 11-000-252-340 | 66,400 | - | 66,400 | 66,053 | 347 | - | - | - | - | - |
| Other Purchased Services | | | | | | | | | | | |
| | 11-000-252-500 | 2,900 | - | 2,900 | 1,175 | 1,725 | 6,500 | (1,220) | 5,280 | 3,144 | 2,136 |
| Supplies and Materials | | | | | | | | | | | |
| | 11-000-252-600 | 20,000 | 61,667 | 81,667 | 78,898 | 2,769 | 1,500 | (195) | 1,305 | - | 1,305 |
| Other Objects | | | | | | | | | | | |
| | 11-000-252-800 | - | 83 | 83 | - | 83 | 500 | 195 | 695 | 695 | - |
| Total Administrative Information Technology | | 397,111 | 64,169 | 461,280 | 380,745 | 80,535 | 235,143 | (6,220) | 228,923 | 214,546 | 14,377 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|--|--------------------|---------------------|-----------------|------------------|--------------------|---|---------------------|-----------------|------------------|------------------|----------------|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | ORIGINAL BUDGET | | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | | |
| Allowance Maintenance for School Facilities: | | | | | | | | | | | | |
| Salaries | 11-000-261-100 | 146,904 | - | 146,904 | 143,035 | 3,869 | | | | | | |
| Maintenance Services | 11-000-261-420 | 84,223 | 58,850 | 143,073 | 129,335 | 13,738 | 92,193 | 7,047 | 99,240 | 98,185 | 1,055 | |
| General Supplies | 11-000-261-610 | 85,921 | (24,150) | 61,771 | 55,829 | 5,942 | | | | | | |
| Total Allowance Maintenance for School Facilities | | 317,048 | 34,700 | 351,748 | 328,199 | 23,549 | 92,193 | 7,047 | 99,240 | 98,185 | 1,055 | |
| Other Operation & Maintenance of Plant Services: | | | | | | | | | | | | |
| Salaries | 11-000-262-100 | 795,912 | 6,750 | 802,662 | 754,222 | 48,440 | 929,522 | 8,000 | 937,522 | 919,861 | 17,661 | |
| Purchased Professional & Technical Services | 11-000-262-300 | 132,130 | (30,530) | 101,600 | 101,573 | 27 | 6,954 | 1,250 | 8,204 | 7,625 | 579 | |
| Cleaning, Repair & Maintenance Services | 11-000-262-420 | 2,000 | 250 | 2,250 | - | 2,250 | 214,063 | (76,300) | 137,763 | 113,609 | 24,154 | |
| Other Purchased Property Services | 11-000-262-490 | 26,960 | 500 | 27,460 | 20,479 | 6,981 | 134,000 | - | 134,000 | 124,556 | 9,444 | |
| Insurance | 11-000-262-520 | 97,000 | 16,931 | 113,931 | 113,931 | - | 95,401 | (7,500) | 87,901 | 87,317 | 584 | |
| Miscellaneous Purchased Services | 11-000-262-590 | 3,180 | - | 3,180 | 2,323 | 857 | 3,180 | (500) | 2,680 | 1,941 | 739 | |
| General Supplies | 11-000-262-610 | 64,500 | 15,955 | 80,455 | 74,327 | 6,128 | 250,623 | 56,203 | 306,826 | 267,272 | 39,554 | |
| Energy (Natural Gas) | 11-000-262-621 | 135,000 | 14,249 | 149,249 | 111,148 | 38,101 | 175,000 | - | 175,000 | 89,148 | 85,852 | |
| Energy (Electricity) | 11-000-262-622 | 518,000 | 14,000 | 532,000 | 514,203 | 17,797 | 510,000 | - | 510,000 | 509,413 | 587 | |
| Energy (Gasoline) | 11-000-262-626 | 114,000 | (6,750) | 107,250 | 96,567 | 10,683 | - | - | - | - | - | |
| Other Objects | 11-000-262-800 | 750 | - | 750 | 300 | 450 | - | 500 | 500 | 300 | 200 | |
| Total Other Operation & Maintenance of Plant Services | | 1,889,432 | 31,355 | 1,920,787 | 1,789,073 | 131,714 | 2,318,743 | (18,347) | 2,300,396 | 2,121,042 | 179,354 | |
| Care & Upkeep of Grounds | | | | | | | | | | | | |
| Salaries | 11-000-263-100 | 145,302 | 2,000 | 147,302 | 139,046 | 8,256 | 125,558 | 13,201 | 138,759 | 138,759 | - | |
| Purchased Professional & Technical Services | 11-000-263-300 | 6,700 | - | 6,700 | 3,365 | 3,335 | - | - | - | - | - | |
| Cleaning, Repair & Maintenance Services | 11-000-263-420 | 18,000 | 18,935 | 36,935 | 30,117 | 6,818 | 6,700 | 3,900 | 10,600 | 10,600 | - | |
| General Supplies | 11-000-263-610 | 64,300 | (4,100) | 60,200 | 47,631 | 12,569 | 65,068 | (17,601) | 47,467 | 40,551 | 6,916 | |
| Total Care & Upkeep of Grounds | | 234,302 | 16,835 | 251,137 | 220,159 | 30,978 | 197,326 | (500) | 196,826 | 189,910 | 6,916 | |

KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|--|-----------------|-----------------|------------------|--------------|-----------|---|-----------------|------------------|--------------|-----------|---|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Security | | | | | | | | | | | |
| Purchased Professional & Technical Services | 11-000-266-300 | 70,000 | - | 70,000 | 63,143 | 6,857 | 65,000 | - | 65,000 | 61,743 | 3,257 |
| Supplies and Materials | 11-000-266-610 | - | - | - | - | - | - | 8,400 | 8,400 | 3,397 | 5,003 |
| Total Security | | 70,000 | - | 70,000 | 63,143 | 6,857 | 65,000 | 8,400 | 73,400 | 65,140 | 8,260 |
| Student Transportation Services: | | | | | | | | | | | |
| Salaries of Non-Instructional Aides | 11-000-270-107 | 29,985 | (100) | 29,885 | 431 | 29,454 | - | - | - | - | - |
| Salaries for Pupil Transportation (Between Home & School)-Reg | 11-000-270-160 | 461,132 | 1,200 | 462,332 | 415,688 | 46,644 | 453,855 | (3,762) | 450,093 | 366,933 | 83,160 |
| Salaries for Pupil Transportation (Between Home & School)-Sp. | 11-000-270-161 | 30,500 | 3,800 | 34,300 | 27,948 | 6,352 | 25,041 | - | 25,041 | 11,426 | 13,615 |
| Salaries for Pupil Transportation (Other Than Between Home & School) | 11-000-270-162 | 52,000 | 10,000 | 62,000 | 37,632 | 24,368 | 53,915 | 1,485 | 55,400 | 37,345 | 18,055 |
| Other Purchased Professional & Technical Services | 11-000-270-390 | 2,600 | - | 2,600 | 1,252 | 1,348 | - | - | - | - | - |
| Cleaning, Repair&Maintenance | 11-000-270-420 | 12,000 | - | 12,000 | 1,103 | 10,897 | 11,750 | - | 11,750 | 5,650 | 6,100 |
| Aid in Lieu of Payments | 11-000-270-503 | 140,000 | (4,926) | 135,074 | 119,826 | 15,248 | 137,020 | (42,002) | 95,018 | 94,724 | 294 |
| Contracted Services (Other Than Between School) - Vendors | 11-000-270-511 | 512,000 | - | 512,000 | 393,846 | 118,154 | 497,680 | (7,492) | 490,188 | 487,334 | 2,854 |
| Contracted Services (Other Than Between School) - Vendors | 11-000-270-512 | 153,705 | 2,820 | 156,525 | 152,800 | 3,725 | 148,481 | 22,000 | 170,481 | 162,339 | 8,142 |
| Contracted Services (Special Education) - Vendors | 11-000-270-514 | 52,000 | - | 52,000 | - | 52,000 | - | - | - | - | - |
| Students) - Joint Agreements | 11-000-270-515 | 60,000 | - | 60,000 | 41,653 | 18,347 | 43,500 | 14,882 | 58,382 | 58,382 | - |
| Contracted Services (Regular Education Students) - ESC | 11-000-270-517 | 73,000 | 17,106 | 90,106 | 90,106 | - | - | - | - | - | - |
| Contracted Services (Special Education Students) - ESC | 11-000-270-518 | 444,000 | 225,000 | 669,000 | 659,694 | 9,306 | 558,500 | (97,767) | 460,733 | 460,732 | 1 |
| Miscellaneous Purchased Services - Transportation | 11-000-270-593 | 66,400 | (6,082) | 60,318 | 55,103 | 5,215 | 35,115 | (5,113) | 30,002 | 22,320 | 7,682 |
| Supplies and Materials | 11-000-270-610 | 2,000 | 100 | 2,100 | 1,917 | 183 | 3,250 | (100) | 3,150 | 445 | 2,705 |
| Transportation Supplies | 11-000-270-615 | 65,000 | - | 65,000 | 58,662 | 6,338 | 146,035 | 17,342 | 163,377 | 157,342 | 6,035 |
| Other Objects | 11-000-270-800 | 750 | - | 750 | 439 | 311 | 350 | 250 | 600 | 502 | 98 |
| Total Student Transportation Services | | 2,157,072 | 248,918 | 2,405,990 | 2,058,100 | 347,890 | 2,114,492 | (100,277) | 2,014,215 | 1,865,474 | 148,741 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | | |
|--|-----------------|------------------|------------------|------------------|---|-----------------|------------------|---------------|------------------|---|---------------|--|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | | |
| Allocated Benefits: | | | | | | | | | | | | |
| Regular Programs - Instructional: | | | | | | | | | | | | |
| Social Security Contributions | 11-1xx-100-220 | 15,700 | 31,000 | 46,700 | 38,249 | 8,451 | 33,863 | 2,993 | 36,856 | 33,716 | 3,140 | |
| Other Retirement Contributions - PERS | 11-1xx-100-241 | - | - | - | - | - | 7,711 | - | 7,711 | 7,711 | - | |
| Workmen's Compensation | 11-1xx-100-260 | 73,140 | 21,668 | 94,808 | 94,160 | 648 | 48,773 | 21,200 | 69,973 | 69,531 | 442 | |
| Health Benefits | 11-1xx-100-270 | 2,412,500 | (361,668) | 2,050,832 | 1,828,167 | 222,665 | 1,913,680 | 16,720 | 1,930,400 | 1,930,206 | 194 | |
| Tuition Reimbursement | 11-1xx-100-280 | 33,334 | - | 33,334 | 15,166 | 18,168 | 33,333 | - | 33,333 | 32,358 | 975 | |
| Total Regular Programs - Instructional | | 2,534,674 | (309,000) | 2,225,674 | 1,975,742 | 249,932 | 2,037,360 | 40,913 | 2,078,273 | 2,073,522 | 4,751 | |
| Special Programs - Instructional: | | | | | | | | | | | | |
| Social Security Contributions | 11-2xx-100-220 | 45,650 | (2,817) | 42,833 | 37,524 | 5,309 | 52,336 | 232 | 52,568 | 46,897 | 5,671 | |
| Other Retirement Contributions - PERS | 11-2xx-100-241 | - | - | - | - | - | 30,511 | 8,313 | 38,824 | 38,824 | - | |
| Workmen's Compensation | 11-2xx-100-260 | 30,636 | 624 | 31,260 | 29,254 | 2,006 | 15,157 | 4,600 | 19,757 | 19,463 | 294 | |
| Health Benefits | 11-2xx-100-270 | 468,500 | (50,010) | 418,490 | 406,179 | 12,311 | 444,954 | 2,518 | 447,472 | 403,203 | 44,269 | |
| Tuition Reimbursement | 11-2xx-100-280 | 16,667 | (3,435) | 13,232 | 1,212 | 12,020 | 16,667 | - | 16,667 | 5,020 | 11,647 | |
| Total Special Programs | | 561,453 | (55,638) | 505,815 | 474,169 | 31,646 | 559,625 | 15,663 | 575,288 | 513,407 | 61,881 | |
| Other Instructional Programs - Instruction: | | | | | | | | | | | | |
| Social Security Contributions | 11-4xx-100-220 | 56,600 | 3,000 | 59,600 | 55,022 | 4,578 | 30,183 | 22,182 | 52,365 | 48,521 | 3,844 | |
| Workmen's Compensation | 11-4xx-100-260 | 1,104 | 1,016 | 2,120 | 2,120 | - | 3,567 | 1,250 | 4,817 | 4,707 | 110 | |
| Health Benefits | 11-4xx-100-270 | 41,000 | (25,766) | 15,234 | 15,171 | 63 | 8,860 | (1,190) | 7,670 | 7,389 | 281 | |
| Total Other Instructional Programs | | 98,704 | (21,750) | 76,954 | 72,313 | 4,641 | 42,610 | 22,242 | 64,852 | 60,617 | 4,235 | |
| Attendance & Social Work Services: | | | | | | | | | | | | |
| Social Security Contributions | 11-000-211-220 | 6,000 | - | 6,000 | 5,683 | 317 | 6,627 | (515) | 6,112 | 5,894 | 218 | |
| Other Retirement Contributions - PERS | 11-000-211-241 | - | - | - | - | - | 6,542 | - | 6,542 | 6,542 | - | |
| Workmen's Compensation | 11-000-211-260 | 1,104 | - | 1,104 | 1,067 | 37 | 455 | - | 455 | 362 | 93 | |
| Health Benefits | 11-000-211-270 | 33,850 | 4,350 | 38,200 | 37,770 | 430 | 33,607 | (430) | 33,177 | 31,015 | 2,162 | |

KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|--|-----------------|------------------|--------------|---------|---|-----------------|------------------|--------------|---------|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Total Attendance & Social Work Services | 40,954 | 4,350 | 45,304 | 44,520 | 784 | 47,231 | (945) | 46,286 | 43,813 | 2,473 |
| Health Services: | | | | | | | | | | |
| Social Security Contributions 11-000-213-220 | 3,300 | 1,000 | 4,300 | 3,990 | 310 | 4,442 | - | 4,442 | 3,944 | 498 |
| Other Retirement Contributions - PEI 11-000-213-241 | - | - | - | - | - | 3,307 | - | 3,307 | 3,307 | - |
| Workmen's Compensation 11-000-213-260 | 2,208 | 573 | 2,781 | 2,781 | - | 1,450 | 600 | 2,050 | 1,987 | 63 |
| Health Benefits 11-000-213-270 | 56,735 | (7,951) | 48,784 | 48,781 | 3 | 53,888 | 6,100 | 59,988 | 46,399 | 13,589 |
| Total Health Services | 62,243 | (6,378) | 55,865 | 55,552 | 313 | 63,087 | 6,700 | 69,787 | 55,637 | 14,150 |
| Speech/Occupational/Physical Therapy: | | | | | | | | | | |
| Workmen's Compensation 11-000-216-260 | 552 | - | 552 | - | 552 | - | - | - | - | - |
| Health Benefits 11-000-216-270 | 22,800 | (22,800) | - | - | - | - | - | - | - | - |
| Total Speech/Occupational/Physical Therapy | 23,352 | (22,800) | 552 | - | 552 | - | - | - | - | - |
| Extraordinary Services: | | | | | | | | | | |
| Social Security Contributions 11-000-217-220 | - | 11,511 | 11,511 | 11,178 | 333 | - | - | - | - | - |
| Total Extraordinary Services | - | 11,511 | 11,511 | 11,178 | 333 | - | - | - | - | - |
| Other Support Services - Students - Regular: | | | | | | | | | | |
| Social Security Contributions 11-000-218-220 | 9,600 | 2,000 | 11,600 | 11,312 | 288 | 14,586 | - | 14,586 | 11,801 | 2,785 |
| Other Retirement Contributions - PERS 11-000-218-241 | - | - | - | - | - | 11,595 | - | 11,595 | 11,595 | - |
| Workmen's Compensation 11-000-218-260 | 7,452 | 903 | 8,355 | 8,355 | - | 5,579 | 1,350 | 6,929 | 6,883 | 46 |
| Health Benefits 11-000-218-270 | 191,500 | (20,003) | 171,497 | 132,379 | 39,118 | 184,601 | 5,900 | 190,501 | 177,456 | 13,045 |
| Other Employee Benefits 11-000-218-290 | 1,100 | - | 1,100 | - | 1,100 | - | - | - | - | - |
| Total Other Support Services - Students - Regular | 209,652 | (17,100) | 192,552 | 152,046 | 40,506 | 216,361 | 7,250 | 223,611 | 207,735 | 15,876 |
| Other Support Services - Students - Special: | | | | | | | | | | |
| Social Security Contributions 11-000-219-220 | 5,200 | 10,000 | 15,200 | 6,964 | 8,236 | 4,868 | 5,000 | 9,868 | 7,865 | 2,003 |
| Other Retirement Contributions - PERS 11-000-219-241 | - | - | - | - | - | 3,708 | - | 3,708 | 3,708 | - |
| Workmen's Compensation 11-000-219-260 | 3,588 | 360 | 3,948 | 3,948 | - | 2,402 | 400 | 2,802 | 2,797 | 5 |
| Health Benefits 11-000-219-270 | 136,200 | (18,360) | 117,840 | 94,924 | 22,916 | 115,591 | (17,000) | 98,591 | 79,523 | 19,068 |
| Tuition Reimbursement 11-000-219-280 | - | - | - | - | - | - | 1,860 | 1,860 | 1,860 | - |
| Other Employee Benefits 11-000-219-290 | 1,100 | - | 1,100 | - | 1,100 | - | - | - | - | - |
| Total Other Support Services - Students - Special | 146,088 | (8,000) | 138,088 | 105,836 | 32,252 | 126,569 | (9,740) | 116,829 | 95,753 | 21,076 |
| Improvement of Instruction Services: | | | | | | | | | | |
| Social Security Contributions 11-000-221-220 | 4,200 | - | 4,200 | 2,702 | 1,498 | 4,777 | - | 4,777 | 3,343 | 1,434 |
| Other Retirement Contributions - PERS 11-000-221-241 | - | - | - | - | - | 4,556 | - | 4,556 | 4,556 | - |
| Workmen's Compensation 11-000-221-260 | 663 | 463 | 1,126 | 1,126 | - | 1,504 | 600 | 2,104 | 2,066 | 38 |
| Health Benefits 11-000-221-270 | 39,758 | (894) | 38,864 | 23,319 | 15,545 | 42,331 | (4,000) | 38,331 | 35,958 | 2,373 |
| Other Employee Benefits 11-000-221-290 | 1,100 | - | 1,100 | - | 1,100 | - | - | - | - | - |
| Total Improvement of Instruction Services | 45,721 | (431) | 45,290 | 27,147 | 18,143 | 53,168 | (3,400) | 49,768 | 45,923 | 3,845 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|--|-----------------|-----------------|------------------|----------------|----------------|---|-----------------|------------------|----------------|----------------|---|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Educational Media Services: | | | | | | | | | | | |
| Social Security Contributions | 11-000-222-220 | 2,900 | - | 2,900 | 2,467 | 433 | 3,170 | - | 3,170 | 3,151 | 19 |
| Other Retirement Contributions - PERS | 11-000-222-241 | - | - | - | - | - | 3,239 | - | 3,239 | 3,239 | - |
| Workmen's Compensation | 11-000-222-260 | 1,656 | - | 1,656 | 1,510 | 146 | 802 | 350 | 1,152 | 1,105 | 47 |
| Health Benefits | 11-000-222-270 | 67,604 | (6,000) | 61,604 | 45,409 | 16,195 | 47,922 | (3,905) | 44,017 | 40,572 | 3,445 |
| Total Educational Media Services | | 72,160 | (6,000) | 66,160 | 49,386 | 16,774 | 55,133 | (3,555) | 51,578 | 48,067 | 3,511 |
| Instructional Staff Training Services: | | | | | | | | | | | |
| Social Security Contributions | 11-000-223-220 | 1,100 | - | 1,100 | 1,018 | 82 | 902 | - | 902 | 443 | 459 |
| Workmen's Compensation | 11-000-223-260 | 445 | 431 | 876 | 876 | - | - | - | - | - | - |
| Total Instructional Staff Training Services | | 1,545 | 431 | 1,976 | 1,894 | 82 | 902 | - | 902 | 443 | 459 |
| Support Services - General Administration: | | | | | | | | | | | |
| Social Security Contributions | 11-000-230-220 | 4,500 | 47 | 4,547 | 4,447 | 100 | 4,598 | - | 4,598 | 3,873 | 725 |
| Other Retirement Contributions - PERS | 11-000-230-241 | - | - | - | - | - | 6,614 | - | 6,614 | 6,614 | - |
| Workmen's Compensation | 11-000-230-260 | 1,104 | 1,849 | 2,953 | 2,953 | - | 1,398 | 600 | 1,998 | 1,996 | 2 |
| Health Benefits | 11-000-230-270 | 29,614 | (16,060) | 13,554 | 12,373 | 1,181 | 33,607 | - | 33,607 | 29,010 | 4,597 |
| Other Employee Benefits | 11-000-230-290 | 1,800 | - | 1,800 | 1,800 | - | - | - | - | - | - |
| Total Support Services - General Administration | | 37,018 | (14,164) | 22,854 | 21,573 | 1,281 | 46,217 | 600 | 46,817 | 41,493 | 5,324 |
| Support Services - School Administration: | | | | | | | | | | | |
| Social Security Contributions | 11-000-240-220 | 15,500 | 4,000 | 19,500 | 17,245 | 2,255 | 23,557 | 1,205 | 24,762 | 24,759 | 3 |
| Other Retirement Contributions - PERS | 11-000-240-241 | - | - | - | - | - | 27,215 | - | 27,215 | 27,215 | - |
| Workmen's Compensation | 11-000-240-260 | 7,728 | 8,046 | 15,774 | 15,774 | - | 8,189 | 3,500 | 11,689 | 11,411 | 278 |
| Health Benefits | 11-000-240-270 | 213,000 | 31,290 | 244,290 | 244,287 | 3 | 277,103 | 3,575 | 280,678 | 251,350 | 29,328 |
| Other Employee Benefits | 11-000-240-290 | 8,800 | (8,800) | - | - | - | - | - | - | - | - |
| Total Support Services - School Administration | | 245,028 | 34,536 | 279,564 | 277,306 | 2,258 | 336,064 | 8,280 | 344,344 | 314,735 | 29,609 |
| Support Services - Central Services: | | | | | | | | | | | |
| Social Security Contributions | 11-000-251-220 | 9,000 | 181 | 9,181 | 9,181 | - | 9,480 | - | 9,480 | 9,288 | 192 |
| Other Retirement Contributions - PERS | 11-000-251-241 | - | - | - | - | - | 17,790 | - | 17,790 | 17,790 | - |
| Workmen's Compensation | 11-000-251-260 | 2,208 | 1,091 | 3,299 | 3,299 | - | 1,708 | 750 | 2,458 | 2,421 | 37 |
| Health Benefits | 11-000-251-270 | 91,000 | (18,022) | 72,978 | 70,147 | 2,831 | 72,652 | 21,225 | 93,877 | 77,652 | 16,225 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|--|-----------------|------------------|--------------|-----------|---|-----------------|------------------|--------------|-----------|---|---------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Total Support Services - Central Services | 102,208 | (16,750) | 85,458 | 82,627 | 2,831 | 101,630 | 21,975 | 123,605 | 107,151 | 16,454 | |
| Support Services - Administrative Information | | | | | | | | | | | |
| Technology: | | | | | | | | | | | |
| Social Security Contributions | 11-000-252-220 | 22,782 | 977 | 23,759 | 23,558 | 201 | 19,467 | (620) | 18,847 | 15,873 | 2,974 |
| Other Retirement Contributions - PERS | 11-000-252-241 | - | - | - | - | - | 21,550 | - | 21,550 | 21,550 | - |
| Workmen's Compensation | 11-000-252-260 | 3,865 | - | 3,865 | 3,861 | 4 | 1,499 | 650 | 2,149 | 2,118 | 31 |
| Health Benefits | 11-000-252-270 | 92,500 | (27,396) | 65,104 | 64,696 | 408 | 60,641 | 5,080 | 65,721 | 61,326 | 4,395 |
| Tuition Reimbursement | 11-000-252-290 | - | - | - | - | - | - | 1,220 | 1,220 | 1,212 | 8 |
| Total Support Services - Administrative Information Technology | | 119,147 | (26,419) | 92,728 | 92,115 | 613 | 103,157 | 6,330 | 109,487 | 102,079 | 7,408 |
| Operation & Maintenance of Plant Services: | | | | | | | | | | | |
| Social Security Contributions | 11-000-260-220 | 84,000 | - | 84,000 | 78,473 | 5,527 | 90,624 | (700) | 89,924 | 78,936 | 10,988 |
| Other Retirement Contributions - PERS | 11-000-260-241 | - | - | - | - | - | 132,367 | - | 132,367 | 132,367 | - |
| Workmen's Compensation | 11-000-260-260 | 16,251 | - | 16,251 | 13,974 | 2,277 | 34,425 | (20,000) | 14,425 | 14,425 | - |
| Health Benefits | 11-000-260-270 | 481,000 | (74,705) | 406,295 | 398,960 | 7,335 | 407,654 | 21,625 | 429,279 | 429,278 | 1 |
| Other Employee Benefits | 11-000-260-290 | 18,425 | - | 18,425 | 5,813 | 12,612 | - | - | - | - | - |
| Total Operation & Maintenance of Plant Services | | 599,676 | (74,705) | 524,971 | 497,220 | 27,751 | 665,070 | 925 | 665,995 | 655,006 | 10,989 |
| Student Transportation Services: | | | | | | | | | | | |
| Social Security Contributions | 11-000-270-220 | 44,000 | - | 44,000 | 36,846 | 7,154 | 18,445 | 15,215 | 33,660 | 33,135 | 525 |
| Other Retirement Contributions - PERS | 11-000-270-241 | - | 3,500 | 3,500 | 2,304 | 1,196 | 43,387 | - | 43,387 | 36,357 | 7,030 |
| Workmen's Compensation | 11-000-270-260 | 20,425 | (15,000) | 5,425 | 5,168 | 257 | 15,603 | - | 15,603 | 7,247 | 8,356 |
| Health Benefits | 11-000-270-270 | 116,800 | (3,500) | 113,300 | 52,296 | 61,004 | 53,949 | (1,305) | 52,644 | 47,570 | 5,074 |
| Total Student Transportation Services | | 181,225 | (15,000) | 166,225 | 96,614 | 69,611 | 131,384 | 13,910 | 145,294 | 124,309 | 20,985 |
| Total Allocated Benefits | | 5,080,848 | (543,307) | 4,537,541 | 4,037,238 | 500,303 | 4,585,568 | 127,148 | 4,712,716 | 4,489,690 | 223,026 |

KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|--|-----------------|------------------|--------------|------------|---|-----------------|------------------|--------------|------------|---|-------------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Unallocated Benefits - Employee Benefits: | | | | | | | | | | | |
| Social Security | 11-000-291-220 | - | 10,000 | 10,000 | 9,863 | 137 | 13,868 | (3,002) | 10,866 | 10,866 | - |
| Other Retirement Contributions - | | | | | | | | | | | |
| PERS | 11-000-291-241 | 426,617 | (12,822) | 413,795 | 391,334 | 22,461 | 92,806 | (27,611) | 65,195 | 13,417 | 51,778 |
| Unemployment Compensation | 11-000-291-250 | 150,000 | (45,550) | 104,450 | 100,000 | 4,450 | 233,416 | (71,450) | 161,966 | 150,000 | 11,966 |
| Worker's Compensation | 11-000-291-260 | - | 12,505 | 12,505 | 12,504 | 1 | 29,734 | (16,350) | 13,384 | 13,384 | - |
| Health Benefits | 11-000-291-270 | - | 1,000 | 1,000 | 213 | 787 | 20,623 | 6,000 | 26,623 | 6,922 | 19,701 |
| Tuition Reimbursement | 11-000-291-280 | - | - | - | - | - | 11,500 | - | 11,500 | 1,212 | 10,288 |
| Other Employee Benefits | 11-000-291-290 | 79,000 | 30,000 | 109,000 | 88,122 | 20,878 | 131,412 | 1,745 | 133,157 | 124,259 | 8,898 |
| Total Unallocated Benefits - Employee Benefits | | 655,617 | (4,867) | 650,750 | 602,036 | 48,714 | 533,359 | (110,668) | 422,691 | 320,060 | 102,631 |
| Nonbudgeted: | | | | | | | | | | | |
| On-Behalf TPAF Pension Contribution | | - | - | - | 740,405 | (740,405) | - | - | - | 1,059,415 | (1,059,415) |
| On-Behalf Post Retirement Medical Contribution | | - | - | - | 837,211 | (837,211) | - | - | - | - | - |
| Reimbursed TPAF Social Security Contribution | | - | - | - | 855,415 | (855,415) | - | - | - | 824,321 | (824,321) |
| Total Undistributed Expenditures | | 16,847,022 | 207,007 | 17,054,029 | 17,994,237 | (940,208) | 16,486,083 | (406,946) | 16,079,137 | 16,767,999 | (688,862) |
| Total Expenditures - Current Expense | | 29,121,258 | 791,645 | 29,912,903 | 29,395,861 | 517,042 | 27,568,686 | (134,444) | 27,434,242 | 27,682,627 | (248,385) |
| Capital Outlay: | | | | | | | | | | | |
| Equipment: | | | | | | | | | | | |
| Regular Programs - Instruction: | | | | | | | | | | | |
| Grades 9 - 12 | 12-140-100-730 | 6,376 | 120 | 6,496 | 6,496 | - | - | - | - | - | - |
| Special Education - Instruction: | | | | | | | | | | | |
| Multiple Disabilities | 12-212-100-730 | 6,994 | (2,358) | 4,636 | 4,636 | - | - | - | - | - | - |
| School-Sponsored & Other | | | | | | | | | | | |
| Instructional Programs | 12-4xx-100-730 | - | 42,557 | 42,557 | 19,608 | 22,949 | - | 9,894 | 9,894 | 9,894 | - |
| Undistributed Expense - | | | | | | | | | | | |
| Administrative Information | | | | | | | | | | | |
| Technology | 12-000-252-730 | 30,000 | 64,372 | 94,372 | 94,371 | 1 | - | 12,993 | 12,993 | 12,144 | 849 |
| Care and Upkeep of Grounds | 12-000-263-730 | 34,200 | 28,924 | 63,124 | 62,961 | 163 | - | - | - | - | - |
| Student Transportation: | | | | | | | | | | | |
| School Buses - Regular | 12-000-270-733 | - | 186,432 | 186,432 | 186,432 | - | - | 265,596 | 265,596 | 78,596 | 187,000 |
| School Buses - Special | 12-000-270-734 | - | 235,154 | 235,154 | 235,154 | - | - | 236,000 | 236,000 | - | 236,000 |
| Total Equipment | | 77,570 | 555,201 | 632,771 | 609,658 | 23,113 | - | 524,483 | 524,483 | 100,634 | 423,849 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| ACCOUNT NUMBERS | JUNE 30, 2013 | | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|---|-----------------|------------------|--------------|------------|-----------------|---|------------------|--------------|------------|-----------|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | ORIGINAL BUDGET | | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Facilities Acquisition & Construction Services: | | | | | | | | | | | |
| Construction Services 12-000-400-450 | - | - | - | - | - | - | - | 159,580 | 159,580 | 149,580 | 10,000 |
| Lease Purchase Agreement - Principal 12-000-400-721 | 335,000 | - | 335,000 | 300,000 | 35,000 | 300,000 | - | 300,000 | 300,000 | 300,000 | - |
| Assessment for Debt Service on SDA F 12-000-400-896 | 68,385 | - | 68,385 | 68,385 | - | 49,829 | - | 49,829 | 49,829 | 49,829 | - |
| Total Facilities Acquisition & Construction Services | 403,385 | - | 403,385 | 368,385 | 35,000 | 349,829 | 159,580 | 509,409 | 499,409 | 10,000 | |
| Total Capital Outlay | 480,955 | 555,201 | 1,036,156 | 978,043 | 58,113 | 349,829 | 684,063 | 1,033,892 | 600,043 | 433,849 | |
| Total Expenditures | 29,602,213 | 1,346,846 | 30,949,059 | 30,373,904 | 575,155 | 27,918,515 | 549,619 | 28,468,134 | 28,282,670 | 185,464 | |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | (1,491,627) | (424,493) | (1,916,120) | 1,017,764 | 2,933,884 | (1,298,593) | (255,125) | (1,553,718) | 765,748 | 2,319,466 | |
| Other Financing Sources/(Uses): | | | | | | | | | | | |
| Operating Transfers In/(Out) | - | - | - | 151,392 | 151,392 | - | - | - | (49) | (49) | |
| Cancellation of Prior Year Encumbrances | - | - | - | 11,225 | 11,225 | - | - | - | - | - | |
| Cancellation of Prior Year Accounts Receivable | - | - | - | (16,133) | (16,133) | - | - | - | - | - | |
| Total Other Financing Sources/(Uses) | - | - | - | 146,484 | 146,484 | - | - | - | (49) | (49) | |

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|--|---------------------|---------------------|---------------------|---------------------|---|---------------------|---------------------|---------------------|---------------------|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses) | (1,491,627) | (424,493) | (1,916,120) | 1,164,248 | 3,080,368 | (1,298,593) | (255,125) | (1,553,718) | 765,699 | 2,319,417 |
| Fund Balances, July 1 | 4,254,151 | - | 4,254,151 | 4,254,151 | - | 3,488,452 | - | 3,488,452 | 3,488,452 | - |
| Fund Balances, June 30 | <u>\$ 2,762,524</u> | <u>\$ (424,493)</u> | <u>\$ 2,338,031</u> | <u>\$ 5,418,399</u> | <u>\$ 3,080,368</u> | <u>\$ 2,189,859</u> | <u>\$ (255,125)</u> | <u>\$ 1,934,734</u> | <u>\$ 4,254,151</u> | <u>\$ 2,319,417</u> |

RECAPITULATION OF BUDGET TRANSFERS

| | |
|-------------------------|-------------------|
| Prior Year Encumbrances | <u>\$ 424,493</u> |
| Total | <u>\$ 424,493</u> |

RECAPITULATION OF FUND BALANCE:

| | |
|--|---------------------|
| Restricted for: | |
| Capital Reserve | \$ 1 |
| Excess Surplus | 1,894,984 |
| Excess Surplus Designated for Subsequent Year's Expenditures | 1,711,091 |
| Committed to: | |
| Year-End Encumbrances | 377,428 |
| Assigned to: | |
| Designated for Subsequent Year's Expenditures | 800,000 |
| Unassigned Fund Balance | <u>634,895</u> |
| Subtotal | 5,418,399 |
| Reconciliation to Governmental Fund Statements (GAAP): | |
| Last Two State Aid Payments Not Recognized on GAAP Basis | <u>(692,696)</u> |
| Fund Balance Per Governmental Funds (GAAP) | <u>\$ 4,725,703</u> |

KINGSWAY REGIONAL SCHOOL DISTRICT
EDUCATION JOBS FUND PROGRAM-
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

| | ACCOUNT NUMBER | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|---|----------------|-----------------|------------------|--------------|--------|---|-----------------|------------------|--------------|------------|---|
| | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | |
| Federal Sources: | | | | | | | | | | | |
| Education Jobs Fund | 18-4522 | \$ - | \$ 683 | \$ 683 | \$ 683 | \$ - | \$ 265,361 | \$ 8,313 | \$ 273,674 | \$ 273,674 | \$ - |
| Total Federal Sources | | - | 683 | 683 | 683 | - | 265,361 | 8,313 | 273,674 | 273,674 | - |
| Total Revenues | | - | 683 | 683 | 683 | - | 265,361 | 8,313 | 273,674 | 273,674 | - |
| Expenditures: | | | | | | | | | | | |
| Instruction - Regular Programs: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-190-100-241 | - | - | - | - | - | 7,718 | - | 7,718 | 7,718 | - |
| Total Regular Programs | | - | - | - | - | - | 7,718 | - | 7,718 | 7,718 | - |
| Special Education: | | | | | | | | | | | |
| Behavioral Disabilities: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-209-100-241 | - | - | - | - | - | 5,454 | - | 5,454 | 5,454 | - |
| Total Behavioral Disabilities | | - | - | - | - | - | 5,454 | - | 5,454 | 5,454 | - |
| Multiple Disabilities: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-212-100-241 | - | - | - | - | - | 7,790 | - | 7,790 | 7,790 | - |
| Total Multiple Disabilities | | - | - | - | - | - | 7,790 | - | 7,790 | 7,790 | - |
| Resource Room: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-213-100-241 | - | - | - | - | - | 17,267 | 8,313 | 25,580 | 25,580 | - |
| Total Resource Room | | - | - | - | - | - | 17,267 | 8,313 | 25,580 | 25,580 | - |
| Total Special Education | | - | - | - | - | - | 30,511 | 8,313 | 38,824 | 38,824 | - |
| Attendance & Social Work Services: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-218-241 | - | - | - | - | - | 6,542 | - | 6,542 | 6,542 | - |
| Total Basic Skills/Remedial - Instruction | | - | - | - | - | - | 6,542 | - | 6,542 | 6,542 | - |

KINGSWAY REGIONAL SCHOOL DISTRICT
EDUCATION JOBS FUND PROGRAM-
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

| ACCOUNT NUMBER | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | |
|--|-----------------|------------------|--------------|--------|---|-----------------|------------------|--------------|------------|---|------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | | |
| Other Support Services - Students - Regular: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-218-241 | - | - | - | - | - | 18,595 | - | 18,595 | 18,595 | - |
| Total Other Support Services - Students - Regular | | - | - | - | - | - | 18,595 | - | 18,595 | 18,595 | - |
| Improvement of Instruction Services/Other Support Services - Instruction Staff: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-221-241 | - | - | - | - | - | 4,556 | - | 4,556 | 4,556 | - |
| Total Improvement of Instruction Services/Other Support Services Instructional Staff | | - | - | - | - | - | 4,556 | - | 4,556 | 4,556 | - |
| Educational Media Services/School Library: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-222-241 | - | - | - | - | - | 3,239 | - | 3,239 | 3,239 | - |
| Total Educational Media Services/School Library | | - | - | - | - | - | 3,239 | - | 3,239 | 3,239 | - |
| Support Services School Administration: | | | | | | | | | | | |
| Salaries of Principals & Assistant | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-240-241 | - | - | - | - | - | 27,215 | - | 27,215 | 27,215 | - |
| Total Support Services School Administration | | - | - | - | - | - | 27,215 | - | 27,215 | 27,215 | - |
| Other Operation & Maintenance of Plant Services: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-260-241 | - | - | - | - | - | 132,375 | - | 132,375 | 132,375 | - |
| Total Other Operation&Maintenance of Plant Services | | - | - | - | - | - | 132,375 | - | 132,375 | 132,375 | - |
| Student Transportation Services: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-270-241 | - | - | - | - | - | 34,610 | - | 34,610 | 34,610 | - |
| Total Student Transportation Services | | - | - | - | - | - | 34,610 | - | 34,610 | 34,610 | - |
| Unallocated Benefits - Employee Benefits: | | | | | | | | | | | |
| Other Retirement Contributions - PERS | 18-000-291-241 | - | 683 | 683 | 683 | - | - | - | - | - | - |
| Total Unallocated Benefits - Employee Benefits: | | - | 683 | 683 | 683 | - | - | - | - | - | - |
| Total Expenditures | | \$ - | \$ 683 | \$ 683 | \$ 683 | \$ - | \$ 265,361 | \$ 8,313 | \$ 273,674 | \$ 273,674 | \$ - |

**KINGSWAY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | JUNE 30, 2013 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL | JUNE 30, 2012 | | | | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
|---|--------------------|-------------------------------------|-----------------|----------------|---|--------------------|-------------------------------------|-----------------|----------------|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS/ ADJUSTMENTS | FINAL BUDGET | ACTUAL | | ORIGINAL BUDGET | BUDGET TRANSFERS/ ADJUSTMENTS | FINAL BUDGET | ACTUAL | |
| Revenues: | | | | | | | | | | |
| Federal Sources | \$ 392,850 | \$ 50,262 | \$ 443,112 | \$ 428,318 | \$ 14,794 | \$ 376,020 | \$ 86,155 | \$ 462,175 | \$ 461,090 | \$ 1,085 |
| Local Sources | - | 12,237 | 12,237 | 11,585 | 652 | - | 8,257 | 8,257 | 8,257 | - |
| Total Revenues | 392,850 | 62,499 | 455,349 | 439,903 | 15,446 | 376,020 | 94,412 | 470,432 | 469,347 | 1,085 |
| Expenditures: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Tuition to Private Schools for the Handicapped | 288,284 | 56,273 | 344,557 | 344,557 | - | 276,277 | 62,880 | 339,157 | 339,157 | - |
| Purchased Educational Services | - | 800 | 800 | 590 | 210 | - | - | - | - | - |
| Supplies & Materials | 19,303 | (12,226) | 7,077 | 6,635 | 442 | 21,497 | (1,772) | 19,725 | 19,587 | 138 |
| Total Instruction | 307,587 | 44,847 | 352,434 | 351,782 | 652 | 297,774 | 61,108 | 358,882 | 358,744 | 138 |
| Support Services: | | | | | | | | | | |
| Salaries of Other Professional Staff | 85,263 | (32,888) | 52,375 | 38,828 | 13,547 | 78,246 | (8,055) | 70,191 | 70,190 | 1 |
| Benefits | - | 4,007 | 4,007 | 2,760 | 1,247 | - | 13,132 | 13,132 | 12,186 | 946 |
| Other Purchased Service | - | 46,533 | 46,533 | 46,533 | - | - | 14,169 | 14,169 | 14,169 | - |
| Total Support Services | 85,263 | 17,652 | 102,915 | 88,121 | 14,794 | 78,246 | 19,246 | 97,492 | 96,545 | 947 |
| Facilities Acquisition & Construction Services: | | | | | | | | | | |
| Instructional Equipment | - | - | - | - | - | - | 14,058 | 14,058 | 14,058 | - |
| Total Facilities Acquisition & Construction Services | - | - | - | - | - | - | 14,058 | 14,058 | 14,058 | - |
| Total Expenditures | 392,850 | 62,499 | 455,349 | 439,903 | 15,446 | 376,020 | 94,412 | 470,432 | 469,347 | 1,085 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

75



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION



**KINGSWAY REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures**

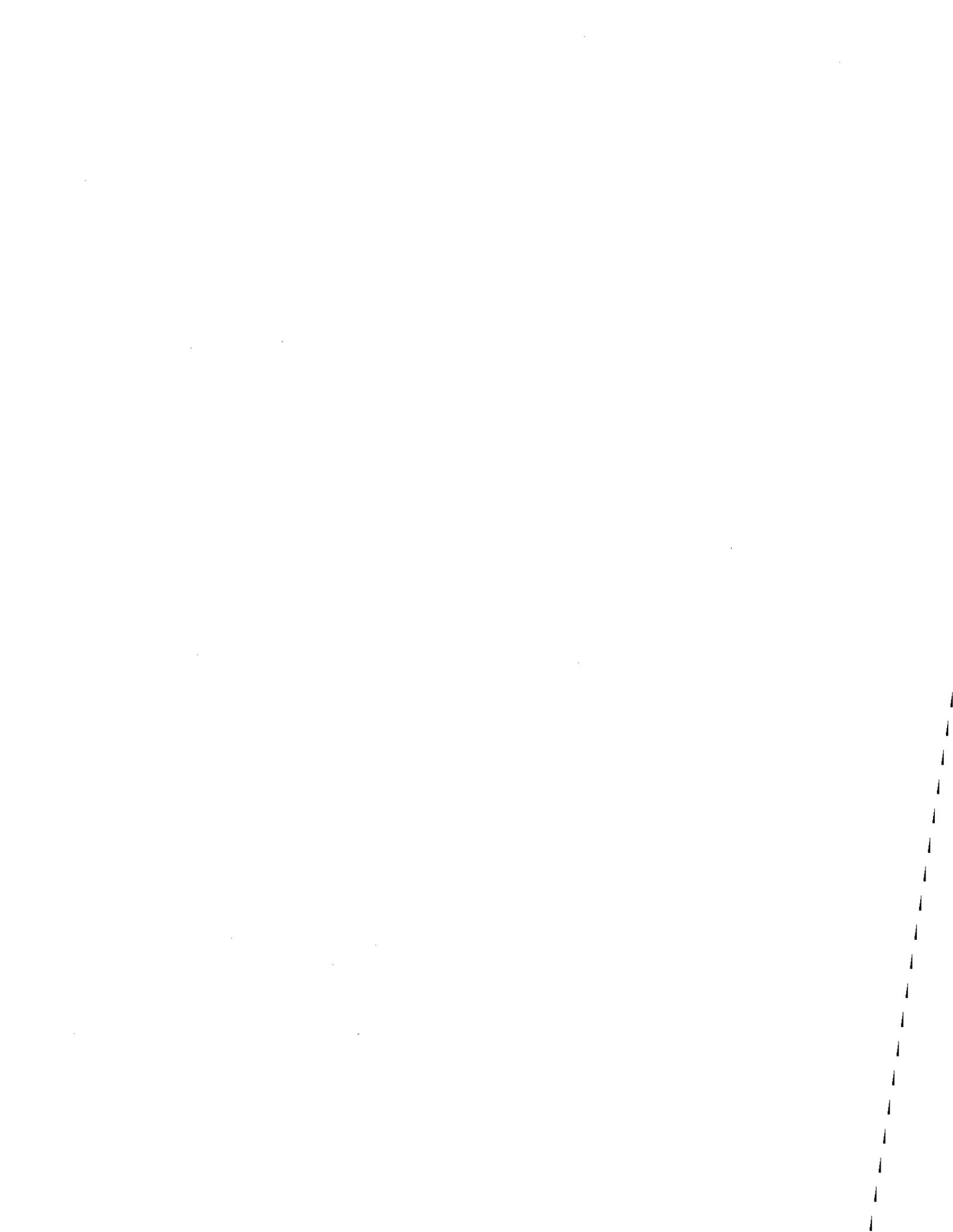
| | GENERAL FUND | SPECIAL REVENUE FUND |
|--|-----------------|----------------------------|
| Sources/Inflows of Resources: | | |
| Actual Amounts (Budgetary Basis) "Revenue" | | |
| From the Budgetary Comparison Schedule (C-Series) | \$ 31,391,668 | \$ 439,903 |
| Difference - Budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | |
| Current Year | - | (3,100) |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes. | 669,772 | - |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year. | (692,696) | - |
| | \$ 31,368,744 | \$ 436,803 |
| Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2) | | |
| | \$ 31,368,744 | \$ 436,803 |
| Uses/outflows of resources: | | |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule | \$ 30,373,904 | \$ 439,903 |
| Differences - budget to GAAP | | |
| Encumbrances for supplies and equipment ordered but not received is 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. | | |
| Current Year | - | (3,100) |
| | \$ 30,373,904 | \$ 436,803 |
| Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2) | | |
| | \$ 30,373,904 | \$ 436,803 |

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund



**KINGSWAY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | TITLE I PART A | TITLE II PART A | I.D.E.A. PART B BASIC REGULAR PROGRAM | RACE TO THE TOP | SAFETY GRANT | KEF GRANT | 2013 | 2012 |
|---|-------------------|--------------------|---|--------------------|-----------------|-----------------|-------------------|-------------------|
| Revenues: | | | | | | | | |
| Local Sources | \$ - | \$ - | \$ - | \$ - | \$ 6,857 | \$ 4,728 | \$ 11,585 | \$ 8,257 |
| Federal Sources | 53,085 | 22,687 | 344,557 | 7,989 | - | - | 428,318 | 461,090 |
| Total Revenues | \$ 53,085 | \$ 22,687 | \$ 344,557 | \$ 7,989 | \$ 6,857 | \$ 4,728 | \$ 439,903 | \$ 469,347 |
| Expenditures: | | | | | | | | |
| Instruction: | | | | | | | | |
| Tuition | \$ - | \$ - | \$ 344,557 | \$ - | \$ - | \$ - | \$ 344,557 | \$ 339,157 |
| Purchased Services | - | - | - | - | - | 590 | 590 | - |
| General Supplies | 2,497 | - | - | - | - | 4,138 | 6,635 | 19,587 |
| Total Instruction | 2,497 | - | 344,557 | - | - | 4,728 | 351,782 | 358,744 |
| Support Services: | | | | | | | | |
| Salaries | 38,828 | - | - | - | - | - | 38,828 | 70,190 |
| Personal Services - Employee Benefits | 2,760 | - | - | - | - | - | 2,760 | 12,186 |
| Other Professional Services | 9,000 | 22,687 | - | 7,989 | 6,857 | - | 46,533 | 14,169 |
| Total Support Services | 50,588 | 22,687 | - | 7,989 | 6,857 | - | 88,121 | 96,545 |
| Facilities Acquisition & Construction Services: | | | | | | | | |
| Instructional Equipment | - | - | - | - | - | - | - | 14,058 |
| Total Facilities Acquisition & Construction Services | - | - | - | - | - | - | - | 14,058 |
| Total Expenditures | \$ 53,085 | \$ 22,687 | \$ 344,557 | \$ 7,989 | \$ 6,857 | \$ 4,728 | \$ 439,903 | \$ 469,347 |

F. Capital Projects Fund



**KINGSWAY REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

| PROJECT TITLE | ORIGINAL DATE | BUDGETARY APPROPRIATIONS | EXPENDITURES | | UNEXPENDED BALANCE 6/30/2013 |
|---|------------------|-----------------------------|---------------|-----------------|------------------------------------|
| | | | PRIOR YEAR | CURRENT YEAR | |
| Undertake the construction of a building addition for science labs and to acquire the necessary equipment and undertake any associated site work | 04/21/09 | \$ 449,600 | \$ 449,600 | \$ - | \$ - |
| Construction of Middle School Auxiliary Gym | 01/06/12 | 5,350,012 | 512,944 | 2,888,192 | 1,948,876 |
| Additions and Renovations to Middle School | 01/06/12 | 10,383,813 | 1,498,586 | 5,160,584 | 3,724,643 |
| Additions and Renovations to High School | 01/06/12 | 15,388,625 | 3,534,911 | 9,325,280 | 2,528,434 |
| Total | | \$ 31,572,050 | \$ 5,996,041 | \$ 17,374,056 | \$ 8,201,953 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
YEAR ENDED JUNE 30, 2013**

| | |
|---|---------------------|
| Revenues and Other Financing Sources: | |
| Bond Anticipation Note | \$ 153,600 |
| | <u>153,600</u> |
| Total Revenues | <u>153,600</u> |
| Expenditures and Other Financing Uses: | |
| Purchased Professional & Technical Services | 780,393 |
| Construction Services | 15,775,845 |
| Equipment Purchases | 822,143 |
| | <u>17,378,381</u> |
| Total Expenditures | <u>17,378,381</u> |
| Other Financing Sources/(Uses) | |
| Cancellation of Account Payable | 4,325 |
| | <u>4,325</u> |
| Total Other Financing Sources/(Uses) | <u>4,325</u> |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | (17,220,456) |
| Fund Balance - Beginning | <u>25,422,409</u> |
| Fund Balance - Ending | <u>\$ 8,201,953</u> |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATION OF SCIENCE LABORATORIES AT HIGH SCHOOL
YEAR ENDED JUNE 30, 2013**

| | PRIOR PERIODS | CURRENT YEAR | TOTALS | REVISED AUTHORIZED COST |
|--|------------------|-----------------|------------|-------------------------------|
| Revenues & Other Financing Sources: | | | | |
| Bond Anticipation Note | \$ 296,000 | \$ 153,600 | \$ 449,600 | \$ 449,600 |
| Total Revenues | 296,000 | 153,600 | 449,600 | 449,600 |
| Expenditures & Other Financing Uses: | | | | |
| Purchased Professional & Technical Services | 41,160 | - | 41,160 | 50,000 |
| Construction Services | 309,190 | - | 309,190 | 324,600 |
| Equipment Purchases | 44,046 | - | 44,046 | 75,000 |
| Total Expenditures | 394,396 | - | 394,396 | 449,600 |
| Other Financing Sources/(Uses) | | | | |
| Transfer to Debt Service | (55,204) | - | (55,204) | - |
| Total Other Financing Sources/(Uses) | (55,204) | - | (55,204) | - |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | | | | |
| | \$ (153,600) | \$ 153,600 | \$ - | \$ - |

ADDITIONAL PROJECT INFORMATION

| | |
|---|------------------|
| Project Number | 2440-050-08-1000 |
| Grant Date | N/A |
| Bond Authorization Date | 04/21/09 |
| Bonds Authorized | \$ 449,600 |
| Bonds Issued | \$ - |
| Original Authorized Cost | \$ 449,600 |
| Revised Authorized Cost | \$ 449,600 |
| Percentage Increase Over Original Authorized Cost | 0% |
| Original Target Completion Date | 10/01/09 |
| Actual Completion Date | 11/01/09 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION OF MIDDLE SCHOOL AUXILIARY GYMNASIUM
YEAR ENDED JUNE 30, 2013**

| | PRIOR PERIODS | CURRENT YEAR | TOTALS | REVISED AUTHORIZED COST |
|--|---------------------|-----------------------|---------------------|-------------------------------|
| Revenues & Other Financing Sources: | | | | |
| State Sources - SDA Grant | \$ 1,221,326 | \$ - | \$ 1,221,326 | \$ 1,221,326 |
| Bond Proceeds & Transfers | 4,128,686 | - | 4,128,686 | 4,128,686 |
| Total Revenues | 5,350,012 | - | 5,350,012 | 5,350,012 |
| Expenditures & Other Financing Uses: | | | | |
| Purchased Professional & Technical Services | 345,245 | 136,441 | 481,686 | 1,070,001 |
| Construction Services | 167,699 | 2,751,751 | 2,919,450 | 4,124,994 |
| Equipment Purchases | - | - | - | 155,017 |
| Total Expenditures | 512,944 | 2,888,192 | 3,401,136 | 5,350,012 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | \$ 4,837,068 | \$ (2,888,192) | \$ 1,948,876 | \$ - |

ADDITIONAL PROJECT INFORMATION

| | |
|---|------------------|
| Project Number | 2440-060-10-G0ZP |
| Grant Date | 01/06/2012 |
| Bond Authorization Date | 09/27/2011 |
| Bonds Authorized | \$ 4,128,686 |
| Bonds Issued | \$ 4,128,686 |
| Original Authorized Cost | \$ 5,350,012 |
| Revised Authorized Cost | \$ 5,350,012 |
| Percentage Increase Over Original Authorized Cost | 0% |
| Original Target Completion Date | 09/01/2013 |
| Actual Completion Date | N/A |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
ADDITIONS AND RENOVATIONS TO MIDDLE SCHOOL
YEAR ENDED JUNE 30, 2013**

| | PRIOR PERIODS | CURRENT YEAR | TOTALS | REVISED AUTHORIZED COST |
|--|-------------------|------------------|-------------------|-------------------------------|
| Revenues & Other Financing Sources: | | | | |
| State Sources - SDA Grant | \$ 2,866,467 | \$ - | \$ 2,866,467 | \$ 2,866,467 |
| Bond Proceeds & Transfers | 7,517,346 | - | 7,517,346 | 7,517,346 |
| Total Revenues | 10,383,813 | - | 10,383,813 | 10,383,813 |
| Expenditures & Other Financing Uses: | | | | |
| Purchased Professional & Technical Services | 658,292 | 240,791 | 899,083 | 2,076,762 |
| Construction Services | 840,294 | 4,700,822 | 5,541,116 | 8,006,257 |
| Equipment Purchases | - | 218,971 | 218,971 | 300,794 |
| Total Expenditures | 1,498,586 | 5,160,584 | 6,659,170 | 10,383,813 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | \$ 8,885,227 | \$ (5,160,584) | \$ 3,724,643 | \$ - |

ADDITIONAL PROJECT INFORMATION

| | |
|---|------------------|
| Project Number | 2440-060-10-G0ZQ |
| Grant Date | 01/06/2012 |
| Bond Authorization Date | 09/27/2011 |
| Bonds Authorized | \$ 7,517,346 |
| Bonds Issued | \$ 7,517,346 |
| Original Authorized Cost | \$ 10,383,813 |
| Revised Authorized Cost | \$ 10,383,813 |
| Percentage Increase Over Original Authorized Cost | 0% |
| Original Target Completion Date | 09/01/2013 |
| Revised Target Completion Date | N/A |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
ADDITIONS AND RENOVATIONS TO HIGH SCHOOL
YEAR ENDED JUNE 30, 2013**

| | PRIOR PERIODS | CURRENT YEAR | TOTALS | REVISED AUTHORIZED COST |
|--|-------------------|------------------|-------------------|-------------------------------|
| Revenues & Other Financing Sources: | | | | |
| State Sources - SDA Grant | \$ 4,375,608 | \$ - | \$ 4,375,608 | \$ 4,375,608 |
| Bond Proceeds & Transfers | 11,013,017 | - | 11,013,017 | 11,013,017 |
| Total Revenues | 15,388,625 | - | 15,388,625 | 15,388,625 |
| Expenditures & Other Financing Uses: | | | | |
| Purchased Professional & Technical Services | 1,028,891 | 403,161 | 1,432,052 | 3,077,725 |
| Construction Services | 2,506,020 | 8,323,272 | 10,829,292 | 11,807,291 |
| Equipment Purchases | - | 603,172 | 603,172 | 503,609 |
| Total Expenditures | 3,534,911 | 9,329,605 | 12,864,516 | 15,388,625 |
| Other Financing Sources/(Uses) | | | | |
| Cancellation of Account Payable | - | 4,325 | 4,325 | - |
| Total Other Financing Sources/(Uses) | - | 4,325 | 4,325 | - |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | | | | |
| | \$ 11,853,714 | \$ (9,325,280) | \$ 2,528,434 | \$ - |

ADDITIONAL PROJECT INFORMATION

| | |
|---|------------------|
| Project Number | 2440-050-10-G0ZO |
| Grant Date | 01/06/2012 |
| Bond Authorization Date | 09/27/2011 |
| Bonds Authorized | \$ 11,013,017 |
| Bonds Issued | \$ 11,013,017 |
| Original Authorized Cost | \$ 15,388,625 |
| Revised Authorized Cost | \$ 15,388,625 |
| Percentage Increase Over Original Authorized Cost | 0% |
| Original Target Completion Date | 09/01/2013 |
| Revised Target Completion Date | N/A |

G. Proprietary Funds

Enterprise Funds

**KINGSWAY REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF NET ASSETS
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS | FOOD SERVICE FUND | COMMUNITY EDUCATION | 2013 | 2012 |
|-------------------------------------|-------------------------|------------------------|-------------------|-------------------|
| Current Assets: | | | | |
| Cash & Cash Equivalents | \$ 278,645 | \$ 35,733 | \$ 314,378 | \$ 210,564 |
| Accounts Receivable: | | | | |
| State | 802 | - | 802 | 224 |
| Federal | 4,955 | - | 4,955 | 4,406 |
| Inventories | 16,618 | - | 16,618 | 11,117 |
| Total Current Assets | 301,020 | 35,733 | 336,753 | 226,311 |
| Noncurrent Assets: | | | | |
| Furniture, Machinery & Equipment | 589,005 | - | 589,005 | 586,505 |
| Accumulated Depreciation | (578,243) | - | (578,243) | (545,212) |
| Total Fixed Assets | 10,762 | - | 10,762 | 41,293 |
| Total Assets | 311,782 | 35,733 | 347,515 | 267,604 |
| LIABILITIES: | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | 14,823 | - | 14,823 | - |
| Deferred Revenue | 9,542 | - | 9,542 | 10,226 |
| Total Current Liabilities | 24,365 | - | 24,365 | 10,226 |
| Noncurrent Liabilities: | | | | |
| Compensated Absences | 36,870 | - | 36,870 | 13,999 |
| Total Noncurrent Liabilities | 36,870 | - | 36,870 | 13,999 |
| Total Liabilities | 61,235 | - | 61,235 | 24,225 |
| NET POSITION | | | | |
| Investment in Fixed Capital | 10,762 | - | 10,762 | 41,293 |
| Unreserved Retained Earnings | 239,785 | 35,733 | 275,518 | 202,086 |
| Total Net Position | \$ 250,547 | \$ 35,733 | \$ 286,280 | \$ 243,379 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | FOOD SERVICE FUND | COMMUNITY EDUCATION | 2013 | 2012 |
|---|-------------------------|------------------------|-------------------|-------------------|
| Operating Revenue: | | | | |
| Local Sources: | | | | |
| Daily Sales - Reimbursable Programs | \$ 461,401 | \$ - | \$ 461,401 | \$ 463,116 |
| Daily Sales - Nonreimbursable Programs | 343,379 | - | 343,379 | 348,234 |
| Vending Machine Sales | 24,286 | - | 24,286 | 23,342 |
| Special Function | 1,706 | - | 1,706 | 3,172 |
| Program Fees | - | 28,790 | 28,790 | 26,378 |
| Miscellaneous | 11,523 | 64 | 11,587 | - |
| Total Operating Revenue | 842,295 | 28,854 | 871,149 | 864,242 |
| Operating Expenses: | | | | |
| Salaries | 386,757 | 6,079 | 392,836 | 373,376 |
| Employee Benefits | 103,781 | 465 | 104,246 | 143,906 |
| Other Professional Services | 10,700 | 5,115 | 15,815 | 14,768 |
| Supplies and Materials | 27,246 | 4,750 | 31,996 | 20,232 |
| Cleaning, Repair & Maintenance Services | 21,932 | - | 21,932 | 13,781 |
| Other Expenses | 2,997 | - | 2,997 | 196 |
| Depreciation | 33,030 | - | 33,030 | 33,030 |
| Cost of Sales | 459,644 | - | 459,644 | 457,321 |
| Total Operating Expenses | 1,046,087 | 16,409 | 1,062,496 | 1,056,610 |
| Operating (Loss)/Gain | (203,792) | 12,445 | (191,347) | (192,368) |
| Nonoperating Revenues: | | | | |
| State Sources: | | | | |
| State School Lunch Program | 8,446 | - | 8,446 | 8,433 |
| Federal Sources: | | | | |
| National School Lunch Program | 172,009 | - | 172,009 | 152,037 |
| Food Distribution Program | 75,038 | - | 75,038 | 70,069 |
| Interest Revenue | 1,627 | - | 1,627 | 1,383 |
| Total Nonoperating Revenues | 257,120 | - | 257,120 | 231,922 |
| Net Income/(Loss) | 53,328 | 12,445 | 65,773 | 39,554 |
| Net Change in Compensated Absences | (22,872) | - | (22,872) | (248) |
| Change in Net Position | 30,456 | 12,445 | 42,901 | 39,306 |
| Total Net Position - Beginning | 220,091 | 23,288 | 243,379 | 204,073 |
| Total Net Position - Ending | \$ 250,547 | \$ 35,733 | \$ 286,280 | \$ 243,379 |

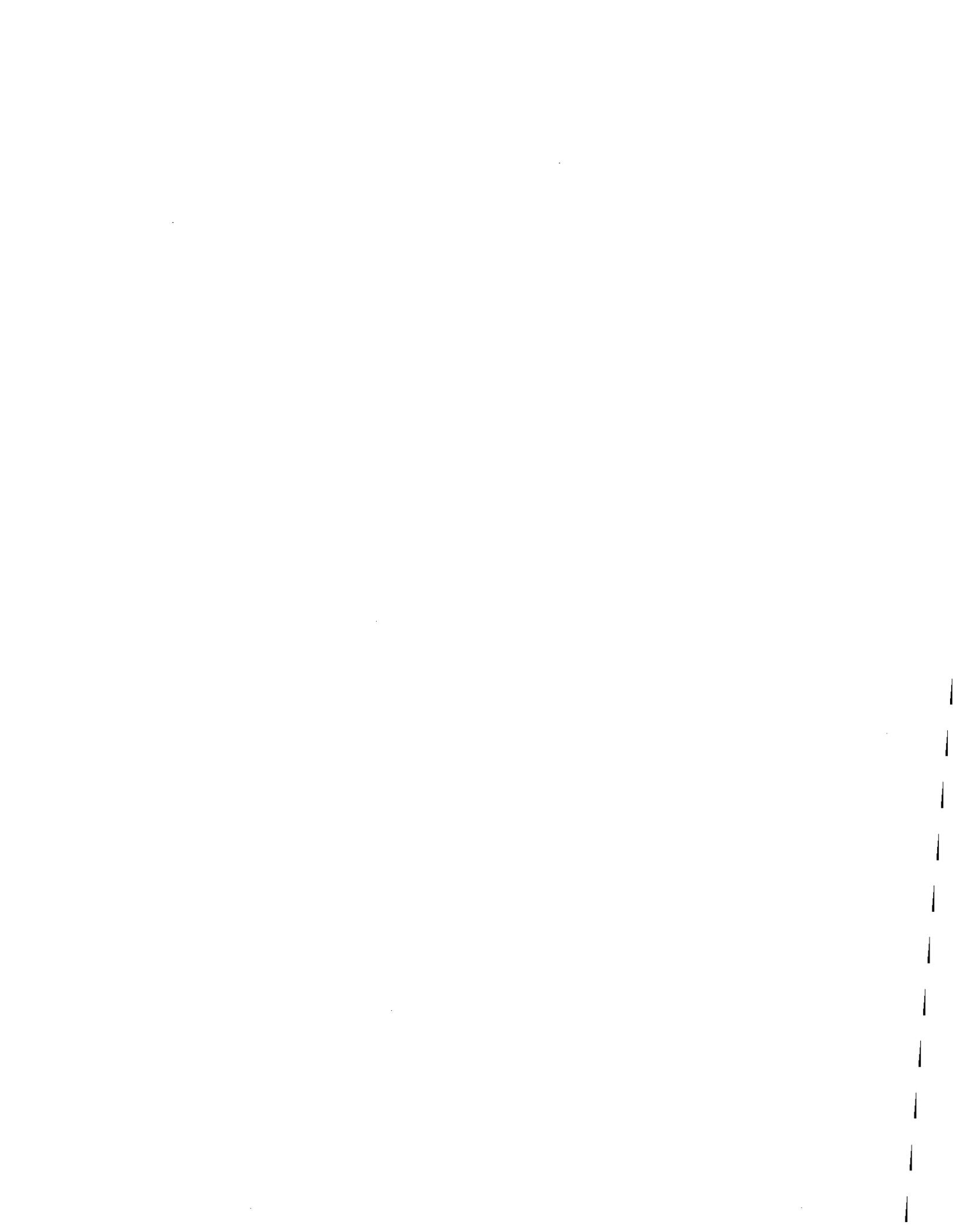
**KINGSWAY REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | FOOD SERVICE FUND | COMMUNITY EDUCATION | 2013 | 2012 |
|--|-------------------------|------------------------|-------------------|-------------------|
| Cash Flows From Operating Activities: | | | | |
| Receipts from Customers | \$ 840,484 | \$ 28,854 | \$ 869,338 | \$ 864,163 |
| Payments to Employees | (386,757) | (6,079) | (392,836) | (373,376) |
| Payments for Employee Benefits | (103,781) | (465) | (104,246) | (143,906) |
| Payments to Suppliers | (513,197) | (9,865) | (523,062) | (504,393) |
| Net Cash Provided/(Used) by Operating Activities | <u>(163,251)</u> | <u>12,445</u> | <u>(150,806)</u> | <u>(157,512)</u> |
| Cash Flows From Investing Activities: | | | | |
| Interest & Dividends | 1,627 | - | 1,627 | 1,383 |
| Purchase of Equipment | (2,500) | - | (2,500) | - |
| Net Cash Provided by Investing Activities | <u>(873)</u> | <u>-</u> | <u>(873)</u> | <u>1,383</u> |
| Cash Flows From Noncapital Financing Activities: | | | | |
| State Sources | 8,446 | - | 8,446 | 8,433 |
| Federal Sources | 247,047 | - | 247,047 | 222,106 |
| Net Cash Provided by Noncapital Financing Activities | <u>255,493</u> | <u>-</u> | <u>255,493</u> | <u>230,539</u> |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 91,369 | 12,445 | 103,814 | 74,410 |
| Cash & Cash Equivalents, July 1 | <u>187,276</u> | <u>23,288</u> | <u>210,564</u> | <u>136,154</u> |
| Cash & Cash Equivalents, June 30 | <u>\$ 278,645</u> | <u>\$ 35,733</u> | <u>\$ 314,378</u> | <u>\$ 210,564</u> |

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

| | | | | |
|---|---------------------|------------------|---------------------|---------------------|
| Cash Provided/(Used) by Operating Activities: | | | | |
| Operating Income/(Loss) | \$ (203,792) | \$ 12,445 | \$ (191,347) | \$ (192,368) |
| Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities: | | | | |
| Depreciation Expense | 33,030 | - | 33,030 | 33,030 |
| Change in Assets & Liabilities: | | | | |
| (Increase)/Decrease in Inventory | (5,501) | - | (5,501) | 1,905 |
| (Increase)/Decrease in Accounts Receivable, Net | (1,127) | - | (1,127) | (3,812) |
| Increase/(Decrease) in Accounts Payable | 14,823 | - | 14,823 | - |
| Increase/(Decrease) in Prepaid Lunches | (684) | - | (684) | 3,733 |
| Total Adjustments | <u>40,541</u> | <u>-</u> | <u>40,541</u> | <u>34,856</u> |
| Net Cash Provided/(Used) by Operating Activities | <u>\$ (163,251)</u> | <u>\$ 12,445</u> | <u>\$ (150,806)</u> | <u>\$ (157,512)</u> |

Internal Service Fund



**KINGSWAY REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS | GOVERNMENTAL ACTIVITIES | | | | 2013 | 2012 |
|--|-------------------------|----------------------|------------------------|---------------------|----------------|------------------|
| | TRANSPORTATION SERVICES | MAINTENANCE SERVICES | GENERAL ADMINISTRATION | TECHNOLOGY SERVICES | | |
| Cash | \$ 73,468 | \$ 620 | \$ - | \$ 60,857 | \$ 134,945 | \$ 11,688 |
| Accounts Receivable: Intergovernmental - Other | 171,247 | - | 14,578 | 10,166 | 195,991 | 250,525 |
| Total Assets | 244,715 | 620 | 14,578 | 71,023 | 330,936 | 262,213 |
| LIABILITIES | | | | | | |
| Cash Deficit | - | - | 12,956 | - | 12,956 | 139,480 |
| Accounts Payable | 21,552 | - | - | - | 21,552 | 276 |
| Interfund Accounts Payable | 223,163 | 620 | 1,622 | 71,023 | 296,428 | 105,935 |
| Total Liabilities | 244,715 | 620 | 14,578 | 71,023 | 330,936 | 245,691 |
| NET POSITION | | | | | | |
| Unreserved Retained Earnings | - | - | - | - | - | 16,522 |
| Total Net Position | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 16,522 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

GOVERNMENTAL ACTIVITIES

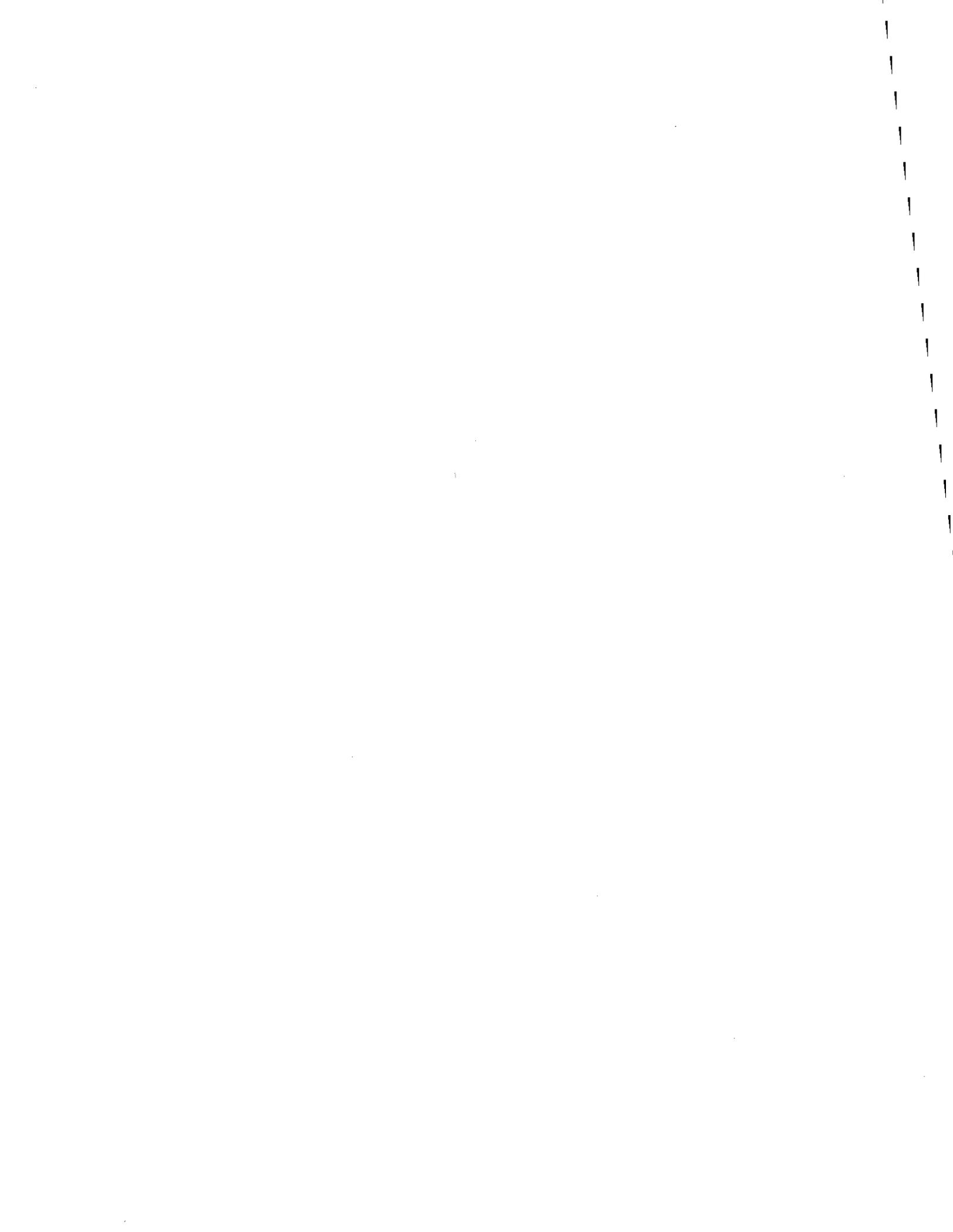
| | TRANSPORTATION SERVICES | MAINTENANCE SERVICES | GENERAL ADMINISTRATION | TECHNOLOGY SERVICES | 2013 | 2012 |
|---|----------------------------|-------------------------|---------------------------|------------------------|------------------|------------------|
| OPERATING REVENUES: | | | | | | |
| Local Sources: | | | | | | |
| Transportation Fees | \$ 1,046,089 | \$ - | \$ - | \$ - | \$ 1,046,089 | \$ 1,085,450 |
| Field Trips | - | - | - | - | - | 317 |
| Sale of Gasoline | 20,557 | - | - | - | 20,557 | 18,143 |
| Shared Service Fees | - | 620 | 40,089 | 57,999 | 98,708 | 17,524 |
| Total Operating Revenue | 1,066,646 | 620 | 40,089 | 57,999 | 1,165,354 | 1,121,434 |
| OPERATING EXPENSES: | | | | | | |
| Salaries | 621,116 | 620 | 40,089 | 74,521 | 736,346 | 538,224 |
| Employee Benefits | 111,604 | - | - | - | 111,604 | 165,668 |
| Cleaning, Repair & Maintenance Service | 1,149 | - | - | - | 1,149 | 2,567 |
| Aid in Lieu of Transportation | 67,134 | - | - | - | 67,134 | 75,996 |
| Miscellaneous Purchased Services | 4,790 | - | - | - | 4,790 | 22,804 |
| Supplies & Materials | 143,394 | - | - | - | 143,394 | 163,890 |
| Miscellaneous Expenditures | 231 | - | - | - | 231 | 133 |
| School Bus | - | - | - | - | - | 78,596 |
| Total Operating Expenses | 949,418 | 620 | 40,089 | 74,521 | 1,064,648 | 1,047,878 |
| Net Income/(Loss) | 117,228 | - | - | (16,522) | 100,706 | 73,556 |
| Other Financing Sources/(Uses): | | | | | | |
| Operating Transfer In/(Out): | | | | | | |
| Transfer to General Fund | (117,228) | - | - | - | (117,228) | (57,034) |
| Total Other Financing Sources/(Uses) | (117,228) | - | - | - | (117,228) | (57,034) |
| Change in Net Position | - | - | - | (16,522) | (16,522) | 16,522 |
| Total Net Position- July 1 | - | - | - | 16,522 | 16,522 | - |
| Total Net Position - June 30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 16,522 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| | GOVERNMENTAL ACTIVITIES | | | | 2013 | 2012 |
|---|----------------------------|-------------------------|---------------------------|------------------------|-------------------|---------------------|
| | TRANSPORTATION SERVICES | MAINTENANCE SERVICES | GENERAL ADMINISTRATION | TECHNOLOGY SERVICES | | |
| Cash Flows From Operating Activities: | | | | | | |
| Receipts from Customers | \$ 1,141,089 | \$ 620 | \$ 25,511 | \$ 52,667 | \$ 1,219,887 | \$ 920,003 |
| Payments to Employees | (621,116) | - | (38,467) | (3,498) | (663,081) | (538,224) |
| Payments for Employee Benefits | (111,604) | - | - | - | (111,604) | (165,668) |
| Payments to Suppliers | (195,421) | - | - | - | (195,421) | (343,903) |
| Net Cash Provided/(Used) by Operating Activities | 212,948 | 620 | (12,956) | 49,169 | 249,781 | (127,792) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 212,948 | 620 | (12,956) | 49,169 | 249,781 | (127,792) |
| Cash & Cash Equivalents, July 1 | (139,480) | - | - | 11,688 | (127,792) | - |
| Cash & Cash Equivalents, June 30, 2013 | \$ 73,468 | \$ 620 | \$ (12,956) | \$ 60,857 | \$ 121,989 | \$ (127,792) |

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

| | | | | | | |
|---|-------------------|---------------|--------------------|------------------|-------------------|---------------------|
| Reconciliation of Operating Income (Loss) to Cash Provided/(Used) by Operating Activities: | \$ 117,228 | \$ - | \$ - | \$ (16,522) | \$ 100,706 | \$ 73,556 |
| Adjustments to Reconcile Operating Income/(Loss) in Cash Provided/(Used) by Operating Activities: | | | | | | |
| Change in Assets & Liabilities: | | | | | | |
| (Increase)/Decrease in Accounts Receivable | 74,443 | - | (14,578) | (5,332) | 54,533 | (201,431) |
| Increase/(Decrease) in Interfund Payable | - | 620 | 1,622 | 71,023 | 73,265 | - |
| Increase/(Decrease) in Accounts Payable | 21,277 | - | - | - | 21,277 | 83 |
| Total Adjustments | 95,720 | 620 | (12,956) | 65,691 | 149,075 | (201,348) |
| Net Cash Provided/(Used) by Operating Activities | \$ 212,948 | \$ 620 | \$ (12,956) | \$ 49,169 | \$ 249,781 | \$ (127,792) |



H. Fiduciary Fund

**KINGSWAY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

| ASSETS | PRIVATE PURPOSE | | AGENCY | | 2013 | 2012 |
|---|---------------------------------------|-------------------|-----------------|---------------------|-------------------|-------------------|
| | UNEMPLOYMENT COMPENSATION TRUST | SCHOLARSHIP | PAYROLL FUND | STUDENT ACTIVITY | | |
| Cash & Cash Equivalents | \$ 163,765 | \$ 199,026 | \$ 31,829 | \$ 260,899 | \$ 655,519 | \$ 543,831 |
| Interfund Receivable | - | - | 5,123 | - | 5,123 | - |
| Total Assets | 163,765 | 199,026 | 36,952 | 260,899 | 660,642 | 543,831 |
| LIABILITIES | | | | | | |
| Payroll Deductions & Withholdings | - | - | 36,494 | - | 36,494 | 1,447 |
| Due to Student Groups | - | - | - | 260,899 | 260,899 | 214,631 |
| Interfund Payable | 5,123 | - | 458 | - | 5,581 | 592 |
| Total Liabilities | 5,123 | - | 36,952 | 260,899 | 302,974 | 216,670 |
| NET POSITION | | | | | | |
| Held in Trust for Unemployment Claims & Other Purposes | 158,642 | - | - | - | 158,642 | 126,058 |
| Reserved for Scholarships | - | 199,026 | - | - | 199,026 | 201,103 |
| Total Net Position | \$ 158,642 | \$ 199,026 | \$ - | \$ - | \$ 357,668 | \$ 327,161 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(With Comparative Totals for June 30, 2012)**

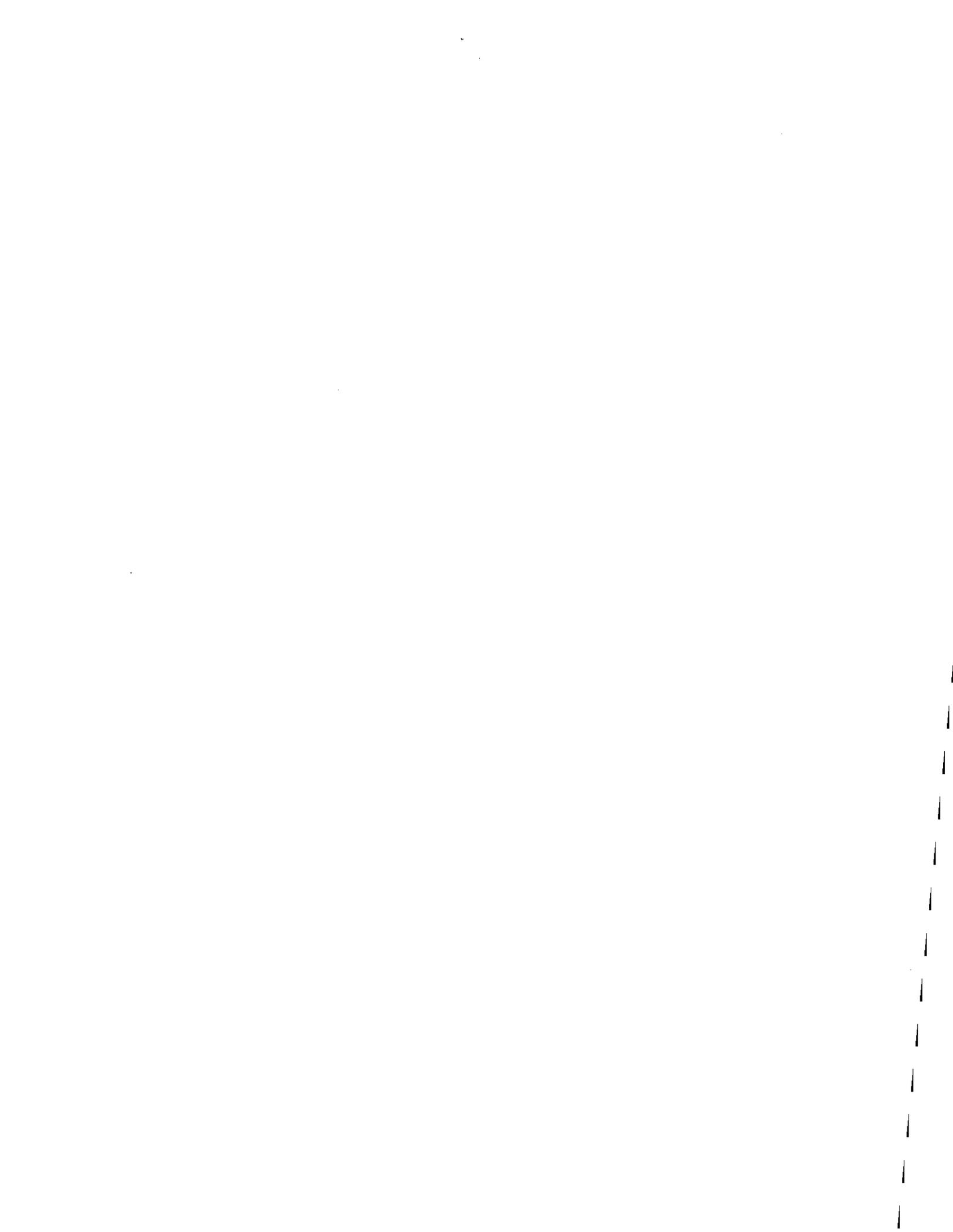
| ADDITIONS: | PRIVATE PURPOSE | | 2013 | 2012 |
|---|-------------------|---------------------------------------|-------------------|-------------------|
| | SCHOLARSHIPS | UNEMPLOYMENT COMPENSATION TRUST | | |
| Local Sources: | | | | |
| Contributions | \$ 1,600 | \$ - | \$ 1,600 | \$ 1,250 |
| Board Contributions | - | 100,000 | 100,000 | 150,000 |
| Transfer from Payroll Agency Account | - | - | - | 29,798 |
| Total Contributions | 1,600 | 100,000 | 101,600 | 181,048 |
| Investment Earnings: | | | | |
| Interest on Investments | 423 | 353 | 776 | 1,980 |
| Total Investment Earnings | 423 | 353 | 776 | 1,980 |
| Total Additions | 2,023 | 100,353 | 102,376 | 183,028 |
| DEDUCTIONS: | | | | |
| Unemployment Claims | - | 67,769 | 67,769 | 164,655 |
| Scholarship Payments | 4,100 | - | 4,100 | 4,100 |
| Total Deductions | 4,100 | 67,769 | 71,869 | 168,755 |
| Change in Net Position | (2,077) | 32,584 | 30,507 | 14,273 |
| Net Position - Beginning of Year | 201,103 | 126,058 | 327,161 | 312,888 |
| Net Position - End of Year | \$ 199,026 | \$ 158,642 | \$ 357,668 | \$ 327,161 |

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

| | JULY 1, 2012 | CASH RECEIPTS | CASH DISBURSEMENTS | JUNE 30, 2013 |
|---------------------------------|-------------------|-------------------|-----------------------|-------------------|
| Kingsway Regional High School | \$ 185,021 | \$ 576,862 | \$ 533,441 | \$ 228,442 |
| Kingsway Regional Middle School | 29,545 | 105,936 | 106,465 | 29,016 |
| Kingsway Regional Athletics | 65 | 90,818 | 87,442 | 3,441 |
| Total | \$ 214,631 | \$ 773,616 | \$ 727,348 | \$ 260,899 |

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

| ASSETS | BALANCE JULY 1, 2012 | ADDITIONS | DELETIONS | BALANCE JUNE 30, 2013 |
|--|----------------------------|----------------------|----------------------|-----------------------------|
| Cash & Cash Equivalents: | | | | |
| Payroll Account | \$ 158 | \$ 11,433,865 | \$ 11,433,897 | \$ 126 |
| Payroll Agency Account | 1,881 | 7,427,480 | 7,397,658 | 31,703 |
| Interfund Account Receivable | - | 5,123 | - | 5,123 |
| Total Assets | \$ 2,039 | \$ 18,866,468 | \$ 18,831,555 | \$ 36,952 |
| LIABILITIES | | | | |
| Net Payroll | \$ - | \$ 11,433,407 | \$ 11,433,407 | \$ - |
| Net Payroll Deductions & Withholdings | 1,447 | 7,433,037 | 7,397,990 | 36,494 |
| Interfund Account Payable | 592 | 24 | 158 | 458 |
| Total Liabilities | \$ 2,039 | \$ 18,866,468 | \$ 18,831,555 | \$ 36,952 |



I. Long-Term Debt

**KINGSWAY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2013**

| | DATE OF | AMOUNT OF | ANNUAL MATURITY | INTEREST | BALANCE JUNE 30, 2012 | ISSUED | REDEEMED/ REFUNDED | BALANCE JUNE 30, 2013 | |
|---|------------|---------------|-----------------|------------|-----------------------------|------------|-----------------------|-----------------------------|------------|
| Construction of Middle School & Renovations to Existing School Building | 8/17/2004 | \$ 16,914,000 | 01/15/2014 | \$ 400,000 | 4.500% | \$ 750,000 | \$ - | \$ 350,000 | \$ 400,000 |
| 2005 School Refunding Bonds of 03/01/1999 Issue | 05/15/2005 | 15,780,000 | 03/01/2015-16 | 940,000 | 4.000-5.000% | 11,965,000 | - | 790,000 | 11,175,000 |
| | | | 03/01/2017 | 935,000 | 4.000% | | | | |
| | | | 03/01/2018 | 980,000 | 4.000% | | | | |
| | | | 03/01/2019 | 970,000 | 4.000% | | | | |
| | | | 03/01/2020 | 960,000 | 4.000% | | | | |
| | | | 03/01/2021 | 1,105,000 | 4.150% | | | | |
| | | | 03/01/2022 | 1,195,000 | 4.200% | | | | |
| | | | 03/01/2023 | 1,185,000 | 4.250% | | | | |
| 2006 School Refunding Bonds of 03/01/2004 Issue | 11/21/2006 | 9,075,000 | 01/15/2018-21 | 30,000 | 4.000% | 8,850,000 | - | 25,000 | 8,825,000 |
| | | | 01/15/2022-24 | 35,000 | 4.000% | | | | |
| | | | 03/01/2025 | 1,235,000 | 4.000% | | | | |
| | | | 03/01/2026 | 1,230,000 | 4.000% | | | | |
| | | | 03/01/2027 | 1,220,000 | 4.125% | | | | |
| | | | 03/01/2028 | 1,215,000 | 4.125% | | | | |
| | | | 03/01/2029 | 1,210,000 | 4.125% | | | | |
| | | | 03/01/2030 | 1,200,000 | 4.125% | | | | |
| 03/01/2031 | 1,190,000 | 4.125% | | | | | | | |

**KINGSWAY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2013**

| | DATE OF | AMOUNT OF | ANNUAL MATURITY | INTEREST | BALANCE JUNE 30, 2012 | ISSUED | REDEEMED/ REFUNDED | BALANCE JUNE 30, 2013 | |
|--|-----------|--------------|-----------------|-----------|-----------------------------|------------|-----------------------|-----------------------------|------------|
| Series 2012 Additions & Renovations of Existing School Buildings | 1/18/2012 | 22,659,000 | 02/01/2014-15 | 650,000 | 2.500% | 22,659,000 | - | 600,000 | 22,059,000 |
| | | | 02/01/2016-17 | 675,000 | 2.500% | | | | |
| | | | 02/01/2018 | 700,000 | 2.500% | | | | |
| | | | 02/01/2019 | 710,000 | 2.500% | | | | |
| | | | 02/01/2020 | 725,000 | 2.500% | | | | |
| | | | 02/01/2021 | 750,000 | 2.500% | | | | |
| | | | 02/01/2022 | 775,000 | 2.500% | | | | |
| | | | 02/01/2023 | 800,000 | 2.500% | | | | |
| | | | 02/01/2024 | 850,000 | 3.000% | | | | |
| | | | 02/01/2025 | 875,000 | 3.000% | | | | |
| | | | 02/01/2026 | 900,000 | 3.000% | | | | |
| | | | 02/01/2027 | 950,000 | 3.000% | | | | |
| | | | 02/01/2028 | 975,000 | 3.000% | | | | |
| | | | 02/01/2029 | 1,025,000 | 3.000% | | | | |
| | | | 02/01/2030 | 1,075,000 | 3.000% | | | | |
| | | | 02/01/2031 | 1,125,000 | 3.000% | | | | |
| | | | 02/01/2032 | 1,175,000 | 3.125% | | | | |
| 02/01/2033-36 | 1,200,000 | 3.250-3.500% | | | | | | | |
| 02/01/2037 | 1,199,000 | 3.500% | | | | | | | |
| Series 2012 Refunding Bonds of 08/17/2004 Issue | 1/27/2012 | 5,935,000 | 01/15/14 | 65,000 | 2.000% | 5,935,000 | - | 100,000 | 5,835,000 |
| | | | 01/15/15 | 470,000 | 2.000% | | | | |
| | | | 01/15/16 | 560,000 | 3.000% | | | | |
| | | | 01/15/17 | 555,000 | 3.000% | | | | |
| | | | 01/15/18 | 545,000 | 2.000% | | | | |
| | | | 01/15/19 | 635,000 | 2.000% | | | | |
| | | | 1/15/2020-21 | 615,000 | 2.250-4.000% | | | | |
| | | | 01/15/22 | 600,000 | 2.500% | | | | |
| | | | 01/15/23 | 585,000 | 3.000% | | | | |
| | | | 01/15/24 | 590,000 | 3.831% | | | | |
| Total | | | | | \$ 50,159,000 | \$ - | \$ 1,865,000 | \$ 48,294,000 | |

**KINGSWAY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2013**

| SERIES | DATE OF LEASE | TERM OF LEASE | INTEREST RATE PAYABLE | AMOUNT OF ORIGINAL ISSUE | AMOUNT OUTSTANDING JUNE 30, 2012 | ISSUED CURRENT YEAR | RETIRED CURRENT YEAR | AMOUNT OUTSTANDING JUNE 30, 2013 |
|----------------------|------------------|------------------|-----------------------------|-----------------------------------|---|---------------------------|----------------------------|---|
| Technology Equipment | 07/15/2010 | 5 Years | 3.17% | \$ 1,500,000 | \$ 1,200,000 | \$ - | \$ 300,000 | \$ 900,000 |
| Total | | | | | \$ 1,200,000 | \$ - | \$ 300,000 | \$ 900,000 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2013 AND 2012**

| | JUNE 30, 2013 | | | | POSITIVE/ NEGATIVE | JUNE 30, 2012 | | | | POSITIVE/ NEGATIVE |
|-----------------------------------|--------------------|---------------------|------------------|------------------|-----------------------|--------------------|---------------------|------------------|------------------|-----------------------|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL |
| Revenues: | | | | | | | | | | |
| Local Sources: | | | | | | | | | | |
| Local Tax Levy | \$ 3,108,239 | \$ - | \$ 3,108,239 | \$ 3,108,239 | \$ - | \$ 1,888,351 | \$ - | \$ 1,888,351 | \$ 1,888,351 | \$ - |
| State Sources: | | | | | | | | | | |
| Debt Service Aid Type II | 635,902 | - | 635,902 | 635,902 | - | 631,102 | - | 631,102 | 631,102 | - |
| Miscellaneous | - | - | - | 16,786 | 16,786 | - | - | - | - | - |
| Total Revenues | 3,744,141 | - | 3,744,141 | 3,760,927 | 16,786 | 2,519,453 | - | 2,519,453 | 2,519,453 | - |
| Expenditures: | | | | | | | | | | |
| Regular Debt Service: | | | | | | | | | | |
| Interest | 1,829,541 | (104,000) | 1,725,541 | 1,695,165 | 30,376 | 1,214,657 | - | 1,214,657 | 1,214,657 | - |
| Principal | 1,914,600 | 104,000 | 2,018,600 | 2,018,600 | - | 1,310,000 | - | 1,310,000 | 1,310,000 | - |
| Total Expenditures | 3,744,141 | - | 3,744,141 | 3,713,765 | 30,376 | 2,524,657 | - | 2,524,657 | 2,524,657 | - |
| Other Financing Sources/(Uses): | | | | | | | | | | |
| Transfer to General Fund | - | - | - | - | - | - | - | - | - | - |
| Excess/(Deficiency) of Revenues | | | | | | | | | | |
| Over/(Under) Expenditures | - | - | - | 47,162 | 47,162 | (5,204) | - | (5,204) | (5,204) | - |
| Fund Balance July 1, 2012 | - | - | - | - | - | 5,204 | - | 5,204 | 5,204 | - |
| Fund Balance June 30, 2013 | \$ - | \$ - | \$ - | \$ 47,162 | \$ 47,162 | \$ - | \$ - | \$ - | \$ - | \$ - |

STATISTICAL SECTION (Unaudited)

KINGSWAY REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30, 2013

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| Governmental Activities: | | | | | | | | | | |
| Invested in Capital Assets, | | | | | | | | | | |
| Net of Related Debt | \$ 17,607,415 | \$ 16,354,079 | \$ 8,717,235 | \$ 9,449,419 | \$ 9,885,660 | \$ 10,836,455 | \$ 9,816,867 | \$ 5,411,503 | \$ (2,774,484) | \$ 3,728,767 |
| Restricted | 4,725,703 | 3,584,379 | 2,733,713 | 2,908,692 | 3,904,704 | 4,584,524 | 4,872,361 | 5,155,830 | 16,798,234 | 7,623,077 |
| Unrestricted | 139,963 | 53,340 | (1,031,840) | (1,236,904) | (929,075) | (1,080,626) | (852,021) | (1,073,946) | (755,150) | (221,068) |
| Total Governmental Activities | | | | | | | | | | |
| Net Position | <u>\$ 22,473,081</u> | <u>\$ 19,991,798</u> | <u>\$ 10,419,108</u> | <u>\$ 11,121,207</u> | <u>\$ 12,861,289</u> | <u>\$ 14,340,353</u> | <u>\$ 13,837,207</u> | <u>\$ 9,493,387</u> | <u>\$ 13,268,600</u> | <u>\$ 11,130,776</u> |
| Business-Type Activities: | | | | | | | | | | |
| Invested in Capital Assets, | | | | | | | | | | |
| Net of Related Debt | \$ 10,762 | \$ 41,293 | \$ 74,322 | \$ 106,667 | \$ 135,707 | \$ 142,253 | \$ 170,703 | \$ 52,494 | \$ 104,988 | \$ 151,419 |
| Unrestricted | 275,518 | 218,608 | 129,752 | 38,542 | 390,262 | 427,480 | 401,868 | 322,985 | 253,483 | 207,341 |
| Total Business-Type Activities | | | | | | | | | | |
| Net Position | <u>\$ 286,280</u> | <u>\$ 259,901</u> | <u>\$ 204,074</u> | <u>\$ 145,209</u> | <u>\$ 525,969</u> | <u>\$ 569,733</u> | <u>\$ 572,571</u> | <u>\$ 375,479</u> | <u>\$ 358,471</u> | <u>\$ 358,760</u> |
| District-Wide: | | | | | | | | | | |
| Invested in Capital Assets, | | | | | | | | | | |
| Net of Related Debt | \$ 17,618,177 | \$ 16,395,372 | \$ 8,791,557 | \$ 9,556,086 | \$ 10,021,367 | \$ 10,978,708 | \$ 9,987,570 | \$ 5,463,997 | \$ (2,669,496) | \$ 3,880,186 |
| Restricted | 4,725,703 | 3,584,379 | 2,733,713 | 2,908,692 | 3,904,704 | 4,584,524 | 4,872,361 | 5,155,830 | 16,798,234 | 7,623,077 |
| Unrestricted | 415,481 | 271,948 | (902,088) | (1,198,362) | (538,813) | (653,146) | (450,153) | (750,961) | (501,667) | (13,727) |
| Total District Net Position | <u>\$ 22,759,361</u> | <u>\$ 20,251,699</u> | <u>\$ 10,623,182</u> | <u>\$ 11,266,416</u> | <u>\$ 13,387,258</u> | <u>\$ 14,910,086</u> | <u>\$ 14,409,778</u> | <u>\$ 9,868,866</u> | <u>\$ 13,627,071</u> | <u>\$ 11,489,536</u> |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

| | | FISCAL YEAR ENDING JUNE 30, 2013 | | | | | | | | | |
|--|----|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Expenses: | | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | | |
| Instruction: | | | | | | | | | | | |
| Regular | \$ | 11,978,588 | \$ 11,243,222 | \$ 7,878,158 | \$ 8,763,250 | \$ 8,789,020 | \$ 7,546,067 | \$ 7,710,990 | \$ 6,828,004 | \$ 6,643,072 | \$ 6,202,073 |
| Special Education | | 2,965,920 | 3,056,553 | 2,194,808 | 2,149,129 | 1,955,353 | 1,756,123 | 1,640,338 | 1,358,885 | 1,103,007 | 1,010,346 |
| Other Instruction | | 401 | 4,850 | 56,162 | 31,261 | 31,289 | 9,677 | 2,690 | 7,691 | 7,325 | 3,634 |
| School Sponsored | | 1,155,925 | 1,073,294 | 755,011 | 1,095,130 | 1,157,586 | 984,296 | 983,472 | 759,215 | 738,060 | 671,440 |
| Support Services: | | | | | | | | | | | |
| Tuition | | 2,097,428 | 1,658,412 | 1,862,674 | 1,729,187 | 1,566,990 | 1,347,856 | 1,280,284 | 1,325,259 | 1,337,573 | 1,314,079 |
| Student & Instruction Related Serv | | 3,504,324 | 3,249,067 | 2,132,387 | 2,212,311 | 2,097,251 | 1,929,467 | 1,773,372 | 1,581,452 | 1,443,468 | 1,362,015 |
| School Administrative Services | | 1,392,634 | 1,464,383 | 1,272,945 | 1,326,729 | 1,254,410 | 1,196,511 | 1,076,291 | 1,011,856 | 997,582 | 969,383 |
| General & Business Administrative Services | | 682,990 | 618,884 | 537,466 | 439,397 | 410,818 | 456,780 | 426,569 | 435,409 | 422,734 | - |
| Central Office & Technology Services | | 825,133 | 584,884 | 569,573 | 626,864 | 615,387 | 563,748 | 624,718 | 466,850 | 504,178 | 871,643 |
| Plant Operations & Maintenance | | 3,137,022 | 3,171,687 | 2,528,095 | 2,711,376 | 3,080,264 | 2,995,772 | 2,795,334 | 2,287,650 | 1,857,328 | 1,835,038 |
| Pupil Transportation | | 3,156,947 | 3,112,014 | 2,821,829 | 3,080,396 | 2,946,272 | 3,384,766 | 3,182,155 | 2,948,602 | 2,830,677 | 2,413,140 |
| Allocated Benefits | | - | - | 4,408,279 | 4,716,007 | 4,808,105 | 4,376,662 | 3,788,563 | - | - | - |
| Unallocated Benefits | | - | - | 1,940,708 | 1,686,111 | 1,639,606 | 2,179,478 | 2,012,548 | 4,450,911 | 3,782,342 | 3,605,472 |
| Special Schools | | - | - | - | - | - | - | 19,470 | 20,683 | 19,703 | 21,198 |
| Interest on Long-Term Debt | | 1,715,834 | 1,448,736 | 1,245,834 | 1,287,509 | 1,324,177 | 1,357,997 | 1,277,248 | 1,468,115 | 1,397,204 | 829,169 |
| Unallocated Depreciation | | 1,679,247 | 1,904,135 | 1,439,521 | 676,384 | 675,162 | 1,457,201 | 629,463 | 305,496 | 266,645 | 256,732 |
| Capital Asset Adjustment | | - | 72,143 | - | - | - | - | - | - | - | - |
| Amortization of Debt Issuance Costs | | 102,268 | 75,192 | - | - | - | - | - | - | - | - |
| Unallocated Compensated Absences | | (94,013) | 265,957 | - | - | - | - | - | - | - | - |
| Capital Projects | | - | - | - | - | - | - | - | - | - | 3,313,291 |
| Total Governmental Activities Expenses: | | 34,300,648 | 33,003,413 | 31,643,450 | 32,531,041 | 32,351,690 | 31,542,401 | 29,223,505 | 25,256,078 | 23,350,898 | 24,678,653 |
| Business-Type Activities: | | | | | | | | | | | |
| Community Education Program | | 16,409 | 13,832 | 2,912 | - | - | - | - | - | - | - |
| Food Service | | 1,046,087 | 1,042,778 | 1,003,315 | 949,241 | 1,005,978 | 999,511 | 985,159 | 741,889 | 742,926 | 680,899 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

| | FISCAL YEAR ENDING JUNE 30, 2012 | | | | | | | | | |
|---|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Total Business-Type Activities Expense | 1,062,496 | 1,056,610 | 1,006,227 | 949,241 | 1,005,978 | 999,511 | 985,159 | 741,889 | 742,926 | 680,899 |
| Total District Expenses | <u>\$ 35,363,144</u> | <u>\$ 34,060,023</u> | <u>\$ 32,649,677</u> | <u>\$ 33,480,282</u> | <u>\$ 33,357,668</u> | <u>\$ 32,541,912</u> | <u>\$ 30,208,664</u> | <u>\$ 25,997,967</u> | <u>\$ 24,093,824</u> | <u>\$ 25,359,552</u> |
| Program Revenues: | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| Pupil Transportation | \$ - | \$ - | \$ 943,221 | \$ 1,184,917 | \$ 1,055,760 | \$ 1,623,513 | \$ 1,565,273 | \$ 1,397,351 | \$ 1,398,390 | \$ 1,264,452 |
| Operating Grants & Contributions | 1,165,354 | 1,104,912 | 1,134,114 | 1,091,333 | 1,135,868 | 1,075,725 | 1,071,949 | 1,073,525 | 1,979,700 | 1,887,507 |
| Capital Grants & Contributions | 436,803 | 449,711 | - | - | - | - | - | - | - | 7,903,286 |
| 66 Total Governmental Activities Program Revenues | <u>1,602,157</u> | <u>1,554,623</u> | <u>2,077,335</u> | <u>2,276,250</u> | <u>2,191,628</u> | <u>2,699,238</u> | <u>2,637,222</u> | <u>2,470,876</u> | <u>3,378,090</u> | <u>11,055,245</u> |
| Business-Type Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| Community Education Program | 28,854 | 26,378 | 13,615 | - | - | - | - | - | - | - |
| Food Service | 842,295 | 837,864 | 872,766 | 822,769 | 798,796 | 773,209 | 702,206 | 620,217 | 563,693 | 490,559 |
| Technology Services | - | 16,522 | - | - | - | - | - | - | - | - |
| Operating Grants & Contributions | 255,493 | 230,539 | 180,597 | 172,749 | 162,759 | 136,379 | 114,453 | 107,889 | 118,351 | 100,330 |
| Total Business Type Activities Program Revenues | <u>1,126,642</u> | <u>1,111,303</u> | <u>1,066,978</u> | <u>995,518</u> | <u>961,555</u> | <u>909,588</u> | <u>816,659</u> | <u>728,106</u> | <u>682,044</u> | <u>590,889</u> |
| Total District Program Revenues | <u>\$ 2,728,799</u> | <u>\$ 2,665,926</u> | <u>\$ 3,144,313</u> | <u>\$ 3,271,768</u> | <u>\$ 3,153,183</u> | <u>\$ 3,608,826</u> | <u>\$ 3,453,881</u> | <u>\$ 3,198,982</u> | <u>\$ 4,060,134</u> | <u>\$ 11,646,134</u> |
| Net/(Expense)/Revenue: | | | | | | | | | | |
| Governmental Activities | \$(32,698,491) | \$(31,448,790) | \$(29,566,115) | \$(30,254,791) | \$(30,160,062) | \$(28,843,163) | \$(26,586,283) | \$(22,785,202) | \$(19,972,808) | \$(13,623,408) |
| Business-Type Activities | 64,146 | 54,693 | 60,751 | 46,277 | (44,423) | (89,923) | (168,500) | (13,783) | (60,882) | (90,010) |
| Total District-Wide Net Expense | <u>\$(32,634,345)</u> | <u>\$(31,394,097)</u> | <u>\$(29,505,364)</u> | <u>\$(30,208,514)</u> | <u>\$(30,204,485)</u> | <u>\$(28,933,086)</u> | <u>\$(26,754,783)</u> | <u>\$(22,798,985)</u> | <u>\$(20,033,690)</u> | <u>\$(13,713,418)</u> |

KINGSWAY REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

| | | FISCAL YEAR ENDING JUNE 30, 2012 | | | | | | | | | |
|--|--|----------------------------------|----------------------|----------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|
| | | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| General Revenues & Other Changes in Net Assets: | | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | | |
| Property Taxes Levied for General Purposes, Net | | \$ 17,089,971 | \$ 16,323,659 | \$ 15,536,649 | \$ 14,194,655 | \$ 13,248,425 | \$ 13,010,690 | \$ 13,402,716 | \$ 9,883,969 | \$ 9,367,556 | \$ 9,425,423 |
| Taxes Levied for Debt Service | | 3,108,239 | 1,888,351 | 1,803,669 | 1,703,432 | 1,688,110 | 1,627,323 | 1,683,659 | 2,081,896 | 634,775 | 645,965 |
| Unrestricted Grants & Contributions | | 11,779,848 | 18,533,839 | 8,883,640 | 7,343,343 | 8,763,002 | 8,346,306 | 8,014,904 | 7,322,645 | 6,156,554 | 5,577,592 |
| Tuition Received | | 2,855,074 | 2,798,202 | 3,332,156 | 4,342,882 | 4,587,891 | 4,623,432 | 4,168,924 | 3,790,808 | 3,532,377 | 3,409,919 |
| Investment Earnings | | 11,659 | - | 39,178 | 88,375 | 123,493 | 205,915 | 256,418 | 329,009 | 313,296 | 91,441 |
| Miscellaneous Income | | 319,044 | 379,629 | 269,421 | 173,387 | 215,139 | 162,927 | 139,029 | 168,509 | 114,081 | 152,252 |
| Transportation Fees from Other LEA's Within State | | - | 57,034 | 15,912 | 199,122 | 106,637 | 283,144 | 235,697 | 178,047 | 201,956 | 76,225 |
| Transfers | | - | - | - | 425,600 | - | (87,500) | (163,000) | (26,050) | (59,600) | (89,500) |
| Net Proceeds of Bond Sale | | - | - | - | - | - | - | (675,000) | - | - | - |
| Donation of Land | | - | - | - | - | - | - | - | - | - | 23,460 |
| Cancellation of Account Receivables/ Payables | | (583) | - | - | - | - | - | - | - | - | - |
| Net (Increase)/Decrease in Compensated Absences | | - | - | (32,419) | 11,240 | 55,880 | 97,471 | 115,983 | 65,132 | - | - |
| Net (Increase)/Decrease in Capital Assets | | - | - | (984,190) | 32,671 | 182,503 | 2,399,830 | 2,751,775 | (3,783,974) | 1,849,634 | 1,020,848 |
| Total Governmental Activities | | 35,163,252 | 39,980,714 | 28,864,016 | 28,514,707 | 28,971,080 | 30,669,538 | 29,931,105 | 20,009,991 | 22,110,629 | 20,333,625 |
| Business-Type Activities: | | | | | | | | | | | |
| Investment Earnings | | 1,627 | 1,383 | 850 | 867 | 556 | 2,518 | 5,730 | 4,643 | 1,369 | 642 |
| Transfers | | - | - | - | (425,600) | - | 87,500 | 163,000 | 26,050 | 59,600 | 89,500 |
| Contributed Capital | | - | - | - | - | - | - | 199,154 | - | - | - |
| Net (Increase)/Decrease in Capital Assets | | - | - | - | 958 | - | - | - | - | - | - |
| Net (Increase)/Decrease in Compensated Absences | | (22,872) | (248) | (2,737) | (3,262) | 102 | (2,933) | (2,290) | 99 | (2,729) | - |
| Total Business-Type Activities | | (21,245) | 1,135 | (1,887) | (427,037) | 658 | 87,085 | 365,594 | 30,792 | 58,240 | 90,142 |
| Total District-Wide | | \$ 35,142,007 | \$ 39,981,849 | \$ 28,862,129 | \$ 28,087,670 | \$ 28,971,738 | \$ 30,756,623 | \$ 30,296,699 | \$ 20,040,783 | \$ 22,168,869 | \$ 20,423,767 |
| Change in Net Position: | | | | | | | | | | | |
| Governmental Activities | | \$ 2,464,761 | \$ 8,531,924 | \$ (702,099) | \$ (1,740,084) | \$ (1,188,982) | \$ 1,826,375 | \$ 3,344,822 | \$ (2,775,211) | \$ 2,137,821 | \$ 6,710,217 |
| Business-Type Activities | | 42,901 | 55,828 | 58,864 | (380,760) | (43,765) | (2,838) | 197,094 | 17,009 | (2,642) | 132 |
| Total District | | \$ 2,507,662 | \$ 8,587,752 | \$ (643,235) | \$ (2,120,844) | \$ (1,232,747) | \$ 1,823,537 | \$ 3,541,916 | \$ (2,758,202) | \$ 2,135,179 | \$ 6,710,349 |

100

**KINGSWAY REGIONAL SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

| | FISCAL YEAR ENDING JUNE 30, 2013 | | | | | | | | | |
|---|----------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| General Fund: | | | | | | | | | | |
| Restricted | \$ 4,406,076 | \$ 3,584,379 | \$ 2,728,509 | \$ 2,858,692 | \$ 3,943,036 | \$ 4,584,524 | \$ 4,839,294 | \$ 4,408,975 | \$ 4,130,736 | \$ 3,309,494 |
| Assigned | 319,627 | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | 759,943 | 552,731 | 659,534 | 530,489 | 226,948 | 141,609 | 377,199 | 295,655 |
| Total General Fund | \$ 4,725,703 | \$ 3,584,379 | \$ 3,488,452 | \$ 3,411,423 | \$ 4,602,570 | \$ 5,115,013 | \$ 5,066,242 | \$ 4,550,584 | \$ 4,507,935 | \$ 3,605,149 |
| All Other Governmental Funds: | | | | | | | | | | |
| Restricted | \$ 3,777,425 | \$ 25,422,409 | \$ 5,204 | \$ 50,000 | \$ (38,332) | \$ - | \$ 33,067 | \$ 1,564,306 | \$ 11,032,165 | \$ 16,696,286 |
| Committed | 4,424,528 | - | - | - | - | - | - | - | - | - |
| Unassigned, Reported in: | | | | | | | | | | |
| Special Revenue Fund | - | - | - | - | - | - | - | - | (2,015) | (2,015) |
| Capital Projects Fund | - | - | (299,600) | (449,600) | - | - | - | 150,789 | 2,001,977 | (12,106,291) |
| Debt Service Fund | 47,162 | - | - | 5,204 | - | - | - | 42,020 | - | - |
| Total All Other Governmental Funds | \$ 8,249,115 | \$ 25,422,409 | \$ (294,396) | \$ (394,396) | \$ (38,332) | \$ - | \$ 33,067 | \$ 1,757,115 | \$ 13,032,127 | \$ 4,587,980 |

KINGSWAY REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues: | | | | | | | | | | |
| Taxes Local | \$ 20,198,210 | \$ 18,212,010 | \$ 17,340,316 | \$ 15,898,087 | \$ 14,936,535 | \$ 14,638,013 | \$ 15,086,375 | \$ 11,965,865 | \$ 10,002,331 | \$ 10,071,388 |
| Tuition Charges | 2,855,074 | 2,798,202 | 3,332,156 | 4,342,882 | 4,587,891 | 4,623,432 | 4,168,924 | 3,790,808 | 3,532,377 | 3,409,919 |
| Transportation | - | 57,034 | 15,912 | 199,122 | 106,637 | 283,144 | 235,697 | 178,047 | 201,956 | 76,225 |
| Miscellaneous | 330,703 | 379,629 | 308,599 | 261,762 | 338,632 | 368,843 | 395,469 | 497,518 | 427,377 | 243,693 |
| Local Sources | - | - | 9,625 | 8,407 | 17,592 | 17,000 | - | - | - | - |
| State Sources | 11,785,650 | 18,254,364 | 9,290,613 | 6,906,832 | 9,447,830 | 9,031,936 | 8,699,321 | 8,058,662 | 7,786,313 | 15,048,174 |
| Federal Sources | 431,001 | 729,186 | 717,516 | 1,673,401 | 433,448 | 373,095 | 386,510 | 337,508 | 349,942 | 320,213 |
| Total Revenue | 35,600,638 | 40,430,425 | 31,014,737 | 29,290,493 | 29,868,565 | 29,335,463 | 28,972,296 | 24,828,408 | 22,300,296 | 29,169,612 |
| Expenditures: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular Instruction | 8,277,245 | 7,735,128 | 7,784,180 | 8,221,599 | 8,271,054 | 7,470,528 | 7,241,438 | 6,426,638 | 6,261,390 | 5,836,464 |
| Special Education Instruction | 2,083,582 | 2,220,282 | 2,186,002 | 2,136,896 | 1,943,140 | 1,755,367 | 1,628,706 | 1,340,209 | 1,086,609 | 994,530 |
| Other Instructional | 401 | 4,850 | 56,162 | 31,261 | 31,289 | 9,677 | 2,690 | 7,691 | 7,325 | 3,634 |
| School Sponsored | 1,047,621 | 970,645 | 663,092 | 804,335 | 867,217 | 896,704 | 747,467 | 706,858 | 690,234 | 618,898 |
| Support Services: | | | | | | | | | | |
| Tuition | 2,097,428 | 1,658,412 | 1,862,674 | 1,729,187 | 1,566,990 | 1,347,856 | 1,280,284 | 1,325,259 | 1,337,573 | 1,314,079 |
| Student & Instruction Related Services | 2,244,352 | 2,054,879 | 2,125,940 | 2,114,301 | 1,999,922 | 1,920,914 | 1,679,388 | 1,507,394 | 1,376,939 | 1,297,660 |
| School Administrative Services | 1,265,636 | 1,344,016 | 1,270,985 | 1,307,195 | 1,237,037 | 1,184,384 | 1,056,791 | 992,869 | 979,169 | 950,302 |
| General & Business Administration Services | 1,282,660 | 1,098,703 | 1,056,420 | 1,020,532 | 981,075 | 990,699 | 1,011,679 | 866,152 | 899,577 | 845,689 |
| Plant Operations & Maintenance | 2,400,574 | 2,474,277 | 2,488,072 | 2,654,490 | 3,026,315 | 2,963,466 | 2,747,111 | 2,251,361 | 1,822,571 | 1,803,156 |
| Pupil Transportation | 2,058,100 | 1,865,474 | 1,740,212 | 1,755,960 | 1,742,691 | 1,612,110 | 1,467,740 | 1,437,366 | 1,291,986 | 1,098,766 |
| Allocated Benefits | 4,037,238 | 4,489,690 | 4,408,279 | 4,716,007 | 4,808,105 | 4,391,316 | 3,788,563 | - | - | - |
| Unallocated Benefits | 3,037,827 | 2,215,982 | 1,940,708 | 1,686,111 | 1,639,606 | 2,164,825 | 2,012,548 | 4,450,911 | 3,782,342 | 3,605,472 |

KINGSWAY REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|--|------------------------|----------------------|---------------------|-------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|
| Expenditures (continued): | | | | | | | | | | |
| Special Schools | - | - | - | - | - | - | 19,470 | 20,683 | 19,703 | 21,198 |
| Capital outlay | 18,356,424 | 6,160,542 | 2,233,077 | 776,393 | 331,346 | 508,784 | 2,988,071 | 12,845,130 | 8,940,521 | 3,879,849 |
| Debt service: | | | | | | | | | | |
| Principal | 2,018,600 | 1,310,000 | 1,260,000 | 1,070,000 | 1,035,000 | 935,000 | 1,035,000 | 1,045,000 | 500,000 | 500,000 |
| Interest & Other Charges | 1,695,165 | 1,214,657 | 1,264,531 | 1,302,106 | 1,337,938 | 1,370,712 | 1,310,738 | 1,685,743 | 811,825 | 834,950 |
| Total Expenditures | 51,902,853 | 36,817,537 | 32,889,946 | 30,731,225 | 30,882,158 | 30,928,937 | 32,061,125 | 40,260,961 | 31,584,757 | 24,771,712 |
| Excess (Deficiency) of Revenues | | | | | | | | | | |
| Over/(Under) Expenditures | (16,302,215) | 3,612,888 | 7,540,479 | 283,512 | (1,591,665) | (1,060,372) | (2,725,662) | (11,288,665) | (6,756,349) | (2,471,416) |
| Other Financing Sources/(Uses): | | | | | | | | | | |
| Bond Proceeds | - | 22,659,000 | - | - | - | - | - | - | - | - |
| Bond Anticipation Note | 153,600 | 146,000 | - | - | - | - | - | - | - | - |
| Capital Leases (Nonbudgeted) | - | - | 1,500,000 | - | - | - | - | 872,527 | - | - |
| Cancellation of Account Payable | 15,550 | - | - | - | - | - | - | - | - | - |
| Cancellation of Account Receivable | (16,133) | - | - | - | - | - | - | - | - | - |
| Transfers in | 151,392 | - | 150,001 | 480,803 | 1 | 1 | 1 | 338,366 | 184,086 | 31,502 |
| Transfers Out | (34,164) | - | (1) | (55,203) | (1) | (87,501) | (163,001) | (364,416) | (243,686) | (121,002) |
| Total Other Financing Sources/ (Uses) | 270,245 | 22,805,000 | 1,650,000 | 425,600 | - | (87,500) | (163,000) | 846,477 | (59,600) | (89,500) |
| Net Change in Fund Balances | \$ (16,031,970) | \$ 26,417,888 | \$ 9,190,479 | \$ 709,112 | \$ (1,591,665) | \$ (1,147,872) | \$ (2,888,662) | \$ (10,442,188) | \$ (6,815,949) | \$ (2,560,916) |
| Debt Service as a Percentage of Noncapital Expenditures | 11.07% | 8.24% | 8.23% | 7.92% | 7.77% | 7.58% | 8.07% | 9.96% | 5.79% | 6.39% |

Source: District Records

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

| FISCAL YEAR ENDING JUNE 30, | FACILITY USAGE | INTEREST ON INVESTMENTS | PRIOR YEAR REFUNDS | SPORTING EVENTS GATE RECEIPTS | DRIVER'S EDUCATION FEES | STUDENT PARTICIPATION FEES | MISCELLANEOUS | TOTAL |
|--------------------------------|-------------------|-------------------------------|--------------------------|--|-------------------------------|----------------------------------|---------------|------------|
| 2013 | \$ 43,806 | \$ 11,659 | \$ 16,693 | \$ 17,611 | \$ - | \$ 123,000 | \$ 55,399 | \$ 268,168 |
| 2012 | 61,587 | 19,349 | 55,902 | 19,521 | - | 122,680 | 92,333 | 371,372 |
| 2011 | 58,476 | 39,178 | 3,747 | 24,849 | - | - | 182,349 | 308,599 |
| 2010 | 48,195 | 88,375 | 7,321 | 27,169 | - | - | 90,702 | 261,762 |
| 2009 | 17,664 | 123,493 | 3,213 | 17,664 | - | - | 176,598 | 338,632 |
| 2008 | - | 205,915 | 11,377 | 27,700 | - | - | 123,850 | 368,842 |
| 2007 | - | 256,418 | 2,701 | 15,740 | 14,685 | - | 96,886 | 386,430 |
| 2006 | - | 247,131 | 1,258 | 19,770 | 29,575 | - | 117,906 | 415,640 |
| 2005 | - | 129,210 | 3,661 | 23,861 | 21,420 | - | 65,139 | 243,291 |
| 2004 | - | 59,939 | 6,477 | 21,367 | 17,780 | - | 106,628 | 212,191 |

Source: District records

KINGSWAY REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

| FISCAL YEAR ENDED JUNE 30, | VACANT LAND | RESIDENTIAL | FARM REG. | QFARM | COMMERCIAL | INDUSTRIAL | APARTMENT | TOTAL ASSESSED VALUE | PUBLIC UTILITIES | NET VALUATION TAXABLE | TOTAL DIRECT SCHOOL TAX RATE | ACTUAL (COUNTY EQUALIZED) VALUE |
|--------------------------------|---------------|----------------|---------------|--------------|---------------|---------------|--------------|----------------------|------------------|-----------------------|------------------------------|---------------------------------|
| East Greenwich Township | | | | | | | | | | | | |
| 2013 | \$ 17,930,100 | \$ 910,807,400 | \$ 23,975,400 | \$ 2,749,200 | \$ 54,269,400 | \$ 16,952,500 | \$ 2,159,800 | \$ 1,028,843,800 | \$ 1,470,197 | \$ 1,030,313,997 | \$ 0.720 | \$ 1,092,833,683 |
| 2012 | 23,442,400 | 889,149,600 | 26,804,000 | 2,753,700 | 55,217,900 | 16,965,700 | 2,159,800 | 1,016,493,100 | 1,619,410 | 1,018,112,510 | 0.708 | 1,138,046,180 |
| 2011 | 11,189,900 | 553,679,120 | 13,521,100 | 2,501,200 | 27,839,800 | 12,696,000 | 1,799,600 | 623,226,720 | 938,951 | 624,165,671 | 1.115 | 1,147,450,036 |
| 2010 | 15,368,950 | 525,325,520 | 14,300,100 | 2,533,250 | 28,051,700 | 13,029,300 | 1,799,600 | 600,408,420 | 1,115,561 | 601,523,981 | 1.080 | 1,157,758,363 |
| 2009 | 20,274,050 | 486,601,720 | 15,097,500 | 2,548,250 | 28,096,200 | 13,029,300 | 1,799,600 | 567,446,620 | 1,053,782 | 568,500,402 | 1.074 | 1,114,585,736 |
| 2008 | 24,720,000 | - | - | - | - | - | - | 24,720,000 | 1,830,918 | 26,550,918 | 1.158 | 1,029,784,496 |
| 2007 | 25,575,800 | - | - | - | - | - | - | 25,575,800 | 895,424 | 26,471,224 | 1.229 | 880,402,990 |
| 2006 | 35,843,020 | - | - | - | - | - | - | 35,843,020 | 902,448 | 36,745,468 | 1.203 | 728,406,176 |
| 2005 | 109,797,600 | - | - | - | - | - | - | 109,797,600 | 1,033,997 | 110,831,597 | 1.080 | 596,098,000 |
| 2004 | 101,781,200 | - | - | - | - | - | - | 101,781,200 | 1,196,735 | 102,977,935 | 1.081 | 501,486,327 |
| South Harrison Township | | | | | | | | | | | | |
| 2013 | 10,692,100 | 328,052,400 | 38,652,800 | 3,701,000 | 23,785,500 | - | - | 404,883,800 | 703,216 | 405,587,016 | 0.738 | 366,225,204 |
| 2012 | 12,412,200 | 323,062,100 | 42,337,000 | 3,622,100 | 23,694,300 | - | - | 405,127,700 | 743,659 | 405,871,359 | 0.694 | 371,167,397 |
| 2011 | 13,369,500 | 317,392,500 | 43,481,000 | 3,686,500 | 24,013,800 | - | - | 401,943,300 | 782,657 | 402,725,957 | 0.644 | 383,259,327 |
| 2010 | 13,794,500 | 316,892,600 | 43,321,200 | 4,766,800 | 21,313,900 | - | - | 400,089,000 | 978,729 | 401,067,729 | 0.612 | 372,661,163 |
| 2009 | 6,934,700 | 184,090,000 | 27,418,300 | 2,675,100 | 8,322,300 | - | - | 229,440,400 | 581,640 | 230,022,040 | 1.008 | 382,273,242 |
| 2008 | 6,872,100 | - | - | - | - | - | - | 6,872,100 | 518,283 | 7,390,383 | 1.013 | 371,852,725 |
| 2007 | 6,337,100 | - | - | - | - | - | - | 6,337,100 | 485,985 | 6,823,085 | 1.140 | 348,301,700 |
| 2006 | 35,996,300 | - | - | - | - | - | - | 35,996,300 | 518,145 | 36,514,445 | 1.162 | 286,760,352 |
| 2005 | 49,614,900 | - | - | - | - | - | - | 49,614,900 | 570,943 | 50,185,843 | 1.042 | 255,522,339 |
| 2004 | 45,651,200 | - | - | - | - | - | - | 45,651,200 | 596,397 | 46,247,597 | 1.068 | 224,018,810 |
| Borough of Swedesboro | | | | | | | | | | | | |
| 2013 | 1,962,600 | 148,474,600 | - | 24,700 | 34,901,000 | 1,695,500 | 1,122,400 | 188,180,800 | 1,833,117 | 190,013,917 | 0.870 | 192,277,907 |
| 2012 | 2,146,800 | 148,633,300 | - | 24,700 | 35,797,600 | 1,695,500 | 1,122,400 | 189,420,300 | 2,354,496 | 191,774,796 | 0.785 | 197,364,832 |
| 2011 | 2,511,200 | 147,909,300 | - | 24,700 | 35,840,600 | 1,695,500 | 1,122,400 | 189,103,700 | 2,399,420 | 191,503,120 | 0.713 | 202,130,113 |
| 2010 | 2,218,200 | 72,847,700 | - | - | 13,511,400 | 902,800 | 1,000,700 | 90,480,800 | 1,123,014 | 91,603,814 | 1.403 | 193,463,770 |
| 2009 | 2,670,600 | 69,283,500 | - | - | 13,489,600 | 902,800 | 1,000,700 | 87,347,200 | 1,122,898 | 88,470,098 | 1.304 | 187,421,942 |
| 2008 | 3,807,000 | - | - | - | - | - | - | 3,807,000 | 1,369,051 | 5,176,051 | 1.337 | 158,515,152 |
| 2007 | 4,352,800 | - | - | - | - | - | - | 4,352,800 | 1,474,720 | 5,827,520 | 1.371 | 140,236,957 |
| 2006 | 1,929,600 | - | - | - | - | - | - | 1,929,600 | 1,791,013 | 3,720,613 | 1.283 | 108,811,940 |
| 2005 | 18,152,900 | - | - | - | - | - | - | 18,152,900 | 2,118,333 | 20,271,233 | 1.196 | 96,161,600 |
| 2004 | 18,084,200 | - | - | - | - | - | - | 18,084,200 | 2,461,228 | 20,545,428 | 1.050 | 89,165,587 |
| Woolwich Township | | | | | | | | | | | | |
| 2013 | 19,999,300 | 905,097,600 | 20,677,300 | 4,291,500 | 55,082,700 | 45,953,200 | 22,229,800 | 1,073,331,400 | 2,303,228 | 1,075,634,628 | 0.767 | 1,099,949,222 |
| 2012 | 15,110,900 | 543,765,600 | 14,130,200 | 4,968,700 | 25,146,400 | 21,639,600 | 7,701,100 | 632,462,500 | 1,369,350 | 633,831,850 | 1.207 | 1,150,834,822 |
| 2011 | 17,200,900 | 534,786,500 | 14,280,800 | 4,979,500 | 24,187,900 | 23,097,100 | 8,741,400 | 627,274,100 | 1,279,782 | 628,553,882 | 1.090 | 1,188,696,871 |
| 2010 | 20,088,000 | 526,066,000 | 14,063,400 | 4,954,300 | 21,996,900 | 23,006,100 | 8,741,400 | 618,916,100 | 1,543,335 | 620,459,435 | 1.029 | 1,207,715,607 |
| 2009 | 23,310,900 | - | 14,172,700 | 4,975,600 | 45,169,800 | - | 12,611,300 | 100,240,300 | 1,409,722 | 101,650,022 | 0.943 | 1,244,290,405 |
| 2008 | 25,487,400 | - | - | - | - | - | - | 25,487,400 | 1,276,729 | 26,764,129 | 0.903 | 1,188,592,291 |
| 2007 | 20,050,700 | - | - | - | - | - | - | 20,050,700 | 1,282,227 | 21,332,927 | 0.951 | 1,049,583,006 |
| 2006 | 40,001,600 | - | - | - | - | - | - | 40,001,600 | 1,311,722 | 41,313,322 | 0.937 | 852,888,629 |
| 2005 | 99,070,300 | - | - | - | - | - | - | 99,070,300 | 1,501,002 | 100,571,302 | 0.833 | 662,470,066 |
| 2004 | 94,807,600 | - | - | - | - | - | - | 94,807,600 | 1,670,411 | 96,478,011 | 0.772 | 553,572,059 |

Source: County Abstract if Ratables

**KINGSWAY REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

| FISCAL YEAR ENDED JUNE 30, | SCHOOL DISTRICT DIRECT RATE | | | OVERLAPPING RATES | | | | TOTAL DIRECT & OVERLAPPING TAX RATE |
|----------------------------------|-----------------------------|--------------------|-----------------|-------------------|----------------------|-------------------|-------------------------|--|
| | LOCAL SCHOOL | REGIONAL SCHOOL | TOTAL DIRECT | MUNICIPALITY | GLOUCESTER COUNTY | COUNTY LIBRARY | COUNTY OPEN SPACE | |
| East Greenwich Township | | | | | | | | |
| 2013 | 1.090 | 0.720 | 1.810 | 0.320 | 0.596 | 0.046 | 0.044 | 2.816 |
| 2012 | 1.018 | 0.708 | 1.726 | 0.301 | 0.571 | 0.047 | 0.045 | 2.690 |
| 2011 | 1.611 | 1.115 | 2.726 | 0.416 | 0.920 | 0.075 | 0.074 | 4.211 |
| 2010 | 1.618 | 1.080 | 2.698 | 0.390 | 0.980 | 0.077 | 0.077 | 4.222 |
| 2009 | 1.527 | 1.074 | 2.601 | 0.374 | 1.156 | - | - | 4.131 |
| 2008 | 1.542 | 1.158 | 2.700 | 0.364 | 1.173 | - | - | 4.237 |
| 2007 | 1.467 | 1.229 | 2.696 | 0.327 | 1.060 | - | - | 4.083 |
| 2006 | 1.485 | 1.202 | 2.687 | 0.327 | 1.012 | - | - | 4.026 |
| 2005 | 1.508 | 1.080 | 2.588 | 0.188 | 0.975 | - | - | 3.751 |
| 2004 | 1.343 | 1.081 | 2.424 | 0.187 | 0.853 | - | - | 3.464 |
| South Harrison Township | | | | | | | | |
| 2013 | 0.889 | 0.738 | 1.627 | 0.171 | 0.508 | 0.039 | 0.037 | 2.382 |
| 2012 | 0.874 | 0.694 | 1.568 | 0.177 | 0.467 | 0.039 | 0.037 | 2.288 |
| 2011 | 0.861 | 0.644 | 1.505 | 0.175 | 0.475 | 0.039 | 0.038 | 2.232 |
| 2010 | 0.842 | 0.612 | 1.454 | 0.101 | 0.474 | 0.038 | 0.038 | 2.105 |
| 2009 | 1.404 | 1.008 | 2.412 | 0.176 | 0.989 | - | - | 3.577 |
| 2008 | 1.378 | 1.013 | 2.391 | 0.177 | 0.994 | - | - | 3.562 |
| 2007 | 1.357 | 1.139 | 2.496 | 0.149 | 0.980 | - | - | 3.625 |
| 2006 | 1.142 | 1.160 | 2.302 | 0.099 | 0.917 | - | - | 3.318 |
| 2005 | 1.130 | 1.042 | 2.172 | 0.097 | 0.920 | - | - | 3.189 |
| 2004 | 1.115 | 1.068 | 2.183 | 0.099 | 0.840 | - | - | 3.122 |
| Borough of Swedesboro | | | | | | | | |
| 2013 | 1.279 | 0.870 | 2.149 | 0.802 | 0.569 | 0.044 | 0.042 | 3.606 |
| 2012 | 1.197 | 0.785 | 1.982 | 0.775 | 0.524 | 0.044 | 0.042 | 3.367 |
| 2011 | 1.144 | 0.713 | 1.857 | 0.745 | 0.529 | 0.043 | 0.043 | 3.217 |
| 2010 | 2.296 | 1.403 | 3.699 | 1.563 | 1.081 | 0.085 | 0.085 | 6.513 |
| 2009 | 1.855 | 1.304 | 3.159 | 1.739 | 1.251 | - | - | 6.149 |
| 2008 | 1.554 | 1.337 | 2.891 | 1.710 | 1.194 | - | - | 5.795 |
| 2007 | 1.247 | 1.350 | 2.597 | 1.159 | 1.082 | - | - | 4.838 |
| 2006 | 1.220 | 1.262 | 2.482 | 1.133 | 0.927 | - | - | 4.542 |
| 2005 | 1.241 | 1.196 | 2.437 | 1.085 | 0.892 | - | - | 4.414 |
| 2004 | 1.245 | 1.050 | 2.295 | 1.037 | 0.802 | - | - | 4.134 |
| Woolwich Township | | | | | | | | |
| 2013 | 1.325 | 0.767 | 2.092 | 0.486 | 0.575 | 0.045 | 0.042 | 3.240 |
| 2012 | 2.187 | 1.207 | 3.394 | 0.735 | 0.926 | 0.077 | 0.073 | 5.205 |
| 2011 | 2.126 | 1.090 | 3.216 | 0.705 | 0.936 | 0.077 | 0.075 | 5.009 |
| 2010 | 2.117 | 1.029 | 3.146 | 0.705 | 0.992 | 0.078 | 0.078 | 4.999 |
| 2009 | 1.908 | 0.943 | 2.851 | 0.705 | 1.190 | - | - | 4.746 |
| 2008 | 1.865 | 0.903 | 2.768 | 0.660 | 1.177 | - | - | 4.605 |
| 2007 | 1.540 | 0.951 | 2.491 | 0.586 | 1.104 | - | - | 4.181 |
| 2006 | 1.453 | 0.935 | 2.388 | 0.511 | 1.061 | - | - | 3.960 |
| 2005 | 1.426 | 0.833 | 2.259 | 0.471 | 1.043 | - | - | 3.773 |
| 2004 | 1.523 | 0.772 | 2.295 | 0.451 | 0.925 | - | - | 3.671 |

Source: Gloucester County Abstract of Ratables

**KINGSWAY REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

| | 2013 | | 2004 | |
|------------------------------------|------------------------|--|------------------------|--|
| | TAXABLE ASSESSED VALUE | % OF TOTAL DISTRICT NET ASSESSED VALUE | TAXABLE ASSESSED VALUE | % OF TOTAL DISTRICT NET ASSESSED VALUE |
| EAST GREENWICH TOWNSHIP | | | | |
| Travelers Co of America | \$ 4,446,000 | 0.20% | - | - |
| St. Gobain Performance Plastics | 3,815,700 | 0.17% | - | - |
| Colonial Pipeline Company | 3,538,200 | 0.16% | - | - |
| Columbia Gas Transmission Co. | 3,520,500 | 0.16% | - | - |
| Wilson & Wilson | 3,211,100 | 0.14% | - | - |
| Mt. Royal Plaza Real Estate, Inc. | 2,587,200 | 0.12% | - | - |
| Transcontinental Gas Pipeline Co. | 2,351,500 | 0.10% | - | - |
| Storage World of NJ, LLC | 2,281,000 | 0.10% | - | - |
| Summer Skye, LLC | 2,066,700 | 0.09% | - | - |
| Jemm Holding, LLC | 1,872,900 | 0.08% | - | - |
| Corporate Associates | - | - | 3,024,500 | 1.09% |
| Travel Port & Easekt & McCaleb | - | - | 2,134,800 | 0.77% |
| Colonial Pipeline Company | - | - | 1,842,500 | 0.66% |
| Columbia Gas Transmission Co. | - | - | 1,831,600 | 0.66% |
| Taxpayer #1 | - | - | 1,466,300 | 0.53% |
| Transcontinental Gas Pipeline Co. | - | - | 1,224,500 | 0.44% |
| Taxpayer #2 | - | - | 1,199,467 | 0.37% |
| Bell Atlantic - NJ, Inc. | - | - | 1,041,000 | 0.37% |
| Media Realty Co. | - | - | 1,015,100 | 0.37% |
| Transcontinental Gas Pipeline Co. | - | - | 926,000 | 0.33% |
| Total | \$29,690,800 | 1.32% | 15,705,767 | 5.59% |
| SOUTH HARRISON TOWNSHIP | | | | |
| Taxpayer #1 | \$ 5,750,800 | 0.26% | - | - |
| Taxpayer #2 | 3,304,400 | 0.15% | - | - |
| C & F Family Limited Partnership | 3,112,300 | 0.14% | - | - |
| Taxpayer #3 | 2,467,400 | 0.11% | - | - |
| South Harrison 500 Associates, LLC | 2,100,000 | 0.09% | - | - |
| Taxpayer # 4 | 2,015,000 | 0.09% | - | - |
| American Tower Asset Sub. LLC | 1,897,200 | 0.08% | - | - |
| Gres at Mullica, LLC | 1,600,200 | 0.07% | - | - |
| Taxpayer #5 | 1,376,800 | 0.06% | - | - |
| Bruce Paparone Communities, Inc. | 972,600 | 0.04% | - | - |
| Taxpayer #1 | - | - | 2,127,749 | 1.58% |
| Paxon Communications | - | - | 1,006,100 | 0.75% |
| HFM Properties | - | - | 685,700 | 0.51% |
| Taxpayer #2 | - | - | 525,900 | 0.39% |
| Taxpayer #3 | - | - | 524,300 | 0.39% |
| Taxpayer #4 | - | - | 475,600 | 0.35% |
| Taxpayer #5 | - | - | 437,700 | 0.33% |
| Harrison Mobile Home Park | - | - | 433,000 | 0.32% |
| Taxpayer #6 | - | - | 428,000 | 0.32% |
| Taxpayer #7 | - | - | 416,800 | 0.31% |
| Total | \$24,596,700 | 1.09% | 7,060,849 | 5.25% |

Source: Municipal Tax Assessor

**KINGSWAY REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

| TAXPAYERS | 2013 | | 2004 | |
|--------------------------------------|------------------------|--|------------------------|--|
| | TAXABLE ASSESSED VALUE | % OF TOTAL DISTRICT NET ASSESSED VALUE | TAXABLE ASSESSED VALUE | % OF TOTAL DISTRICT NET ASSESSED VALUE |
| BOROUGH OF SWEDESBORO | | | | |
| D & D Properties of Swedesboro, Inc. | \$ 2,988,500 | 0.13% | - | - |
| Botto Sons, LLC | 2,276,300 | 0.10% | - | - |
| Taxpayer #1 | 1,895,300 | 0.08% | - | - |
| Verizon - New Jersey | 1,833,117 | 0.08% | - | - |
| Swedesboro Housing LTD Partnership | 1,693,800 | 0.08% | - | - |
| Raccoon Creek, LLC | 1,615,400 | 0.07% | - | - |
| Russo Rentals, LLC | 1,577,700 | 0.07% | - | - |
| Bank of America | 1,050,000 | 0.05% | - | - |
| R&R Real Estate, LLC | 1,044,100 | 0.05% | - | - |
| East Ocean Kingdom, LLC | 974,300 | 0.04% | - | - |
| New Jersey Bell | - | - | 1,100,000 | 1.51% |
| Taxpayer #1 | - | - | 909,000 | 1.25% |
| Rawl Equipment Co. | - | - | 854,200 | 1.17% |
| National Westminster Bank | - | - | 640,300 | 0.88% |
| NJ Bell Telephone Co. | - | - | 505,600 | 0.69% |
| Botto Sons, LLC | - | - | 429,800 | 0.59% |
| Russo Rentals, LLC | - | - | 422,600 | 0.58% |
| Teledyne Wirz | - | - | 408,000 | 0.56% |
| Bank of America | - | - | 398,300 | 0.55% |
| Reliable Garage, Inc. | - | - | 396,600 | 0.54% |
| Total | \$16,948,517 | 0.75% | 6,064,400 | 8.32% |
| WOOLWICH TOWNSHIP | | | | |
| Cabot | \$ 15,057,900 | 0.67% | - | - |
| Westbrook at Weatherby, LLC | 13,424,900 | 0.60% | - | - |
| Pond View at Westbrook, LLC | 8,804,900 | 0.39% | - | - |
| USF Propco, LLC | 7,947,600 | 0.35% | - | - |
| Columbia Gas Transmission | 7,659,300 | 0.34% | - | - |
| JMJ Warehouse Associates | 6,304,500 | 0.28% | - | - |
| Liberty Property LTD Partnership | 5,963,000 | 0.27% | - | - |
| Swedesboro, Inc. | 4,896,500 | 0.22% | - | - |
| MCB, LLC | 4,397,200 | 0.20% | - | - |
| Appleseed NJ, LLC | 3,787,500 | 0.17% | - | - |
| OP&F Woolwich Township, LLC | - | - | 6,923,000 | 4.87% |
| Columbia Gas Transmission | - | - | 3,925,000 | 2.76% |
| Crown Cork Seal Co. | - | - | 3,588,900 | 2.52% |
| Del Monte Corp. | - | - | 3,528,900 | 2.48% |
| Liberty Property LTD Partnership | - | - | 3,024,300 | 2.13% |
| Gloucester New Communities, Inc. | - | - | 2,538,100 | 1.79% |
| Taxpayer #1 | - | - | 1,427,800 | 1.00% |
| Triangle Land Co., Inc. | - | - | 1,295,500 | 0.91% |
| Matlack, Inc. | - | - | 1,159,400 | 0.82% |
| WPM Realty Co. | - | - | 902,100 | 0.63% |
| Total | \$78,243,300 | 3.48% | 28,313,000 | 19.91% |

Source: Municipal Tax Assessor

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

| 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 | |
| East Greenwich Township | | | | |
| 2013 | \$ 7,449,553 | \$ 7,449,553 | 100.00% | - |
| 2012 | 6,983,548 | 6,983,548 | 100.00% | - |
| 2011 | 6,940,378 | 6,940,378 | 100.00% | - |
| 2010 | 6,053,317 | 6,053,317 | 100.00% | - |
| 2009 | 6,158,276 | 6,158,276 | 100.00% | - |
| 2008 | 5,894,220 | 5,894,220 | 100.00% | - |
| 2007 | 6,165,224 | 6,165,224 | 100.00% | - |
| 2006 | 4,165,434 | 4,165,434 | 100.00% | - |
| 2005 | 4,258,408 | 4,258,408 | 100.00% | - |
| 2004 | 4,237,004 | 4,237,004 | 100.00% | - |
| South Harrison Township | | | | |
| 2013 | 2,932,492 | 2,932,492 | 100.00% | - |
| 2012 | 2,705,173 | 2,705,173 | 100.00% | - |
| 2011 | 2,485,214 | 2,485,214 | 100.00% | - |
| 2010 | 2,425,297 | 2,425,297 | 100.00% | - |
| 2009 | 2,210,899 | 2,210,899 | 100.00% | - |
| 2008 | 2,306,380 | 2,306,380 | 100.00% | - |
| 2007 | 2,514,391 | 2,514,391 | 100.00% | - |
| 2006 | 2,089,320 | 2,089,320 | 100.00% | - |
| 2005 | 1,856,541 | 1,856,541 | 100.00% | - |
| 2004 | 1,955,677 | 1,955,677 | 100.00% | - |
| Borough of Swedesboro | | | | |
| 2013 | 1,634,313 | 1,634,313 | 100.00% | - |
| 2012 | 1,393,609 | 1,393,609 | 100.00% | - |
| 2011 | 1,338,014 | 1,338,014 | 100.00% | - |
| 2010 | 1,233,201 | 1,233,201 | 100.00% | - |
| 2009 | 1,094,878 | 1,094,878 | 100.00% | - |
| 2008 | 1,090,706 | 1,090,706 | 100.00% | - |
| 2007 | 1,020,090 | 1,020,090 | 100.00% | - |
| 2006 | 889,946 | 889,946 | 100.00% | - |
| 2005 | 777,758 | 777,758 | 100.00% | - |
| 2004 | 814,817 | 814,817 | 100.00% | - |
| Woolwich Township | | | | |
| 2013 | 8,181,872 | 8,181,872 | 100.00% | - |
| 2012 | 7,129,680 | 7,129,680 | 100.00% | - |
| 2011 | 6,576,712 | 6,576,712 | 100.00% | - |
| 2010 | 6,186,272 | 6,186,272 | 100.00% | - |
| 2009 | 5,472,485 | 5,472,485 | 100.00% | - |
| 2008 | 5,346,707 | 5,346,707 | 100.00% | - |
| 2007 | 5,396,670 | 5,396,670 | 100.00% | - |
| 2006 | 4,165,434 | 4,165,434 | 100.00% | - |
| 2005 | 3,109,624 | 3,109,624 | 100.00% | - |
| 2004 | 3,063,890 | 3,063,890 | 100.00% | - |

**KINGSWAY REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

| FISCAL YEAR ENDED JUNE 20, | GOVERNMENTAL ACTIVITIES | | | TOTAL DISTRICT | PERCENTAGE OF PER CAPITA | |
|-------------------------------------|--------------------------------|---|-------------------|-------------------|--------------------------------|------------|
| | GENERAL OBLIGATION BONDS | BOND ANTICIPATION NOTES (BANS) | CAPITAL LEASES | | PER CAPITA INCOME | PER CAPITA |
| 2013 | \$ 48,294,000 | \$ - | \$ 900,000 | \$ 49,194,000 | N/A | 1,820 |
| 2012 | 50,159,000 | 153,600 | 1,200,000 | 51,512,600 | 4.77% | 2,014 |
| 2011 | 28,239,000 | 299,600 | 1,500,000 | 30,038,600 | 2.85% | 1,177 |
| 2010 | 29,349,000 | 449,600 | 169,000 | 29,967,600 | 3.20% | 1,284 |
| 2009 | 30,419,000 | - | 405,666 | 30,824,666 | 3.43% | 1,384 |
| 2008 | 31,454,000 | - | 642,333 | 32,096,333 | 3.96% | 1,508 |
| 2007 | 32,389,000 | - | 684,881 | 33,073,881 | 4.45% | 1,627 |
| 2006 | 32,749,000 | - | 866,645 | 33,615,645 | 5.20% | 1,794 |
| 2005 | 33,794,000 | - | - | 33,794,000 | 6.00% | 1,979 |
| 2004 | 16,650,000 | 5,000,000 | 226,829 | 21,876,829 | 4.32% | 1,354 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

| FISCAL YEAR ENDED JUNE 30, | GENERAL BONDED DEBT OUTSTANDING | | | PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY | PER CAPITA |
|-------------------------------------|---------------------------------|------------|---|--|------------|
| | GENERAL OBLIGATION BONDS | DEDUCTIONS | NET GENERAL BONDED DEBT OUTSTANDING | | |
| 2013 | \$ 48,294,000 | \$ - | \$ 48,294,000 | 1.79% | 1,787 |
| 2012 | 50,159,000 | - | 50,159,000 | 2.23% | 1,961 |
| 2011 | 28,239,000 | - | 28,239,000 | 1.64% | 1,106 |
| 2010 | 29,349,000 | - | 29,349,000 | 1.71% | 1,257 |
| 2009 | 30,419,000 | - | 30,419,000 | 2.02% | 1,366 |
| 2008 | 31,454,000 | - | 31,454,000 | 2.21% | 1,478 |
| 2007 | 32,389,000 | - | 32,389,000 | 2.41% | 1,593 |
| 2006 | 32,749,000 | - | 32,749,000 | 2.64% | 1,747 |
| 2005 | 33,794,000 | - | 33,794,000 | 3.02% | 1,979 |
| 2004 | 16,650,000 | - | 16,650,000 | 1.59% | 1,031 |

**KINGSWAY REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013**

| <u>Governmental Unit</u> | DEBT OUTSTANDING | ESTIMATED PERCENTAGE APPLICABLE (a) | ESTIMATED SHARE OF OVERLAPPING DEBT |
|---|---------------------|---|--|
| Debt Repaid With Property Taxes: | | | |
| East Greenwich Township | \$ 13,738,330 | 100.00% | \$ 13,738,330 |
| South Harrison Township | 3,067,205 | 100.00% | 3,067,205 |
| Swedesboro Borough | 5,248,952 | 100.00% | 5,248,952 |
| Woolwich Township | 18,540,084 | 100.00% | 18,540,084 |
| Other Debt: | | | |
| County of Gloucester | 274,706,201 | | |
| East Greenwich Township | | 4.161% | 11,429,781 |
| South Harrison Township | | 1.393% | 3,826,133 |
| Swedesboro Borough | | 0.717% | 1,969,961 |
| Woolwich Township | | 4.185% | <u>11,496,009</u> |
| Subtotal, Overlapping Debt | | | 69,316,455 |
| Kingsway Regional School District Debt | | | <u>48,294,000</u> |
| | | | |
| Total Direct & Overlapping Debt | | | <u><u>\$ 117,610,455</u></u> |

Sources: Assessed value data used to estimate applicable percentages provided by the Gloucester County Board of Taxation. Debt outstanding data 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 businesses of the above. 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 for 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 governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

**KINGSWAY REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Limit | \$ 97,981,635 | \$ 99,390,738 | \$ 98,413,494 | \$ 95,523,243 | \$ 88,311,077 | \$ 46,472,803 | \$ 66,555,731 | \$ 46,281,927 | \$ 43,949,343 | \$ 37,060,497 |
| Total Net Debt Applicable to Limit | 48,294,000 | 50,159,000 | 28,239,000 | 29,798,600 | 30,419,000 | 31,454,000 | 32,389,000 | 32,749,000 | 33,794,000 | 16,650,000 |
| Legal Debt Margin | <u>\$ 49,687,635</u> | <u>\$ 49,231,738</u> | <u>\$ 70,174,494</u> | <u>\$ 65,724,643</u> | <u>\$ 57,892,077</u> | <u>\$ 15,018,803</u> | <u>\$ 34,166,731</u> | <u>\$ 13,532,927</u> | <u>\$ 10,155,343</u> | <u>\$ 20,410,497</u> |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 49.29% | 50.47% | 28.69% | 31.20% | 34.45% | 67.68% | 48.66% | 70.76% | 76.89% | 44.93% |

Legal Debt Margin Calculation for Fiscal Year 2012

| | Equalized Valuation Basis | | | | |
|--|---------------------------|----------------|----------------|-----------------|-------------------------|
| | East Greenwich | South Harrison | Swedesboro | Woolwich | Total |
| 2012 | \$1,078,527,027 | \$ 365,657,819 | \$ 189,880,781 | \$1,080,841,103 | \$ 2,714,906,730 |
| 2011 | 1,104,199,191 | 380,786,020 | 186,800,831 | 1,170,853,934 | 2,842,639,976 |
| 2010 | 1,106,083,630 | 379,807,291 | 185,677,617 | 1,169,310,599 | 2,840,879,137 |
| | | | | | <u>\$ 8,398,425,843</u> |
| Average Equalized Valuation of Taxable Property | | | | | <u>\$ 2,799,475,281</u> |
| Debt Limit (3.5 % of Average Equalization Value) | | | | | <u>\$ 97,981,635</u> |
| Net Bonded School Debt | | | | | <u>48,294,000</u> |
| Legal Debt Margin | | | | | <u>\$ 49,687,635</u> |

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

**KINGSWAY REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

| YEAR | POPULATION (a) | PER CAPITA PERSONAL INCOME (c) | UNEMPLOYMENT RATE (d) |
|---------------------------|----------------|--------------------------------------|--------------------------|
| East Greenwich | | | |
| 2012 | 10,065 | N/A | 7.50% |
| 2011 | 9,583 | 42,228 | 7.30% |
| 2010 | 9,555 | 41,337 | 7.50% |
| 2009 | 8,317 | 40,050 | 7.00% |
| 2008 | 7,788 | 39,040 | 4.70% |
| 2007 | 7,250 | 37,331 | 3.70% |
| 2006 | 6,763 | 36,108 | 4.00% |
| 2005 | 6,345 | 34,803 | 3.30% |
| 2004 | 6,110 | 32,619 | 5.00% |
| 2003 | 5,882 | 31,297 | 5.70% |
| South Harrison | | | |
| 2012 | 3,189 | N/A | 7.40% |
| 2011 | 3,172 | 42,228 | 7.20% |
| 2010 | 3,162 | 41,337 | 7.50% |
| 2009 | 3,190 | 40,050 | 7.00% |
| 2008 | 3,134 | 39,040 | 4.70% |
| 2007 | 3,062 | 37,331 | 3.60% |
| 2006 | 2,945 | 36,108 | 4.00% |
| 2005 | 2,871 | 34,803 | 3.70% |
| 2004 | 2,838 | 32,619 | 2.80% |
| 2003 | 2,711 | 31,297 | 3.20% |
| Swedesboro Borough | | | |
| 2012 | 2,833 | N/A | |
| 2011 | 2,591 | 42,228 | 10.60% |
| 2010 | 2,584 | 41,337 | 10.90% |
| 2009 | 2,372 | 40,050 | 10.20% |
| 2008 | 2,250 | 39,040 | 7.00% |
| 2007 | 2,071 | 37,331 | 5.40% |
| 2006 | 2,037 | 36,108 | 6.00% |
| 2005 | 2,039 | 34,803 | 5.50% |
| 2004 | 2,055 | 32,619 | 7.10% |
| 2003 | 2,056 | 31,297 | 8.00% |
| Woolwich | | | |
| 2012 | 10,937 | N/A | 7.30% |
| 2011 | 10,228 | 42,228 | 7.10% |
| 2010 | 10,209 | 41,337 | 7.30% |
| 2009 | 9,469 | 40,050 | 6.90% |
| 2008 | 9,174 | 39,040 | 4.60% |
| 2007 | 8,922 | 37,331 | 3.60% |
| 2006 | 8,579 | 36,108 | 4.00% |
| 2005 | 7,502 | 34,803 | 2.90% |
| 2004 | 6,083 | 32,619 | 6.80% |
| 2003 | 5,518 | 31,297 | 7.70% |

Source:

a Population information provided by the NJ Dept of Labor and Workforce Development

b Personal income

c Per Capita

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

| | 2013 | | |
|---|-----------|------|--------------------------------------|
| | EMPLOYEES | RANK | PERCENTAGE OF TOTAL EMPLOYMENT |
| Underwood Memorial Hospital | 1,825 | 1 | 1.28% |
| Kennedy Memorial Hospital | 1,675 | 2 | 1.17% |
| Rowan University | 1,483 | 3 | 1.04% |
| Missa Bay, LLC | 950 | 4 | 0.67% |
| U.S. Foodservice | 725 | 5 | 0.51% |
| Exxonmobil Research and Engineering Co. | 540 | 6 | 0.38% |
| LaBrea Bakery | 525 | 7 | 0.37% |
| Delaware Valley Wholesale Florist | 500 | 8 | 0.35% |
| Drugstore.com | 450 | 9 | 0.32% |
| Heritage Dairy Stores | 450 | 10 | 0.32% |
| | 9,123 | | 6.39% |

2004

NOT AVAILABLE

Source: Comprehensive Annual Financial Reports of Individual School Districts

**KINGSWAY REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

| Function/Program | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction: | | | | | | | | | | |
| Regular | 136.0 | 127.0 | 133.0 | 126.5 | 130.0 | 130.0 | 125.0 | 120.0 | 112.0 | 103.0 |
| Special Education | 48.0 | 51.0 | 51.0 | 29.0 | 28.0 | 28.0 | 28.0 | 28.0 | 23.0 | 22.0 |
| Other Instruction | 2.0 | 3.0 | 2.0 | 20.0 | 14.0 | 11.0 | 8.0 | 8.0 | 9.0 | 2.0 |
| Athletics & Extra-Curricular | 3.0 | | | | | | | | | |
| Support Services: | | | | | | | | | | |
| Student & Instruction Related Services | 40.0 | 27.5 | 28.0 | 29.0 | 29.0 | 30.0 | 25.0 | 24.0 | 25.5 | 22.0 |
| School Administrative Services | 16.0 | 15.0 | 16.0 | 16.0 | 16.0 | 16.0 | 14.0 | 14.0 | 14.0 | 14.0 |
| General Administrative Services | 2.0 | 2.0 | 2.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.0 |
| Plant Operations & Maintenance | 30.0 | 27.0 | 30.0 | 37.5 | 38.0 | 38.0 | 38.0 | 28.0 | 28.0 | 29.0 |
| Pupil Transportation | 42.0 | 33.0 | 33.0 | 34.0 | 33.0 | 31.0 | 28.0 | 28.0 | 32.5 | 34.0 |
| Business & Other Support Services | 10.0 | 8.0 | 8.0 | 9.0 | 9.0 | 8.5 | 8.5 | 9.0 | 8.0 | 7.0 |
| Food Service | 24.0 | 24.0 | - | - | - | - | - | - | - | - |
| Total | 353.0 | 317.5 | 303.0 | 303.5 | 299.5 | 295.0 | 277.0 | 261.5 | 254.5 | 235.0 |

Source: District Personnel Records

**KINGSWAY REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

| FISCAL YEAR | ENROLLMENT | OPERATING EXPENDITURES (a) | COST PER PUPIL | PERCENTAGE CHANGE | TEACHING STAFF (b) | PUPIL/TEACHER RATIO | | AVERAGE DAILY ENROLLMENT (ADE) (c) | AVERAGE DAILY ATTENDANCE (ADA) (d) | % CHANGE IN AVERAGE DAILY ENROLLMENT | STUDENT ATTENDANCE PERCENTAGE |
|-------------|------------|----------------------------|----------------|-------------------|--------------------|---------------------|-------------|------------------------------------|------------------------------------|--------------------------------------|-------------------------------|
| | | | | | | MIDDLE SCHOOL | HIGH SCHOOL | | | | |
| 2013 | 2,365 | \$ 29,468,444 | 12,460 | 2.81% | 167 | 1.22 | 1.23 | 2,329.9 | 2,189.9 | 3.03% | 93.99% |
| 2012 | 2,284 | 27,682,627 | 12,120 | 4.31% | 152 | 1.25 | 1.24 | 2,261.3 | 2,121.3 | 1.31% | 93.81% |
| 2011 | 2,232 | 25,935,406 | 11,620 | -2.01% | 159 | 1.20 | 1.22 | 2,232.1 | 2,086.1 | 1.10% | 93.46% |
| 2010 | 2,208 | 26,182,824 | 11,858 | -3.39% | 165 | 1.14 | 1.26 | 2,207.9 | 2,068.1 | 3.64% | 93.67% |
| 2009 | 2,130 | 26,143,709 | 12,274 | 1.19% | 162 | 1.11 | 1.14 | 2,130.4 | 2,000.0 | 4.18% | 93.88% |
| 2008 | 2,044 | 24,792,266 | 12,129 | 3.36% | 157 | 1.12 | 1.14 | 2,044.9 | 1,935.3 | 1.27% | 94.64% |
| 2007 | 2,019 | 23,693,498 | 11,735 | 4.52% | 153 | 1.22 | 1.20 | 2,019.2 | 1,894.2 | 6.29% | 93.81% |
| 2006 | 1,900 | 21,333,392 | 11,228 | 2.49% | 148 | 1.12 | 1.14 | 1,899.7 | 1,787.3 | 6.55% | 94.08% |
| 2005 | 1,785 | 19,555,417 | 10,955 | 1.93% | 135 | 1.11 | 1.15 | 1,782.9 | 1,674.6 | 4.18% | 93.93% |
| 2004 | 1,711 | 18,389,848 | 10,748 | 5.28% | 125 | 1.11 | 1.15 | 1,711.4 | 1,596.4 | 5.64% | 93.28% |

Sources: 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 and average daily attendance are obtained from the School Register Summary (SRS)

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

| DISTRICT BUILDINGS | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| High School (Grades 9-12) | | | | | | | | | | |
| Square Feet | 222,351 | 222,351 | 222,351 | 222,351 | 222,351 | 222,351 | 222,351 | 222,351 | 222,351 | 222,351 |
| Capacity (Students) | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 |
| Enrollment | 1,540 | 1,504 | 1,488 | 1,488 | 1,470 | 1,436 | 1,476 | 1,952 | 1,790 | 1,711 |
| Middle School (Grades 7-8) | | | | | | | | | | |
| Square Feet | 104,436 | 104,436 | 104,436 | 104,436 | 104,436 | 104,436 | 104,436 | - | - | - |
| Capacity (Students) | 800 | 800 | 800 | 800 | 800 | 800 | 800 | - | - | - |
| Enrollment | 825 | 780 | 743 | 720 | 660 | 608 | 582 | - | - | - |

Number of Schools at June 30, 2013:

 Middle School = 1

 Senior High School = 1

 Other = 0

Source: District Facilities Office

Enrollment is based on the annual October district count.

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

| | * 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | TOTAL |
|----------------------------|-----------|--------|--------|--------|---------|---------|---------|---------|---------|---------|-----------|
| | \$328,199 | 98,185 | 83,646 | 98,305 | 245,024 | 154,116 | 133,375 | 191,700 | 100,849 | 108,009 | 1,541,408 |
| Total School Facilities | \$328,199 | 98,185 | 83,646 | 98,305 | 245,024 | 154,116 | 133,375 | 191,700 | 100,849 | 108,009 | 1,541,408 |

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

Source: District records

**KINGSWAY REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2013**

| | COVERAGE | DEDUCTIBLE |
|---|---------------|------------|
| School Package Policy (1) | | |
| Blanket - Buildings & Personal Property | \$ 73,030,244 | \$ 1,000 |
| General Liability | 3,000,000 | 1,000 |
| General Automotive Liability | 1,000,000 | 500 |
| Inland Marine | 2,816,273 | 1,000 |
| School Board Legal Liability | 1,000,000 | 7,500 |
| Employee Dishonesty | 100,000 | 1,000 |
| Employee Benefit Liability | 1,000,000 | - |
| Workers' Compensation | 2,000,000 | - |
| Student Accident Insurance (2) | | |
| Base | 1,000,000 | - |
| Catastrophic | 5,000,000 | 25,000 |
| Umbrella Liability (3) | 10,000,000 | - |
| Surety Bonds (4) | | |
| Business Administrator/Board Secretary | 250,000 | - |

- (1) Utica
- (2) Bob McCloskey
- (3) Utica
- (4) Utica

Source: District records

SINGLE AUDIT SECTION





HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Kingsway Regional School District
County of Gloucester
Woolwich Township, New Jersey 08085

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Kingsway Regional School District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Kingsway Regional School District's basic financial statements, and have issued our report thereon dated November 20, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

This report is intended solely for the information of the audit committee, management, the Kingsway Regional Board of Education, the New Jersey State Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Michael Holt
Public School Accountant
Certified Public Accountant
No. 1148

Medford, New Jersey
November 20, 2013



HOLMAN | FRENIA
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EXHIBIT K-2

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04.**

Honorable President and Members
of the Board of Education
Kingsway Regional School District
County of Gloucester
Woolwich Township, New Jersey 08085

Report on Compliance for Each Major Federal and State Program

We have audited Kingsway Regional School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2013. Kingsway Regional 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.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Kingsway Regional School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*; the *New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the *Office of School Finance, Department of Education, State of New Jersey*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Kingsway Regional 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 on compliance for each major federal or state program. However, our audit does not provide a legal determination of Kingsway Regional School District's compliance with those requirements.

Opinion on Each Major Federal or State Program

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB's Circular 04-04.

Report on Internal Control Over Compliance

Management of Kingsway Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Kingsway Regional School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 or New Jersey OMB's 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 Kingsway Regional 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of

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

This report is intended for the information of the management of the Board of Education of the Kingsway Regional School District, the New Jersey State Department of Education, other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

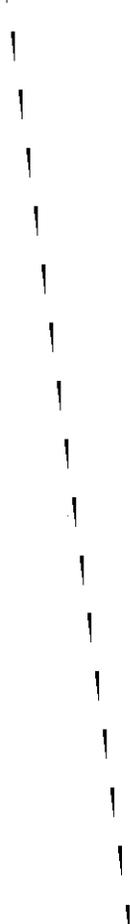
Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read "Michael Holt", with a stylized flourish extending from the end.

Michael Holt
Public School Accountant
Certified Public Accountant
No. 1148

Medford, New Jersey
November 20, 2013



**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

| FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM TITLE | FEDERAL CFDA NUMBER | AWARD AMOUNT | GRANT PERIOD | BALANCE AT JUNE 30, 2012 | CASH RECEIVED | BUDGETARY EXPENDITURES | (ACCOUNTS RECEIVABLE) AT JUNE 30, 2013 | DUE TO GRANTOR AT JUNE 30, 2013 |
|---|---------------------------|-----------------|-----------------|-----------------------------------|------------------|---------------------------|---|--|
| U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION: | | | | | | | | |
| Food Distribution Program | 10.550 | 75,038 | 7/1/12-6/30/13 | \$ - | \$ 75,038 | \$ (75,038) | \$ - | \$ - |
| Healthy Hunger Free Kids Act Lunch Program | 10.551 | 11,689 | 7/1/12-6/30/13 | - | 11,368 | (11,689) | (321) | - |
| National School Lunch Program | 10.555 | 160,864 | 7/1/12-6/30/13 | - | 155,686 | (160,320) | (4,634) | - |
| National School Lunch Program | 10.555 | 152,037 | 7/1/11-6/30/12 | (4,406) | 4,406 | - | - | - |
| Total U.S. Department of Agriculture | | | | (4,406) | 246,498 | (247,047) | (4,955) | - |
| U.S. DEPARTMENT OF EDUCATION: | | | | | | | | |
| General Fund: | | | | | | | | |
| Medical Assistance Program (SEMI) | 93.778 | 5,100 | 9/1/12-8/31/13 | - | - | (5,100) | (5,100) | - |
| Education Jobs Fund | 84.410 | 273,674 | 8/10/10-9/30/12 | - | 683 | (683) | - | - |
| Total General Fund | | | | - | 683 | (5,783) | (5,100) | - |
| U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION: | | | | | | | | |
| Special Revenue: | | | | | | | | |
| Title I | 84.010A | 67,879 | 9/1/12-8/30/13 | - | 30,539 | (53,085) | (22,546) | - |
| Title I | 84.010A | 100,309 | 9/1/11-8/30/12 | (33,287) | 33,287 | - | - | - |
| Title II | 84.367A | 22,687 | 9/1/12-8/30/13 | - | 17,053 | (22,687) | (5,634) | - |
| Title II | 84.367A | 22,709 | 9/1/11-8/30/12 | (6,609) | 6,609 | - | - | - |
| I.D.E.A. Part B, Basic Regular | 84.027 | 344,557 | 9/1/12-8/30/13 | - | 288,963 | (344,557) | (55,594) | - |
| I.D.E.A. Part B, Basic Regular | 84.027 | 339,157 | 9/1/11-8/30/12 | (45,314) | 45,314 | - | - | - |
| Race to the Top | 84.395 | 7,989 | 9/1/11-8/30/15 | - | 7,989 | (7,989) | - | - |
| Total Special Revenue Fund | | | | (85,210) | 429,754 | (428,318) | (83,774) | - |
| Total Federal Financial Assistance | | | | \$ (89,616) | \$ 676,935 | \$ (681,148) | \$ (93,829) | \$ - |

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

127

| STATE GRANTOR/ PROGRAM TITLE | GRANT OR STATE PROJECT NUMBER | AWARD AMOUNT | GRANT PERIOD | BALANCE | CASH RECEIVED | BUDGETARY EXPENDITURES | (ACCOUNTS | MEMO | |
|--|-------------------------------------|-----------------|-----------------|------------------------|----------------------|---------------------------|------------------------------------|-------------------------|-------------------------------------|
| | | | | AT JUNE 30, 2012 | | | RECEIVABLE) AT JUNE 30, 2013 | BUDGETARY RECEIVABLE | CUMULATIVE TOTAL EXPENDITURES |
| State Department of Education: | | | | | | | | | |
| General Fund: | | | | | | | | | |
| Equalization Aid | 13-495-034-5120-078 | \$ 6,178,008 | 7/1/12-6/30/13 | \$ - | \$ 6,178,008 | \$ (6,178,008) | \$ - | \$ (560,003) | \$ 6,178,008 |
| Categorical Special Education Aid | 13-495-034-5120-089 | 1,082,940 | 7/1/12-6/30/13 | - | 1,082,940 | (1,082,940) | - | (98,163) | 1,082,940 |
| Transportation Aid | 13-495-034-5120-014 | 233,256 | 7/1/12-6/30/13 | - | 233,256 | (233,256) | - | (21,143) | 233,256 |
| Security Aid | 13-495-034-5120-084 | 147,689 | 7/1/12-6/30/13 | - | 147,689 | (147,689) | - | (13,387) | 147,689 |
| Extraordinary Aid | 13-495-034-5120-044 | 136,319 | 7/1/11-6/30/12 | - | - | (136,319) | (136,319) | - | 136,319 |
| Extraordinary Aid | 12-495-034-5120-044 | 133,639 | 7/1/11-6/30/12 | (133,639) | 133,639 | - | - | - | - |
| Supplemental Enrollment Growth Aid | 13-495-034-5120-094 | 921,670 | 7/1/12-6/30/13 | - | 921,670 | (921,670) | - | - | 921,670 |
| Non-Public School Transportation | 13-100-034-5120-067 | 39,759 | 7/1/12-6/30/13 | - | - | (39,759) | (39,759) | - | 39,759 |
| Non-Public School Transportation | 12-100-034-5120-067 | 53,451 | 7/1/11-6/30/12 | (53,451) | 53,451 | - | - | - | - |
| Reimbursed TPAF Social | | | | | | | | | |
| Security Contribution | 13-495-034-5095-002 | 855,415 | 7/1/12-6/30/13 | - | 813,873 | (855,415) | (41,542) | - | 855,415 |
| Reimbursed TPAF Social | | | | | | | | | |
| Security Contribution | 12-495-034-5095-002 | 824,321 | 7/1/11-6/30/12 | (4,277) | 4,277 | - | - | - | - |
| On-Behalf TPAF Pension Contribution | 13-495-034-5095-006 | 740,405 | 7/1/12-6/30/13 | - | 740,405 | (740,405) | - | - | 740,405 |
| On-Behalf Post Retirement Medical Contribution | 13-495-034-5095-006 | 837,211 | 7/1/12-6/30/13 | - | 837,211 | (837,211) | - | - | 837,211 |
| Debt Service Fund: | | | | | | | | | |
| Debt Service Aid | 13-495-034-5120-032 | 635,902 | 7/1/12-6/30/13 | - | 635,902 | (635,902) | - | - | 635,902 |
| State Department of Agriculture: | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | |
| National School Lunch Program (State Share) | 13-100-010-3360-067 | 9,015 | 7/1/12-6/30/13 | - | 7,644 | (8,446) | (802) | - | 8,446 |
| National School Lunch Program (State Share) | 12-100-010-3360-067 | 8,433 | 7/1/11-6/30/12 | (224) | 224 | - | - | - | - |
| NJ SCHOOL DEVELOPMENT AUTHORITY | | | | | | | | | |
| Capital Projects Fund: | | | | | | | | | |
| KRMS - Additions/Renovations | 2440-060-10-1003 | 2,866,467 | 1/6/12-6/30/14 | (2,866,467) | 653,045 | - | (2,213,422) | - | - |
| KRMS - Auxiliary Gymnasium | 2440-060-10-1002 | 1,221,326 | 1/6/12-6/30/14 | (1,221,326) | 982,073 | - | (239,253) | - | - |
| KRHS - Additions/Renovations | 2440-050-10-2001 | 4,375,608 | 1/6/12-6/30/14 | (4,375,608) | 3,500,486 | - | (875,122) | - | - |
| Total State Financial Assistance | | | | \$ (8,654,992) | \$ 16,925,793 | \$ (11,817,020) | \$ (3,546,219) | \$ (692,696) | \$ 11,817,020 |
| On-Behalf TPAF Pension Contributions | | | | | | \$ 740,405 | | | |
| On-Behalf TPAF Post-Retirement | | | | | | 837,211 | | | |
| Total State Financial Assistance Reported on Single Audit Summary | | | | | | \$ (10,239,404) | | | |

**KINGSWAY REGIONAL BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2013**

Note 1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Kingsway Regional 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 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 financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's 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 schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance related 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 revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(22,924) for the general fund and \$(3,100) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**KINGSWAY REGIONAL BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued):
JUNE 30, 2013**

Note 3. Relationship to Basic Financial Statements (continued):

| | Federal | State | Total |
|----------------------------|-------------------|----------------------|----------------------|
| General Fund | \$ 5,783 | \$ 11,149,748 | \$ 11,155,531 |
| Special Revenue Fund | 425,218 | - | 425,218 |
| Debt Service Fund | - | 635,902 | 635,902 |
| Food Service Fund | 247,047 | 8,446 | 255,493 |
| | | | |
| Total Financial Assistance | <u>\$ 678,048</u> | <u>\$ 11,794,096</u> | <u>\$ 12,472,144</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 under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2013. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2013.

Note 6. Federal and State Loans Outstanding

Kingsway Regional Board of Education had no loan balances outstanding at June 30, 2013.

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2013**

Section I – Summary of Auditor’s Results

Financial Statements

| | |
|---|-------------------|
| Type of auditor’s report issued: | <u>Unmodified</u> |
| Internal control over financial reporting: | |
| 1) Material weakness(es) identified? | None Reported |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| Noncompliance material to basic financial Statements noted? | None Reported |

Federal Awards

| | |
|---|-------------------|
| Internal Control over major programs: | |
| 1) Material weakness(es) identified? | None Reported |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| Type of auditor’s report issued on compliance for major programs | <u>Unmodified</u> |
| Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133? | None Reported |

Identification of major programs:

| CFDA Number(s) | Name of Federal Program or Cluster |
|-------------------------|---|
| 84.027 | I.D.E.A. Special Education Cluster |
| 10.550, 10.551 & 10.555 | Child Nutrition Cluster |

| | |
|--|-----------|
| Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| Auditee qualified as low-risk auditee? | Yes |

**KINGSWAY SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2013**

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

State Financial Assistance

| | |
|---|-------------------|
| Dollar threshold used to distinguish between type A and type B programs: | \$307,182 |
| Auditee qualified as low-risk auditee? | Yes |
| Type of auditor’s report issued on compliance for major programs | <u>Unmodified</u> |
| Internal Control over major programs: | |
| 1) Material weakness(es) identified? | None Reported |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04 | None Reported |

Identification of major programs:

| GMIS Number(s) | Name of State Program |
|---------------------|-----------------------------------|
| 13-495-034-5120-078 | Equalization Aid |
| 13-495-034-5120-084 | Security Aid |
| 13-495-034-5120-085 | Adjustment Aid |
| 13-495-034-5120-089 | Special Education Categorical Aid |

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Circular A-133 audit.

No Current Year Findings

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

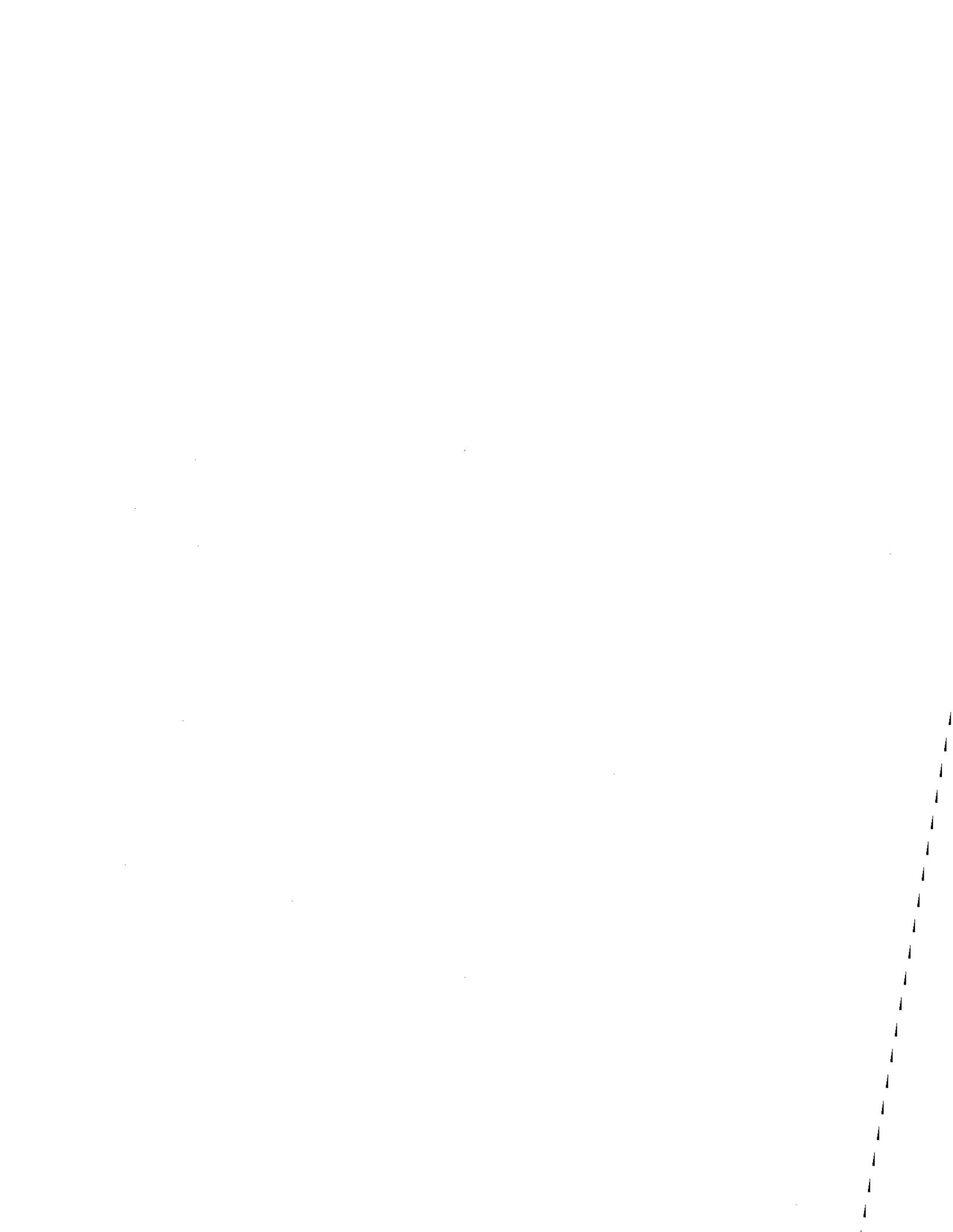
This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB’s Circular Letter 04-04.

No Current Year Findings

**KINGSWAY REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2013**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

No Prior Year Findings



KINGSWAY REGIONAL SCHOOL DISTRICT

BOARD OF EDUCATION

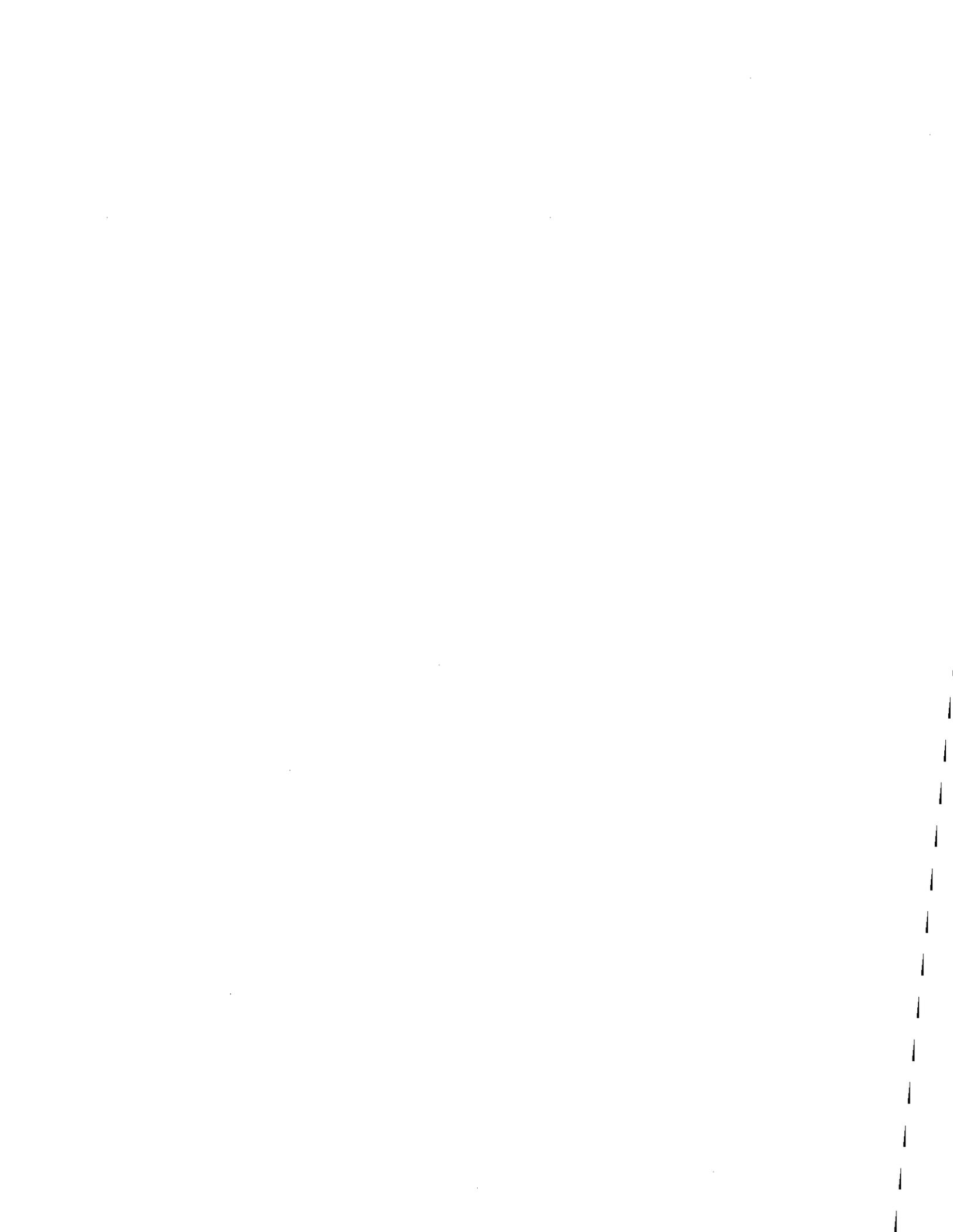
Woolwich Township, New Jersey
County of Gloucester

**Auditor's Management Report on Administrative Findings -
Financial, Compliance and Performance
for the Year Ended June 30, 2013**

**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

TABLE OF CONTENTS

| | PAGE |
|--|-------------|
| Report of Independent Auditors - Auditor's Management Report on Administrative Findings, Financial Compliance and Performance | 1 |
| Scope of Audit | 2 |
| Administrative Practices and Procedures: | |
| Insurance | 2 |
| Official Bonds | 2 |
| Tuition Charges | 2 |
| Financial Planning, Accounting and Reporting: | |
| Examination of Claims | 2 |
| Payroll Account | 3 |
| Reserve for Encumbrances and Accounts Payable | 3 |
| Classification of Expenditures | 3 |
| Board Secretary's Records | 3 |
| Treasurer's Records | 3 |
| Elementary & Secondary School Education Act (E.S.E.A.), as amended by the Improving America's Schools Act of 1994 (I.A.S.A.) | 3 |
| Other Special Federal and/or State Project | 4 |
| T.P.A.F. Reimbursement | 4 |
| Demonstrably Effective Program Accounting | N/A |
| School Purchasing Programs: | |
| Contracts & Agreements Requiring Advertisement for Bids | 4 |
| School Food Service | 5 |
| Student Body Activities | 6 |
| Application for State School Aid | 6 |
| Pupil Transportation | 6 |
| Facilities and Capital Assets | N/A |
| Miscellaneous | N/A |
| Follow-up on Prior Year Findings | 7 |
| Acknowledgment | 7 |
| Additional Information: | |
| Schedule of Meal Count Activity – Federal | 8 |
| Schedule of Meal Count Activity – State | 9 |
| Schedule of Audited Enrollments | 10 |
| Excess Surplus Calculation | 12 |





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**REPORT OF INDEPENDENT AUDITORS
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS, FINANCIAL COMPLIANCE AND PERFORMANCE**

Honorable President and Members
of the Board of Education
Kingsway Regional School District
County of Gloucester
Woolwich Township New Jersey 08085

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Kingsway Regional School District in the County of Gloucester for the year ended June 30, 2013, and have issued our report thereon dated November 20, 2013.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the Kingsway Regional Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
November 20, 2013



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Honorable President and Members
of the Board of Education
Kingsway Regional School District
County of Gloucester
Woolwich Township, New Jersey 08085

**ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Scope of Audit

The audit covered the financial transactions of the School Business Administrator/Board Secretary and Treasurer of School Moneys, the activities of the Board of Education, the records of the Athletic Fund, the Student Activity Fund, Food Service Fund and Special Revenue Fund under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

Official Bonds

| Name | Position | Amount |
|---------------|--|---------------|
| Jason Schimpf | Business Administrator/Board Secretary | \$250,000 |

There is a Public Dishonesty Blanket Bond covering all other employees with coverage of \$100,000 per occurrence.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated costs. The Board made proper adjustment to the billings to sending districts for the decrease in per pupil costs in accordance with *N.J.A.C. 6A:23-3.1(f)3*.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signature, certification or supporting documentation.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's payroll deductions and employer's share of fringe benefits were deposited in the Payroll agency account.

All payrolls were approved by the Superintendent and were certified by the President of the Board and the School Business Administrator/Board Secretary.

Salary withholdings were promptly remitted to the proper agencies.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C.6A:23-1.2* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the board secretary were found to be in satisfactory condition.

Treasurer's Records

The records maintained by the treasurer were found to be in satisfactory condition.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001.

The E.S.E.A./N.C.L.B. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I, II, IV, and VI of the Elementary and Secondary Education Act as amended and reauthorized.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A located in the Auditor's Management Report and Schedule B located in the CAFR.

Our audit of the Federal and State funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A.18A:18A-3 states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to \$36,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in *N.J.S.18A:18A-2* (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A.18A:18A-4 states, "Every contract for the performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to *N.J.S.A.18A:18A-3* except by contract or agreement."

School Purchasing Programs (continued):

Effective July 1, 2010 and thereafter the bid thresholds in accordance with *N.J.S.A.18A:18A-2* and *18A:18A-3(a)* are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A.18A:39-3* is currently \$17,500. The Kingsway Regional School District currently has a Qualified Purchasing Agent.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year (contract year for January 1, 2011 and thereafter). Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A.18A:18A-4*.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per *N.J.S.A.18A:18A-5*.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

School Food Service

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement vouchers were timely filed.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the costs of food and supplies used.

School Food Service (continued):

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the school food service. Net cash resources did not exceed three months average expenditures.

Cash receipts and bank records were reviewed for timely deposit.

Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G.

Student Body Activities

The student body activities were maintained in satisfactory condition.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2012 application for State School Aid (A.S.S.A.) for On-Roll, private schools for the handicapped, bilingual and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent.

The District has adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of On Roll status reported in the 2012-2013 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Follow-up on Prior Years' Findings

There were no prior year findings.

Acknowledgment

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or should you desire any assistance, please call me.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
November 20, 2013

ADDITIONAL INFORMATION

SCHEDULE OF MEAL COUNT ACTIVITY - FEDERAL

**KINGSWAY REGIONAL SCHOOL DISTRICT
FOOD SERVICE FUND - FEDERAL
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(MEMORANDUM ONLY)**

| PROGRAM | MEAL CATEGORY | MEALS CLAIMED | MEALS TESTED | MEALS VERIFIED | DIFFERENCE | RATE | (OVER)/ UNDER CLAIM |
|---|------------------|------------------|-----------------|-------------------|------------|------|---------------------------|
| National School Lunch (Regular Rate) | Paid | 151,291 | 34,365 | 34,365 | - | 0.26 | - |
| | Reduced | 11,201 | 2,653 | 2,653 | - | 2.32 | - |
| | Free | 32,329 | 7,637 | 7,637 | - | 2.72 | - |
| | Total | 194,821 | 44,655 | 44,655 | - | | - |

SCHEDULE OF MEAL COUNT ACTIVITY - STATE

KINGSWAY REGIONAL SCHOOL DISTRICT
 FOOD SERVICE FUND - STATE
 NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
 ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013
 (MEMORANDUM ONLY)

| PROGRAM | MEAL CATEGORY | MEALS CLAIMED | MEALS TESTED | MEALS VERIFIED | DIFFERENCE | RATE | (OVER)/ UNDER CLAIM |
|---|------------------|------------------|-----------------|-------------------|------------|------|---------------------------|
| National School Lunch (Regular Rate) | Paid | 151,291 | 53,816 | 53,816 | - | 0.26 | - |
| | Reduced | 11,201 | 3,888 | 3,888 | - | 2.32 | - |
| | Free | 32,329 | 11,394 | 11,394 | - | 2.72 | - |
| | Total | 194,821 | 69,098 | 69,098 | - | | - |

SCHEDULE OF AUDITED ENROLLMENTS (1)

KINGSWAY REGIONAL SCHOOL DISTRICT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2012

| | 2013-2014 Application for State School Aid | | | | | | Sample for Verification | | | | | | Private Schools for Disabled | | | |
|----------------------------|--|--------|--------------------------------|--------|--------|--------|---------------------------------|--------|--------------------------------|--------|------------------------------|--------|---|---------------------------|-----------------|---------------|
| | Reported on A.S.S.A. On Roll | | Reported on Workpapers On Roll | | Errors | | Sample Selected from Workpapers | | Verified per Registers On Roll | | Errors per Registers On Roll | | Reported on A.S.S.A. as Private Schools | Sample for Verifi- cation | Sample Verified | Sample Errors |
| | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | | | | |
| | | | | | | | | | | | | | | | | |
| Seven | 363 | - | 363 | - | - | - | 42 | - | 42 | - | - | - | - | - | - | - |
| Eight | 341 | - | 341 | - | - | - | 40 | - | 40 | - | - | - | - | - | - | - |
| Nine | 322 | - | 322 | - | - | - | 37 | - | 37 | - | - | - | - | - | - | - |
| Ten | 342 | - | 342 | - | - | - | 40 | - | 40 | - | - | - | - | - | - | - |
| Eleven | 321 | - | 321 | - | - | - | 40 | - | 40 | - | - | - | - | - | - | - |
| Twelve | 318 | 1 | 318 | 1 | - | - | 40 | - | 40 | - | - | - | - | - | - | - |
| Subtotal | 2,007 | 1 | 2,007 | 1 | - | - | 239 | - | 239 | - | - | - | - | - | - | - |
| Special Ed - Middle School | 126 | - | 126 | - | - | - | 16 | - | 16 | - | - | - | 5 | 5 | 5 | - |
| Special Ed - High School | 196 | 30 | 196 | - | - | - | 29 | - | 29 | - | - | - | 13 | 13 | 13 | - |
| Subtotal | 322 | 30 | 322 | - | - | - | 45 | - | 45 | - | - | - | 18 | 18 | 18 | - |
| Totals | 2,329 | 31 | 2,329 | 1 | - | - | 284 | - | 284 | - | - | - | 18 | 18 | 18 | - |
| Percentage Error | | | | | - | - | | | | | | | | | | - |

10

SCHEDULE OF AUDITED ENROLLMENTS (2)

KINGSWAY REGIONAL SCHOOL DISTRICT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2012

| | Resident Low Income | | | | | | Resident LEP Low Income | | | | | |
|----------------------------|---|---|--------|---------------------------------------|--|------------------|---|---|--------|---------------------------------------|---|------------------|
| | Reported on A.S.S.A. as Low Income | Reported on Workpapers as Low Income | Errors | Sample for Verification | | | Reported on A.S.S.A. as LEP low Income | Reported on Workpapers as LEP low Income | Errors | Sample for Verification | | |
| | | | | Sample Selected from Workpapers | Verified to Application and Register | Sample Errors | | | | Sample Selected from Workpapers | Verified to Test Score and Register | Sample Errors |
| Seven | 35 | 35 | - | 21 | 21 | - | - | - | - | - | - | - |
| Eight | 36 | 36 | - | 20 | 20 | - | - | - | - | - | - | - |
| Nine | 23 | 23 | - | 27 | 27 | - | 2 | 2 | - | 2 | 2 | - |
| Ten | 30 | 30 | - | 30 | 30 | - | - | - | - | - | - | - |
| Eleven | 23 | 23 | - | 23 | 23 | - | - | - | - | - | - | - |
| Twelve | 25 | 25 | - | 19 | 19 | - | 1 | 1 | - | 1 | 1 | - |
| Subtotal | 172 | 172 | - | 140 | 140 | - | 3 | 3 | - | 3 | 3 | - |
| Special Ed - Middle School | 37 | 37 | - | 14 | 14 | - | - | - | - | - | - | - |
| Special Ed - High School | 46 | 46 | - | 26 | 26 | - | 1 | 1 | - | 1 | 1 | - |
| Subtotal | 83 | 83 | - | 40 | 40 | - | 1 | 1 | - | 1 | 1 | - |
| Totals | 255 | 255 | - | 180 | 180 | - | 4 | 4 | - | 4 | 4 | - |
| Percentage Error | | | | | | | | | | | | |

11

Transportation

| | Reported on DRTRS by DOE/county | Reported on DRTRS by District | Errors | Tested | Verified | Errors |
|----------------------------------|---------------------------------------|-------------------------------------|--------|--------|----------|--------|
| Reg. - Public Schools, col. 1 | 1,615 | 1,615 | - | 234 | 234 | - |
| Reg -SpEd, col. 4 | 206.5 | 206.5 | - | 28 | 28 | - |
| Aid-in-Lieu, col. 2 | 112 | 112 | - | 14 | 14 | - |
| Transported - Non-Public, col. 3 | 28 | 28 | - | 3 | 3 | - |
| Special Ed Spec, col. 6 | 57.5 | 57.5 | - | 5 | 5 | - |
| Totals | 2,019 | 2,019 | - | 284 | 284 | - |
| Percentage Error | | | | | | |

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

| | |
|---|---------------------------|
| 2012-2013 Total General Fund Expenditures per the CAFR, Ex. C-1 | \$ <u>30,373,904</u> (B) |
| Increased by: | |
| Transfer from Capital Outlay to Capital Projects Fund | \$ <u>-</u> (B1a) |
| Transfer from Capital Reserve to Capital Projects Fund | \$ <u>-</u> (B1b) |
| Decrease by: | |
| On-Behalf TPAF Pension & Social Security | \$ <u>2,433,031</u> (B2a) |
| Assets Acquired Under Capital Leases | \$ <u>-</u> (B2b) |
| Adjusted 2012-2013 General Fund Expenditures [(B)+(B1s)-(B2s)] | \$ <u>27,940,873</u> (B3) |
| 2% of adjusted 2012-2013 General Fund Expenditures [(B3) times .02] | \$ <u>558,817</u> (B4) |
| Enter Greater of (B4) or \$250,000 | \$ <u>558,817</u> (B5) |
| Increased by: Allowable Adjustment * | \$ <u>76,078</u> (K) |
| Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)] | \$ <u>634,895</u> (M) |

SECTION 2

| | |
|---|--------------------------|
| Total General Fund - Fund Balance @6-30-2013 (Per CAFR Budgetary Comparison Schedule C-1) | \$ <u>5,418,399</u> (C) |
| Decreased by: | |
| Year-End Encumbrances | \$ <u>377,428</u> (C1) |
| Legally Restricted - Designated for Subsequent Year's Expenditures | \$ <u>-</u> (C2) |
| Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures** | \$ <u>1,711,091</u> (C3) |
| Other Restricted Fund Balances **** | \$ <u>1</u> (C4) |
| Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures | \$ <u>800,000</u> (C5) |
| Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)] | \$ <u>2,529,879</u> (U1) |

REGULAR DISTRICT (continued):

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 1,894,984 (E)

Recapitulation of excess surplus as of June 30, 2013

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures ** \$ 1,711,091 (C3)

Reserved Excess Surplus *** [(E)] \$ 1,894,984 (E)

Total [(C3)+(E)] \$ 3,606,075

Footnotes:

* This adjustment line (as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid, Additional Nonpublic School Transportation Aid and Unbudgeted TPAF Wage Freeze Grant Funding. Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

| | |
|--|-----------------------|
| Impact Aid | \$ <u>-</u> (H) |
| Sale & Lease-back | \$ <u>-</u> (I) |
| Extraordinary Aid | \$ <u>36,319</u> (J1) |
| Additional Nonpublic School Transportation Aid | \$ <u>39,759</u> (J2) |
| Total Adjustments [(H)+(I)+(J1)+(J2)] | \$ <u>76,078</u> (K) |

** This amount represents the June 30, 2012 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

*** Amounts must agree to the June 30, 2013 CAFR and must agree to Audit Summary Worksheet Line 10024.

**** Amount for Other Restricted/Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government such as the judicial branch of government must have Departmental approval. District requests should be submitted to the Division of Finance and Regulatory Compliance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory Restrictions:

| | |
|--|------------------|
| Approved Unspent Separate Proposal | \$ <u>-</u> |
| Capital Outlay for a District With a Capital Outlay Cap Waiver | \$ <u>-</u> |
| Sale/Lease-Back Reserve | \$ <u>-</u> |
| Capital Reserve | \$ <u>1</u> |
| Maintenance Reserve | \$ <u>-</u> |
| Emergency Reserve | \$ <u>-</u> |
| Waiver Offset Reserve | \$ <u>-</u> |
| Tuition Reserve | \$ <u>-</u> |
| Other State/Government Mandated Reserve | \$ <u>-</u> |
| [Other Restricted Fund Balance Not Noted Above]**** | \$ <u>-</u> |
| Total Other Restricted Fund Balance | \$ <u>1</u> (C4) |